

NEWS RELEASE



United Engineers Net Profit More than Doubled to \$28 million for Q1 2010

SINGAPORE, 7 May 2010 – **United Engineers Limited** ('the Group') increased revenue by 32% to \$195.9 million for its first quarter ('Q1 2010') ended 31 March 2010. For the same quarter, the Group increased 2.3-folds in its net profit to \$28.2 million.

Overall, the Group saw improved performance across its core business segments. In the Engineering & Construction division¹, revenue increased 3% to \$89.7 million and operating profit was \$5.3 million, compared with a loss of \$2.0 million in Q1 2009.

In the Integrated Facility Management division (which includes property development and property leasing), revenue doubled to \$134.2 million mainly due to progressive recognition of revenue from its property development projects, *The Rochester* in one-north and *Park Central @ AMK* in Ang Mo Kio. As a result, operating profit increased 153% to \$33.9 million.

As at 31 March 2010, the Group had a healthy cash position of \$320 million, and gearing ratio was 0.50x².

The Group will continue to execute several large-scale building and infrastructure projects over the next 12 months. Its outlook for Singapore, where the bulk of its businesses are based, is of a faster recovery, although the pace will depend on global economic conditions. As such, the Group will remain cautious in its expansion plans and investments.

¹ Quarterly comparison of results is not meaningful as progress billings of job completion vary from project to project

² Including stand-alone projects

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For more information, please contact:

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About United Engineers Limited

Established in 1912, the UE Group is a company with key activities in Engineering, Construction and Integrated Facility Management. The Group's strong track record and end-to-end capabilities (Design, Build to Manage) have given it a competitive edge in today's business. One of the first listed companies in Singapore, the Group today has more than 5,000 employees and operations in about 12 countries across the Asia Pacific region.

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