



Beng Kuang Marine Limited
55 Shipyard Road Singapore 628141
Tel: 6266-0010 Fax: 6264-0010

Beng Kuang Marine sees robust growth in oil & gas sector

- ***Net profit soared 131% to S\$1.1 million on the back of a 24% increase in revenue to S\$18.1 million***
- ***Infrastructure Engineering division to see significant improvement due to strong rig building order books of regional shipyards***

Singapore, 14 November 2006 – Beng Kuang Marine Limited (“明光海事”) and its subsidiaries (the “Group”), established providers of corrosion prevention, infrastructure engineering, and supply and distribution services to the marine and oil and gas industries, have achieved a record net profit of S\$1.1 million for the third quarter ended 30 September 2006.

Overall Highlights	3Q2006 S\$'000	3Q2005 S\$'000	% Change
Revenue	18,061	14,566	24%
Gross Profit	5,062	3,931	29%
Gross Profit Margin	28.0%	27.0%	4%
Net Profit After Taxation	1,085	469	131%
Net Profit Margin	6.0%	3.2%	87%

3Q2006 Financial Review

The Group’s revenue rose by 24% to S\$18.1 million in 3Q2006. Its gross profit increased by 24% to S\$5.1 million, while its net profit increased by 131% to \$1.1 million. The increase in net profit is attributed to the surge in marine and offshore oil and gas activities amidst buoyant market conditions.

3Q2006 Segmental Review

For the Corrosion Prevention division, the 3Q2006 turnover decreased by 2.7% to S\$7.55 million. This slight decrease in turnover is due to a decrease for the demand of its tank cleaning services, and copper slag collection and recycling services.

For the Supply and Distribution division, the 3Q2006 turnover grew by 50.4% to S\$6.42 million. This significant improvement is driven by the increase in shipyard activities in Singapore and Batam, which in turn resulted in higher demand for the Group's hardware products.

Among the three business divisions, the Infrastructure Engineering division is the strongest performer, recording the largest increase in turnover of 61.7% to S\$4.09 million. The significant increase is mainly due to revenue contribution from the Group's two new subsidiaries, Venture Automation & Electrical Engineering Pte. Ltd. which specialises in industrial and marine automation and electrical engineering works, and ASIC Engineering Sdn Bhd which provides engineering services to both land based market, and marine and offshore oil and gas projects in a Malaysian shipyard.



The Infrastructure Engineering division provides turnkey engineering services involving fabrication, corrosion prevention, testing, installation and pre-commissioning in relation to steel work modules and structures for customers mainly in the oil and gas industry.

Mr Chua Beng Kuang (蔡明光), the Managing Director of BKM, said, "We are pleased to report a good set of interim results for our shareholders. We remain optimistic on the outlook for both marine and oil and gas sectors and the Group will do its utmost to capitalise on the many opportunities available in these sectors now.

Besides continuing to grow our Corrosion Prevention and Supply and Distribution divisions, we will focus our efforts in the emerging Infrastructure Engineering division. We believe this division has good growth potential due to the large number of shipbuilding and rig building projects undertaken by both local and Batam shipyards.”

Barring unforeseen circumstances, the Group expects to continue its good performance into the last quarter of FY2006.

>>>> End

About Beng Kuang Marine Limited

Beng Kuang Marine Limited (“BKM” or “the Group”) is an established provider of corrosion prevention services, infrastructure engineering services, as well as the supply and distribution of hardware equipment and tools to the marine and oil and gas industries. The Corrosion Prevention and Supply and Distribution 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 Infrastructure Engineering division to be a key growth driver in the future. For this 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.

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

Issued for and on behalf of Beng Kuang Marine Limited
By Financial PR Pte Ltd

For more information, please contact:
Mark LEE, marklee@financialpr.com.sg
Clarence ENG, clarence@financialpr.com.sg
Tel: (65) 6438 2990
Fax: (65) 6438 0064