

## NEWS RELEASE



# United Engineers Q1 Revenue Up 17%; Net Profit Increased to \$29.9 Million

**SINGAPORE, 10 May 2011** – **United Engineers Limited** (“the Group”) announced that for the first quarter ended 31 March 2011 (“Q1 2011”), revenue increased 17% to \$229.6 million mainly due to the sale of *UE Print Media Hub*. However, this was partially offset by lower progressive revenue recognition from *Park Central @ AMK* as the project is nearing completion. Arising from the increased revenue, gross profit increased 20% to \$68.5 million. Gross profit percentage marginally improved to 29.8%. Operating profit before interest was \$40.6 million; net profit increased to \$29.9 million as compared to \$28.1 million in Q1 2010.

### Segment results

In the Property Development segment, revenue increased 21% to \$118.7 million mainly due to the sale of *UE Print Media Hub*. However, this was partially offset by lower revenue recognition from *Park Central @ AMK* as the project is nearing completion. Operating profit before interest increased 21% to \$30.3 million mainly due to the higher revenue. In the Property Rental and Services segment, revenue increased 4% to \$36.9 million mainly due to contributions from *UE BizHub CENTRAL*. Operating profit before interest decreased 12% to \$7.8 million mainly due to higher property tax.

In the Engineering and Construction segment, revenue increased 18% to \$105.8 million mainly due to completion of projects. Operating profit before interest maintained relatively unchanged at \$5.3 million.

## **Business outlook**

In April 2011, the Group was awarded a land site at Bendemeer Road/Whampoa East for \$543 million. The Group had announced plans to develop the site into a inner-city waterfront condominium project. Singapore's private residential property market remains positive with strong liquidity and low interest rates.

The Building and Construction Authority of Singapore projected total construction demand at between \$22 billion to \$28 billion for 2011. As such, the Group will continue to bid for building, engineering and infrastructure projects over the next 12 months.

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## **About United Engineers Limited**

United Engineers Limited ("UEL"), founded in 1912, is one of Singapore's pioneer companies and has played an integral role in the physical and economic transformation of Singapore. Building upon its early engineering roots, UEL has evolved into a dynamic corporation with key activities in engineering, construction and property. In view of the key role played by UEL in Singapore's early development, the Singapore National Heritage Board has marked UEL's flagship building, UE Square, a historic site in 2002. UEL is also the 11th oldest member in the Singapore International Chamber of Commerce. Today, UEL has more than 5,000 employees and operations in about 12 countries across the Asia Pacific region.

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