

Profit up for Hock Seng Lee

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KUCHING — Net profit before tax for infrastructure company Hock Seng Lee Berhad (HSL) increased to RM9.873 million for the third quarter bettering 2003's corresponding figure by 35 per cent.

Revenue for the same period, the three months ending 30 September 2004, stood at RM72.811 million, up 8% on the 2003's third quarter.

This brings year-to-date profit before tax for the leading marine engineering, civil engineering and construction firm to RM27.180 million on the back of RM215.039 million in revenue, both up from 2003's corresponding year-to-date figures with 38 percent and 11 percent increases respectively.

Group Managing Director Mr Paul Yu Chee Hoe said the sustained improvement in profits was commendable and revenue levels were enduring in spite of challenging circumstances in the industry.

"Our Q3 results keep us on track to better last year's annual results," he said

"We are pleased that with projects completing and new ones coming on board, we are maintaining our order book levels.

"At present we have over RM900 million worth of projects in hand," Mr Yu added.

"While procurement of new contracts is ongoing, we have also completed several projects during the quarter including our latest phase of infrastructure works and a new Custom's House at Sama Jaya Free Industrial Zone, Kuching and Nurses' Quarters for Sarikei Hospital."

Two road projects were concluded, namely, Jalan Kanowit/Ng Ngungun/ Jagau/ Ulu Ngemah, Sibul and Kg Buloh-Sebuyau Coastal Road, Samarahan.

Meanwhile, HSL's has continued its involvement in water-related engineering projects.

The third quarter saw completion of coastal protection works at Sebangon Bajong, Samarahan, while current works include the Batu Kitang Weir, the first circular steel straight web construction project in East Malaysia.

This complex and technically demanding project for Kuching Water Board will enable increased water storage capacity and prevents saline incursions at the catchment point.

Flood mitigation and river erosion management have been identified as important issues for Sarawak with its extensive river system and long coastline.

HSL recently procured in an open tender, a new contract from the Drainage and Irrigation Department, Sarawak for Drainage Improvement Works at Miri worth RM8.66 million.

According to a recent Government announcement, Sarawak will receive a federal allocation of RM750 million for proposed projects by the Drainage and Irrigation Department (DID) under the 9th Malaysia plan which starts in 2006.

“With our experience in marine engineering works, we feel this initiative augurs well for future opportunities for HSL,” Mr Yu noted.

“Currently our specialized marine fleet is busy with mass reclamation works at Samariang, near Kuching,” Mr Yu said.

HSL’s multi-million ringgit computerized cutter suction dredger is presently involved in reclaiming some 130 acres of land obtained by HSL in a land exchange for a road project.

The company’s wholly-owned subsidiary, Hock Seng Lee Construction Sdn Bhd is expected to launch Phase I of its *Samariang Aman* housing development at the site next month.

At the same time, HSL’s other suction dredgers are engaged in reclamation works for a 70 acre site for STIDC staff housing nearby.

HSL is a niche market player with its expertise in land reclamation and a variety of water-related engineering projects highly sought after in Sarawak’s predominantly low-lying coastal strip where most of the state’s development is occurring.

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