



HSL has solid Q2, declares 6% interim dividend

Year-to-date profit up 86% on 2002

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KUCHING — Leading infrastructure company Hock Seng Lee Berhad (HSL) continued its sound financial performance with the release of strong second quarter results today.

Following an impressive first quarter, the three months ended 30 June 2003 saw the Group achieve net profit before tax of RM6.39 million on revenue of RM66.79 million. The corresponding figures for the same quarter of the previous year, 2002, were RM3.62 million and RM44.72 million respectively.

This brings the year-to-date profit before tax to RM12.44 million - almost twice as good as last year's position of RM6.70 million for the six-month period ended June 2002.

Group Chairman YB Senator Datuk Taha Ariffin announced that the Board had declared a first interim ordinary dividend of 6 sen per share less tax at 28%. The dividend entitlement date shall be 16 September 2003 with the dividend payable to shareholders on 10 October 2003.

"It is the first time HSL has declared an interim dividend since its listing in 1996 – this is a reflection of our commendable performance and is in-line with our Board policy to allow shareholders to share in the profits of the company", YB Senator Datuk Taha Ariffin said.

"HSL is the only Sarawakian company listed on the KLSE Main Board construction counter. It is therefore particularly pleasing to be able to make such an announcement at a time when Sarawak is celebrating the 40th Anniversary of its independence within Malaysia," YB Senator Datuk Taha Ariffin added.

Meanwhile, Group Managing Director Mr Paul Yu Chee Hoe attributed the strong results to good progress on its existing projects and the continuous efforts of all his staff.

"We are executing our larger scale, turnkey contracts in a timely manner and keeping our claims ticking over," said Mr Yu. "At the same time, we are, as usual, pursuing new contracts in line with our strengths in marine engineering, civil engineering and building construction."

Due to commence in the upcoming quarter is the RM10.46 million Batu Kitang Weir, a dam project which heralds HSL's foray into more water-related engineering contracts drawing on the company's marine engineering and earthworks expertise.

"At HSL we are always moving with the times and being innovative with our procurement initiatives," Mr Yu commented. "We have the financial standing to be able to offer flexible payment terms to our public sector clients and this gives us a competitive advantage when bidding for large infrastructure works."

PRESS RELEASE



HOCK SENG LEE BERHAD (045556-x)

“Combined with our mass land reclamation capability, which is almost always in demand for construction projects in Sarawak, our financial and technical strengths are allowing us to take on increasingly substantial and complex contracts.”

Earnings per share for HSL stood at 11.74 sen for the six-month period ended June 2003 or annualised to 23.48 sen.

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