



NEWS RELEASE

KINGSMEN CONTINUES GROWTH PATH, SEES INTERIM NET PROFIT JUMP 91% TO S\$5.4 MILLION

- Revenue increases 61% to S\$77.7 million
- Records fifth consecutive year of growth in interim revenue and net profit
- Growth driven by strong regional demand for the Group's specialized services
- Proposes interim dividend of 1.5 cents

1HFY08 Results Highlights:

	1HFY08	1HFY07	Change
Turnover	S\$77.7m	S\$48.3m	+ 61%
Gross profit	S\$24.1m	S\$13.0m	+ 85%
Net profit after MI	S\$5.4m	S\$2.8m	+ 91%
Diluted EPS	2.85 cents	1.67 cents	+ 71%

"We see 2008 as another banner year for us! Our strong first half numbers are a reflection of the strong regional demand for our specialised services and the foundation we have put in place over the last few years. Despite the general economic slow-down, visibility of our business remains strong and we expect to continue to do well, maintaining our growth momentum." said **Mr Benedict Soh** (苏锡波), **Executive Chairman of Kingsmen.**

Singapore, August 14, 2008 – Kingsmen Creatives Ltd (“Kingsmen”) (“金明创新”) and its subsidiaries (“the Group”), a leading communications design and production group in Asia Pacific and the Middle East, today announced the Group’s continued growth track with a 91% jump in interim net profit to S\$5.4 million for the six months ended June 30, 2008 (“1HFY08”). This was on the back of a 61% increase in revenue to S\$77.7 million in 1HFY08, from S\$48.3 million in the previous corresponding period.

Commenting in the Group’s strong performance, Mr Soh said: “We are pleased with our performance this half year. Demand has been strong and we have put in tremendous effort to deliver these results. Significantly, our business has also become more broad based, with more than half of our business coming from overseas and spread across more business areas.”

Driving the Group’s growth for this first half was revenue contribution of S\$16.3 million from its Great China subsidiaries in Hong Kong, China and Taiwan, as well as better top-line performance across all operating divisions.

The Exhibitions and Museums division saw a more than doubling of its revenue to S\$38.4 million for 1HFY08, contributed mainly by major exhibition events such as the Singapore Airshow, Farnborough Airshow, TFWA Asia Pacific, and a series of event launches undertaken for BMW in Singapore, Nissan in the Peoples’ Republic of China and Yamaha Motors in Vietnam. The Group also carried out several projects for the 2008 Beijing Olympics. In the Museum segment, the Group has made significant progress in fitting-out the Marina Barrage Visitor Centre in Singapore, Bank Negara Museum in Malaysia and the Dalian Software Park in China.

The Group’s Interiors division likewise continued to perform well, recording a 31% increase in revenue to S\$35.7 million for 1HFY08. This was achieved through its continued focus on key account management and by undertaking more “roll-out programmes” for key accounts such as Apple, Burberry, Chanel, DBS, FJ Benjamin, Marks & Spencer, Nokia, Nuance Watson, Tag Heuer and Tiffany & Co.

The Research and Design division saw a 53% increase in revenue to S\$2.3 million in 1HFY08, driven primarily from more design jobs undertaken in this first half, in tandem with the overall growth of the Group. The IMC division recorded a revenue of S\$1.3 million in 1HFY08.

Outlook for FY2008

2008 is expected to be another record year for the Group in terms of growth and earnings. As at 12 August 2008, the Group has secured contracts of approximately S\$191.5 million, of which S\$152.7 million is expected to be recognized this financial year.

These contracts include the Singapore F1 Grand Prix, Bank Negara Museum, which is scheduled for completion in early 2009, and the construction of the show sets and props for Universal Studios Singapore which is expected to be completed by 2009.

The Group also expects to see strong demand for its services from the opening of new shopping centres in Orchard Road, namely, Orchard Central, ION Orchard and Mandarin Hotel. New retail and F&B outlets for the two new Integrated Resorts which are scheduled to open in 2009 and 2010 are also expected to drive demand.

Demand for roll-out programmes for interior fit-out works across the region is also expected to increase, given the growing middle class in China, India and ASEAN and the growing propensity to travel.

The Group's Greater China subsidiaries performed well in 1HFY08. Moving forward, increased global fascination and the strong economic boost brought about by the holding of the 2008 Beijing Olympics, continued strong GDP growth and other upcoming mega events such as the 2010 World Expo in Shanghai are expected to drive demand for the Group's services in China.

Commenting on the Group's prospects, Mr Soh said: "We are heartened and encouraged by the strong demand and high visibility of our business, especially at a

time like this when there is market uncertainty. Besides the Singapore market, we also expect to see growing contribution from our regional offices, especially Greater China, the Middle East and India. We are all geared up and raring to go, to meet the needs of our clients and our promises to our shareholders. ”

In line with the Group’s policy of distributing its profits to reward loyal shareholders, the Board is recommending an interim dividend of 1.5 Singapore cents per ordinary share.

About Kingsmen Creatives Ltd.

Listed on the Main Board of the Singapore Exchange, Kingsmen is a leading communications design and production group in Asia Pacific and the Middle East. Established in 1976, its four business segments comprise Exhibitions & Museums, Retail & Office Interiors, Research & Design, and Integrated Marketing Communications.

Kingsmen offers a “one-stop-shop” solution through a vertical and horizontal integration of services, giving their clients the benefits of convenience and cost savings. Building on its design-led, quality and service-driven culture, the Group has established a visible brand name that is synonymous with creative and innovative solutions.

Together with its affiliates, Kingsmen has a regional network of 16 offices and full service facilities in Asia Pacific and the Middle East. The Group has a long-standing base of clients from diverse industries including well-known names such as BMW, Burberry, DBS Bank, Dickson Group, Esprit, FJ Benjamin, Gucci, Nokia, Robinsons Group (including John Little and Marks and Spencer), Tiffany and Wing Tai.

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