



Tiong Woon posts record full year net profit of \$22.5m, up 155% from previous year

Group announces a final dividend of 0.4 cent per share

Outlook remains bright and Group is ready to tap on numerous business opportunities, here and overseas, says Chairman and Managing Director Ang Kah Hong

HIGHLIGHTS OF FY2007 RESULTS

- Group's net profit after tax and minority interest up 155% to S\$22.5 million
- Revenue up 44% to S\$99.8 million
- Earnings per share: 6.67 cents, up 146%
- Net Asset Value per share: 32 cents, up 26%
- Return on Equity: 23% (FY2006: 12%)

SINGAPORE, 27 August 2007 – MAINBOARD-LISTED Tiong Woon Corporation Holding Ltd (“TWC”) today announced a record net profit after tax and minority interest of S\$22.5 million for the full year ended 30 June 2007, up 155% from the previous year. The Group also turned in a record turnover of S\$99.8 million, up 44% from S\$69.2 million previously. Shareholders will be rewarded with a final dividend payout of 0.4 cent per share.

The increase in turnover was due to contributions from all its three business segments – Heavy Lift and Haulage, Marine Transportation and Trading – all of which recorded good growth. Earnings per share stood at 6.67 cents compared to 2.71 cents previously, an increase of 146%.

TWC is an integrated services provider for the oil and gas industry, and is a specialist in heavy lift, and installation of process equipment. The company is currently ranked 11th largest crane owning company worldwide by International Cranes, a reputed trade magazine, in its IC50 2007 survey.

Mr. Ang Kah Hong, TWC's Group Chairman and Managing Director, was delighted with his company's financial performance. "It has been a busy and exciting year for us at Tiong Woon as we continued to make inroads in the oil-and-gas sector, both here and overseas. I am very happy to have achieved such fine results."

However, Mr Ang stressed the need to continue to work hard in order to grow the business. "There are many opportunities but there are also challenges. We have to be smart yet cautious in order to get the best deals, and be mindful to deliver good service to our customers so that they will be satisfied," he said.

Segmental Results

The Group's Heavy Lift and Haulage business segment contributed S\$67.1 million to its total turnover, or 67% of total turnover. This segment saw a year-on-year growth of 29%. The growth came mainly from business activities in the Indonesia, Vietnam and the Middle East countries.

The Group's Marine Transportation's segmental turnover recorded an increase to S\$15.4 million in FY2007 from S\$10.0 million previously, an increase of 54%.

Its Trading business' segmental turnover recorded the highest growth of 144% to S\$17.3 million from S\$7.1 million in the previous year. This was due to an increase in the demand for equipment.

In FY2007, the Group made further headway into regional markets. The most significant growth came from Indonesia and the Middle East, which saw revenues increase to S\$17.1 million and S\$17.2 million respectively, representing a growth of 29% and 175% respectively. Apart from Singapore which contributed S\$43.8 million or 44% of total revenue, the two markets also form the two highest contributors to TWC's total revenue.

The Group's financial standing remains strong with a market capitalisation of S\$329 million -- based on Friday's closing price of 97.5 cents -- backed by total assets of S\$206.6 million and net tangible assets of S\$111.7 million. Administration expenses went up in accordance with the increased level of business activities.

Positive Growth and Outlook

Although market conditions continue to be competitive, Mr. Ang was optimistic about the outlook for the industry remains bright. "We continue to be positive about growth prospects in overseas markets, especially in the oil-rich regions in view of the current shortage of energy resources worldwide," he said.

"With the intense activity expected in the Oil and Gas Sector in Singapore and the region, we expect to grow Tiong Woon in our core business of heavy lift, heavy haulage and marine transportation," he added.

Going forward, the Group plans to actively pursue business opportunities in construction, infrastructure, offshore marine, power plants, petrochemicals and oil and gas projects in markets such as China, Thailand, Malaysia, Indonesia, Vietnam and the Middle East.

Mr. Ang added that Saudi Arabia, with its projected activity in oil and gas, will continue to be one of the company's key markets and will form an integral part of TWC's Middle-East strategy.

Significant developments in FY2007

Indeed, earlier this year, TWC became the first Singapore company to be awarded investment licence to operate 100% foreign-owned entity in Saudi Arabia by Saudi Arabian General Investment Authority (SAGIA) Singapore. TWC plans to use its base there to springboard into the region from that base.

In November 2006, it acquired a 65-hectare fabrication yard in Bintan, Indonesia, with a view to supporting its current fleet of heavy lift equipment, tugs and barges, and in due course, growing a new income stream from fabrication and engineering projects. The yard is currently being used to build barges for the Group's own use.

The Group extended its distributorship agreement with IHI Construction Machinery Limited, a manufacturer of crawler cranes and parts, to include new territories. In addition to Singapore, Malaysia and Brunei, the Group's distributorship reach now includes Vietnam, Thailand, Philippines, Cambodia, Laos and Myanmar.

In a move that broadened its asset base and complemented the Group's heavy lift and haulage business, it acquired Soon Douglas (Pte) Ltd ("SDPL") in May. SDPL was principally in the business of leasing of tower cranes and trading of equipment spare parts for the construction, mining and shipbuilding industries. The acquisition extended Tiong Woon's existing fleet to an additional 49 units of tower cranes and two mobile cranes. The acquisition strengthened the Group's position as a heavy lift company and enabled it to build up another arm that is expected to contribute positively to the Group's operation. This is timely in view of the current upturn in Singapore's property market.

Five-pronged business strategy

Going forward, Mr. Ang said the Group will continue to implement its existing five-pronged business strategy, namely:

- To remain focused on its core competency of heavy lift and haulage;
- To develop its fabrication and engineering competency for marine, oil & gas industry;
- To actively seek business opportunities in the emerging and growth markets;
- To invest in higher capacity and specialised equipment; and
- To forge alliances and co-operation with strategic and industry players.

End

About Tiong Woon Corporation Holding Ltd (www.tiongwoon.com)

Listed in 1999, Tiong Woon Corporation Holding Ltd is a specialist and total integrated services provider in heavy lift, heavy haulage and marine transportation mainly serving the Oil & Gas, Petrochemical and Power industries.

The Company manages turnkey projects for International Builders and Contractors from planning and design of heavy lifting and haulage requirements to the execution stage in which the heavy equipment is transported, lifted and installed at customers' facilities. The company is ranked the 11th largest crane owning company worldwide by International Cranes, a reputed trade magazine, in its IC50 2007 survey.

Issued on behalf of Tiong Woon Corporation Holding Ltd by: Waterbrooks Consultants Pte Ltd

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