



George Kent (Malaysia) Berhad

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MEDIA RELEASE

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GEORGE KENT POSTS STEADY 1QFY12 RESULTS

- **Pre-tax profit +25.1% y-o-y to RM4.8 million**
- **Manufacturing facilities upgrade continues**
- **Construction business unit eyeing contracts worth several billion Ringgit**

Puchong, 29 June 2011: George Kent (Malaysia) Berhad (“George Kent” or “The Group”), a leading engineering group specialising in manufacturing of engineering products, engineering works and construction activities, has today announced its first quarter results for the financial year ending 31 January 2012.

For the three-month period:

- Revenue of RM30.7 million was 5.4% lower compared to RM32.5 million in the corresponding period;
- Profit before tax of RM4.8 million was 25.1% higher compared to RM3.9 million in the corresponding period;
- Profit attributable to shareholders of RM3.1 million was 9.8% higher compared to RM2.8 million in the corresponding period; and
- Strong balance sheet with net cash of RM24.6 million as at end-April 2011.

Commenting on the results, George Kent's Chairman Tan Sri Dato' Tan Kay Hock said, "The Group's financial performance in first quarter of current financial year was satisfactory. We expect the Group to sustain its growth as the year progresses."

The demand for meters Original Equipment Manufacturing markets such as Hong Kong, Macau, Middle East, Puerto Rico and Colombia remains strong. George Kent has also penetrated growth markets such as Vietnam and Laos which offer great long term growth potential.

"George Kent's plant in Puchong is running at full capacity even though production has increased by 30% to 1.3 million pieces per annum earlier this year. In 2010, we achieved a record production of 2 million water meters and meter housing," said Tan.

The planning of phase 2 of George Kent's plant upgrade exercise has commenced. Upon completion, plant capacity is expected to increase to 2 million meters and 2 million pieces of non-meters brass parts per annum.

The Infrastructure Investments, Water and Construction business is currently deriving profit contributions mainly from the Kuala Lipis Hospital project and steady contribution from the Mt. Eriama water treatment plant concession in Papua New Guinea. Other projects which have been secured by the Group are expected to contribute significantly to this business in the second half of this financial year.

"George Kent continues to build up its resources for growth in both core businesses. The meters manufacturing business intends to further expand its overseas reach as we continue to upgrade our plant. Also, we continue to leverage on our core M&E engineering capabilities to secure more infrastructure projects under the 10th Malaysia Plan and Economic Transformation Programme. We are confident of securing a good portion of our current tender book of several billion," said Tan.

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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 Products
 - Manufacturing of water meters and components, brass and industrial products.
- Infrastructure Investments, Water and Construction
 - Investments 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 the then Kuala Lumpur Stock Exchange 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.

It was awarded the RM317.6 million Package Semantan Intake Pumping Station and Related Works of the Pahang-Selangor Raw Water Transfer project in June 2010. Subsequently, it also 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.