



August Consulting

Foo Yiting – yiting@august.com.sg

Melissa Yee – melissa@august.com.sg

Tel: 6733 8873 Fax: 6733 9913

FOR IMMEDIATE RELEASE

Newly-listed Tiong Seng Holdings' FY09 net profit soars more than four times to S\$41.4 million

- *Revenue grew 38% year-on-year to S\$375.6 million*
- *Strong order book of S\$953.0 million as at 17 February 2010*

S\$'000	FY2009	FY2008	Change (%)
Revenue	375,625	272,314	+38
Net profit	51,644	7,782	> 100
Net profit attributable to equity holders	41,402	9,272	> 100
Earnings per share* (cents)	7.33	1.64	-
Net asset value per share* (cents)	17.27	11.17	-
Cash & cash equivalents	32,841	10,932	> 100

* Based on the pre-invitation share capital of 564,995,750 shares

SINGAPORE – 7 May 2010 – Singapore-based construction group and property developer, **Tiong Seng Holdings Limited (長成控股)** (“Tiong Seng”, together with its subsidiaries, “the Group”), today reported a more than four-fold rise in net profit attributable to equity holders for the 12 months ended 31 December 2009 (“FY2009”) to S\$41.4 million, from S\$9.3 million a year ago.

This was due mainly to an increase in profit from operating activities and a higher share of profit from the Group’s joint venture projects recorded during the year.

Both the Group’s construction business in Singapore and property development business in the PRC recorded strong growth, with increases in revenue of S\$17.5 million and S\$87.1 million respectively, boosting the Group’s FY2009 revenue by 38% to S\$375.6 million.

Mr Pek Lian Guan (白連源), CEO of Tiong Seng Holdings Limited, said: “We have achieved a commendable set of results in 2009, which is testament to our complementary business model, operational efficiency, prudent cost management, and clear growth strategies.”

Based on the pre-invitation share capital of 564,995,750 shares, the Group’s earnings per share for FY2009 was 7.33 Singapore cents, as compared to 1.64 Singapore cents for FY2008. Net asset value per share as at 31 December 2009 was 17.27 Singapore cents, versus 11.17 Singapore cents as at 31 December 2008.

Segmental Review

S\$’000	FY2009	FY2008	Change (%)
Revenue from construction contracts	279,086	261,561	+7
Revenue from sales of development properties	95,529	8,431	> 100

Revenue from the Group’s construction contracts increased by S\$17.5 million, driven mainly by revenue from the Sentosa Integrated Resorts, Tribeca, Sky @ Eleven, and Hilltops projects; as well as two new projects, namely Shelford and Marina Boulevard Financial Centre T3. These projects contributed approximately S\$146.5 million in additional revenue, which was partially offset by a dip in revenue from on-going projects Capella Phase 1 & 2, as well as four other completed projects: Parc Emily, Riveredge Condominium, The ARC at Draycott, and Marina Boulevard Financial Centre (Foundation Engineering) in 2008.

In the PRC, the Group recorded an S\$87.1 million surge in revenue from sales of development properties with the completion of the Tianmen Jinwan Building in Tianjin in March 2009, which was the main revenue contributor for this segment in FY2009.

Balance Sheet & Cash Flow Statement

The Group maintained a healthy financial position as at 31 December 2009 with a strong cash balance of S\$32.8 million, as compared to S\$10.9 million in FY2008. It also continues to enjoy healthy operating cashflows with a net cash inflow of S\$64.3 million generated from operating activities in FY2009.

Strong Order Book

Armed with a strong order book for construction and civil engineering projects based on secured contracts amounting to approximately S\$953.0 million as at 17 February 2010, Tiong Seng expects majority of these orders to be fulfilled over the next 12 to 30 months. The Group was awarded another contract of approximately S\$150 million from the National University of Singapore for the construction of its Kent Vale NUS staff housing in March 2010.

Going Forward

With strong construction demand projected, Singapore will continue to be Tiong Seng's core market for construction and civil engineering activities.

"We have built a solid foundation, with an established track record of more than 50 years, as well as experience in large-scale projects such as the Sentosa Integrated Resorts. These will enable us to continue to secure larger-scale construction projects in both the public and private sectors."

"In the PRC, we will tap on our resources and capabilities to capitalise on any business opportunities that arise, and strive to continue expand our footprint by focusing on actively acquiring land use rights to develop residential and commercial properties in the second- and third-tier cities," Mr Pek concluded.

###

About Tiong Seng Holdings

Tiong Seng is principally engaged in building construction and civil engineering in Singapore, as well as property development in the PRC.

With an established track record of over 50 years, Tiong Seng is one of the leading building construction and civil engineering contractors in Singapore. It holds the highest grading of A1 from the Building Construction Authority of Singapore (BCA) for both general building and civil engineering, which qualifies the Group to undertake public sector construction projects with unlimited contract value.

Tiong Seng's property development business focuses on developing residential and commercial projects in various second- and third-tier cities in the PRC. The Group has successfully developed properties in Tianjin, Suzhou and Yangzhou and it currently has four on-going projects in the Bohai Economic Rim, which is one of the main economic zones in the PRC.

DBS Bank Ltd. ("DBS") is the Issue Manager, Underwriter and Placement Agent for Tiong Seng's listing on the SGX-ST. DBS assumes no responsibility for the contents of this announcement.