



Hock Lian Seng Holdings Limited

80 Marine Parade Road
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For Immediate Release

Hock Lian Seng reports S\$4.5 million profit after tax for 1Q12

- **Balance sheet remains strong with cash and cash equivalents at S\$164.4 million and low gearing after land acquisition for industrial development at Gambas**
- **Order book of S\$209 million and Gambas industrial property development project to provide continuous flow of activities through FY2014**
- **Construction of Gambas project to commence in second half 2012**

Singapore, 10 May 2012 – Hock Lian Seng Holdings Limited (“Hock Lian Seng” or “福聯盛控股有限公司”) and its subsidiaries (“the Group”), an established BCA Grade A1 civil engineering infrastructure builder, posts profit after tax of S\$4.5 million for the first quarter ended 31 March 2012 (“1Q12”). Profit for the quarter dipped 8.0% y-o-y on lower recognition of revenue for the Marina Coastal Expressway project during the quarter under review and substantial completion of the Marina Bay Station project.

Higher rental rates of the Group’s dormitory during the quarter contributed towards a 15% increase in dormitory revenue to S\$2.3 million and corresponding 14.3% increase in gross profit to S\$1.6 million for the segment.

The Group maintains a healthy balance sheet with low gearing and cash balance of S\$164.4 million as at 31 March 2012 despite the acquisition of the land at Gambas Avenue/Crescent for a proposed industrial property development. The total consideration of the industrial land site was S\$81.0 million of which the Group has partially financed 57.9% or S\$46.9 million through a bank loan. Construction for the proposed nine-storey multiple user light industrial development is expected to commence in second half of 2012.



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In addition to the construction work for the Gambas industrial property, the Group has an order book of S\$209 million as at 31 March 2012, made up of outstanding civil engineering work for Jalan Gali Batu Depot and Marina Coastal Expressway projects, which will provide continuous flow of revenue through FY2014.

In the coming months, a number of civil engineering and infrastructure projects will be called for tenders by the Singapore Government. While these upcoming projects pose good construction opportunities, the Group expects to face keen competition from large foreign contractors, higher construction cost and a shortage of foreign workers. Notwithstanding these challenges, the Group will continue to strive to secure more construction projects and explore other business opportunities in property related segments.

- The End -



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About Hock Lian Seng Holdings Limited

Hock Lian Seng Holdings Limited was listed on SGX Mainboard on 21 December 2009. Its core business segments are civil engineering, supply of building materials, property development and property investment. The Group carries out civil engineering works for bridges, expressways, tunnels, MRT, port facilities, water and sewage facilities and other infrastructure works. It also procures and sells building materials (namely, concreting sand and aggregates) for building and construction purposes mainly for Singapore public sector contracts.

Hock Lian Seng is one of the leading local civil engineering construction companies. Its major customers include government and government-related bodies of Singapore, such as the LTA, the HDB, the PSA, the PUB and the CAAS.

Issued for and on behalf of Hock Lian Seng Holdings Limited

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