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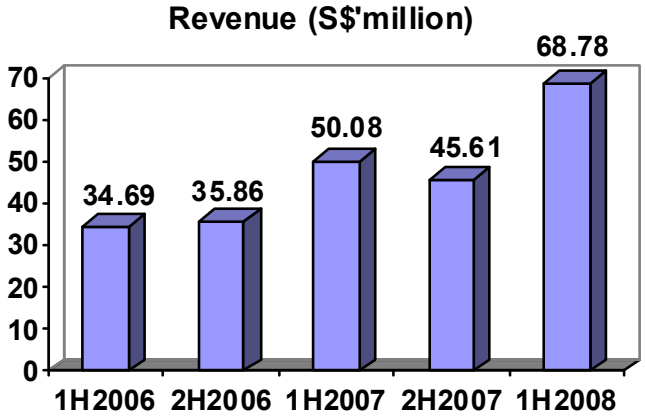
Beng Kuang Marine's 1H2008 earnings surge 94% to S$5.37 million

- **Revenue for 1H2008 increased by 37% to S$68.78 million with robust demand from the marine and offshore sectors**
- **Best performer was the Corrosion Prevention division, with its revenue more than doubling to S$34.68 million**

Singapore, 4 August 2008 – Beng Kuang Marine Limited ("**BKM**") and its subsidiaries (the "Group" or "明光海事") has registered a stellar performance with profit attributable to shareholders of S$5.37 million on the back of healthy revenue of S$68.78 million for the half year ended 30 June 2008 ("1H2008").

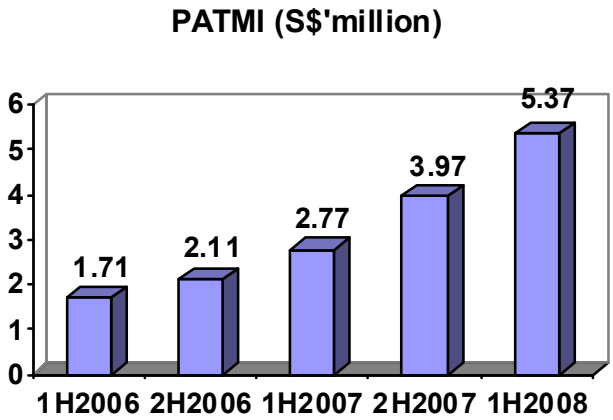
Financial Review

The Group's revenue rose by 37% from S$50.08 million in 1H2007 to S$68.78 million in 1H2008. The gross profit increased by 41% to S$16.11 million and the profit after tax increased by 90% to S$5.28 million year-on-year.



BKM's net profit attributable to shareholders jumped from S$2.77 million to S$5.37 million for 1H2008 year-on-year. The impressive performance was due to the high demand coming from the marine and offshore oil and gas activities, while keeping costs under control with more efficient measures.

By keeping operating costs under control, the Group's operating profit margin improved from 8.6% in 1H2007 to 11.5% in 1H2008. The net profit margin improved from 5.5% in 1H2007 to 7.8% in 1H2008.



Overall Review (S$'000)	2Q2008	2Q2007	%Chg	1H2008	1H2007	%Chg
Revenue	35,009	29,787	18	68,784	50,075	37
Gross Profit	8,576	6,405	34	16,114	11,453	41
Gross Profit Margin	24.5%	21.5%	-	23.4%	22.9%	-
Operating Profit	4,292	2,688	59	7,894	4,315	83
Operating Profit Margin	12.2%	9.0%	-	11.5%	8.6%	-
PATMI	3,020	1,591	90	5,370	2,766	94
Net Profit Margin	8.6%	5.3%	-	7.8%	5.5%	-

Segmental Review

(S$'millon)	2Q2008	2Q2007	%Chg	1H2008	1H2007	%Chg
Corrosion Prevention	17.43	9.35	86.4	34.68	16.99	104.1
Infrastructure & Engineering	10.21	12.48	(18.2)	19.70	18.76	5.0
Supply & Distribution	7.36	7.96	(7.5)	14.40	14.33	0.5

Amongst the segments, the best performance was registered by the Corrosion Prevention ("CP") division, contributing revenue of S$34.68 million in 1H2008, an increase of 104% over 1H2007's figure of S$16.99 million. Besides the robust demand from the offshore & marine sectors, the strong growth in the CP division was also due to the contributions from **BKM**'s new subsidiary, PT Berger Batam.

Revenue from the Infrastructure Engineering division increased by 5% from S$18.76 million in 1H2007 to S$19.70 million in 1H2008 due to positive momentum from 1Q2008.

The Supply & Distribution division remained stable in its revenue generation capabilities with a small increase from S$14.33 million to S$14.40 for the same period.

"**We are pleased with our continued good performance over the last quarter and BKM is in a commanding position to grow in tandem with the robust growth in the marine and offshore industries. Ship and rig building and ship repair activities remain buoyant. The regional yards are operating at almost near their full capacities with large order books till at least 2010.**"

Mr Chua Beng Kuang, Managing Director

Barring unforeseen circumstances, the Group expects to remain profitable in FY2008.

- End -

About Beng Kuang Marine Limited

Beng Kuang Marine Limited ("BKM") and its subsidiaries (the "Group") are established providers of Corrosion Prevention ("CP") services, Infrastructure Engineering ("IE") services, as well as the Supply and Distribution ("SD") of hardware equipment and tools to the marine and offshore oil and gas industries. The CP and SD divisions have always been the main revenue drivers of the Group. However, with the rapid growth in shipbuilding and rig building projects, BKM expects the IE division to be a key growth driver in the future. For the IE division, BKM provides turnkey engineering services from planning, project management to implementation involving fabrication, corrosion prevention, testing, installation and pre-commissioning of steel work modules and structures for customers in the oil and gas industry. With the acquisition of Water and Environmental Technologies (WET) Pte Ltd in 2007, BKM is looking at business opportunities to expand the new Environmental and Resource ("ER") division.

For more information, please refer to the website, www.bkmgroup.com.sg

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