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Rosy results for Beng Kuang Marine

Beng Kuang Marine expects continued strong earnings in 2007.

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Beng Kuang Marine (BKM), a provider of corrosion prevention, infrastructure engineering, and supply and distribution services to the marine and offshore industries, posted a sterling set of full-year results.

BKM's revenue grew 32 per cent to $70.6 million for the full year ended Dec 31, 2006 compared with $53.2 million in the previous year. Net profit grew 68 per cent to $3.8 million from $2.3 million, and earnings per share improved to 3.29 cents.

The Sesdaq-listed company serves major shipyards like Keppel Corp and Labroy Marine, and benefited from the surge in regional shipyard activities due to the boom in the marine and offshore industries. The company recently secured a US$5.85 million (S$8.94 million) conversion and upgrading contract for a floating production, storage and offloading (FPSO) vessel for a new customer.

Managing director Chua Beng Kuang said: "Having been in the oil and gas industry for more than 20 years, 2006 is certainly one of the best years experienced by the industry. Looking at the sustained growth in new vessel and rig construction regionally, we are confident the strong demand for our products and services will continue in 2007."

To reward its shareholders, BKM has recommended a first and final tax-exempt dividend of 1.1 cents per ordinary share.