

Record dividend for HSL

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KUCHING — Marine engineering specialist Hock Seng Lee Berhad will pay out an eight percent final ordinary dividend per share less tax making a total payout of 16 percent in gross dividends for 2007.

At its Annual General Meeting held today, shareholders approved the further eight percent final ordinary dividend which added to the eight percent interim dividend paid out in October 2007, brings the total dividend for 2007 to a record 16 percent less tax.

Group Chairman YB Senator Dato' Hj Idris Buang noted that dividend payout ratios for HSL had averaged 33% over the past three years, among the highest in the industry and that it was the policy of the Group to reward its loyal investors.

"We have had a good year and we want to share our success with our valued shareholders," Dato' said.

Dato' Idris was commenting after HSL's Annual General Meeting in Kuching today in which all resolutions were approved by shareholders including the final ordinary dividend of 8 percent per share less tax, payable on 9 June 2008.

HSL Group also announced its first quarter financial results after the Annual General Meeting showing both earnings and revenue growth.

HSL Group net profit before tax for the quarter ended 31 March 2008 stood at RM13.22 million on revenue of RM64.92 million up from RM11.03 million and RM59.64 million respectively for the preceding year's corresponding quarter.

The results represent close to a 20 percent increase in gross earnings before tax over last year's outcome at this stage of the year.

With Ninth Malaysia Plan (9MP) projects in full swing, the Sarawak Corridor for Renewable Energy (SCORE) kicking-in and the 9MP mid-term review coming up, HSL is expected to keep very busy.

The value of HSL's projects in hand stands at RM1.1 billion of which some RM820 million is outstanding.

“We anticipate our order book to grow as the year progresses as we are pursuing several infrastructure contracts in Sarawak,” Dato’ Idris said.

“The advent of SCORE will serve to intensify infrastructure development in Sarawak’s large central region and our marine engineering expertise will undoubtedly be in demand,” Dato’ added.

The company is presently progressing well with land reclamation and infrastructure works for industrial parks in Tanjung Manis and Samarahan.

Meanwhile the Jalan Kuching-Kota Samarahan- Asajaya Expressway (Phase 1) and Jalan Samarahan/ Kg Ensegei Hulu/ Kg Sebuyau/ Kg Lubok Bunting road construction projects, both of which are in Samarahan Division, Sarawak, are nearing completion.

“At the same time, the property development sector under wholly-owned subsidiary Hock Seng Lee Construction Sdn Bhd, has continued its rise to prominence,” said Dato’ Idris.

“Our inaugural housing development in Sibu, Vista Parade, was very well received with thousands of visitors to our showhouse and sixty percent of units sold during the official launch,” Dato’ added.

“In spite of global uncertainties and distinct rises in construction material costs, notably steel materials, we have continued to be highly efficient in our project delivery and this is reflected in the favourable bottom line we are still managing to achieve,” Dato’ said.

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