



George Kent (Malaysia) Berhad

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MEDIA RELEASE

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GEORGE KENT'S 9MFY11 PRE-TAX PROFIT ROSE 22.3% to RM21.0m

- **Strong growth in manufacturing business driven by new overseas markets**
- **Construction business continues to contribute significantly**
- **Higher order book in two core businesses to propel future growth**

Puchong, 14 December 2010: George Kent (Malaysia) Berhad ("George Kent" or "The Group"), an engineering group specialising in manufacturing of engineering products, engineering works and construction activities, today announced its nine months results for the financial year ("FY") ending 31 January 2011.

For the nine-month period:-

- Revenue was up 39.7% to RM117.1 million from RM83.8 million in the previous corresponding period;
- Pre-tax profit increased by 22.3% to RM21.0 million from RM17.1 million in the previous corresponding period;
- Net profit attributable to shareholders increased 24.5% to RM15.7 million, compared with RM12.6million previously, translating to earnings per share of 7.0 sen.

In the third quarter ended 31 October 2010:-

- Revenue rose 40.8% to RM45.7 million from RM32.5 million in the same period a year earlier;
- Pre-tax profit increased by 29.4% to RM10.3 million from RM8.0 million in the previous corresponding period.

The Group's balance sheet remained healthy with a net cash position.

George Kent's Chairman Tan Sri Dato' Tan Kay Hock commented, "We are pleased with the Group's performance for this period. The better results were attributed to our successful expansion into new overseas markets for our manufacturing, meters and industrial business. Higher level of construction activities was also a key contributor."

"The order book for our manufacturing and meters division has been on the rise. The Group is now supplying water meters to Vietnam, which holds excellent long term potential. We are also supplying to Original Equipment Manufacturer markets in Singapore, Hong Kong, as well as countries in South America and the United Arab Emirates," he added.

George Kent is currently upgrading and expanding its manufacturing facilities, whereby the initial phase to increase production capacity by 30% to 1.3 million meters per annum is expected to be fully commissioned in 1Q 2011.

"Given the strong demand we are experiencing, this expansion is timely in enabling us to expend our manufacturing order book without capacity constraints."

The Group is also continuing with efforts to bolster its construction order book. Over the last 12 months, George Kent and its consortium partners have successfully secured two water infrastructure projects totalling RM447 million in values. The Group's portion of works is more than 50% of the contract value, and this is expected to contribute positively to the Group earnings from FY12. George Kent is currently tendering for water, waste water and healthcare related infrastructure projects worth several billion Ringgit in contract value.

"Our strategy of building and growing our two core divisions in manufacturing and construction activities continues to show positive results. We remain confident of increasing our respective order book in sustaining the Group's longer term growth performance."

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ABOUT GEORGE KENT (MALAYSIA) BERHAD

George Kent specialises in the manufacturing of engineering products, engineering works and construction activities. Its core businesses are;

- Manufacturing, Meters and Industrial Product
 - Manufacturing of water meters and components, brass and industrial products
- Infrastructure Investments, Water and Construction
 - Investment in water infrastructure assets, engineering works and construction

It is the domestic market leader in the supply of water meters. Its Puchong hot brass stamping and water meter manufacturing plant is the largest in South-East Asia. Its history dates as far back as 1936 and the Group was listed on Bursa Malaysia Securities Berhad in 1974.

The GKM brand is a leading standard for water meters and brass fittings in Malaysia, and widely endorsed by water utility authorities and industrial users overseas, including the ASEAN region, and China, India, Hong Kong, Singapore, Papua New Guinea, Fiji, Sri Lanka, South Africa, Kenya, Australia United Kingdom and Colombia.

The Group also possesses strong M&E engineering expertise in various industries, including water, building, power and process industries, with a strong track record in water supply infrastructure. The Group is also strengthening its capabilities in general civil and structural works.

In June 2010, it was awarded the RM317.6 million Package Semantan Intake Pumping Station and Related Works of the Pahang-Selangor Raw Water Transfer project. A month later, it secured the RM129.8 million 160-million-liters-per-day Water Treatment Plant project in Kuantan, Pahang.

Issued on behalf of George Kent (Malaysia) Berhad by NRA Access Sdn Bhd.