kingsmen

NEWS RELEASE

KINGSMEN'S FY2010 NET PROFIT INCREASES TO S$15.1 MILLION

- **Revenue at S$235.2 million**
- **Driven by strong contribution from Singapore and North Asia operations**
- **Proposes final dividend of 2 cents per share and a special dividend of 0.5 cent per share to mark the Group's 35th anniversary**

FY10 Results Highlights:

	FY10	FY09	Change
Turnover	S$235.2m	S$242.0m	-2.8%
Gross profit	S$65.4m	S$59.5m	+9.9%
Net profit	S$15.1m	S$14.9m	+1.1%
Diluted EPS	7.93 cents	7.87 cents	-

"Our efforts to fill the vacuum left by the completion of the Universal Studios project have largely been successful with strong contribution from our exhibitions, museums & interiors businesses. Moving forward, we are confident of continuing this momentum as we are at the heart of the Asia-led global recovery and the strong economic growth of the key markets which we serve. As we continue to enhance our capabilities and put our plans into action, we will see more work from international brands entering our markets and inquiries and contracts for retail fixtures to Europe and the US. These, combined with the strong growth expected from the thematic business in the region, bode well for us." said ***Mr Benedict Soh（苏锡波), Executive Chairman of Kingsmen.***

Singapore, February 22, 2011 – Kingsmen Creatives Ltd ("Kingsmen") ("金明创新") and its subsidiaries ("the Group"), a leading communication design and production group in Asia Pacific and the Middle East, today announced a net profit of S$15.1 million on the back of a revenue of S$235.2 million for the financial year ended 31 December 2010 ("FY10").

Commenting on the Group's performance, Mr Soh said: "As expected, 2010 was a challenging year for us as we sought to fill the vacuum left by the completion of the Universal Studios Singapore project in 2009. Our divisions have done well to fill the gap, and we are well positioned to ride on the recovery and the influx of businesses and interest into Asia. Moving forward, we envisage that our growth will be driven by our overseas offices, as they strengthen their competencies and deepen their relationships with international brands."

The Group's Exhibitions & Museums division posted a revenue of S$105.2 million in FY10, compared to S$137.4 million in FY09. This decline was due to the completion of about S$78 million worth of contracts for Universal Studios Singapore in FY09 but compensated by the completion of several major projects in FY10. These projects included works for seven pavilions at the Shanghai Expo 2010 worth over S$25 million, Youth Olympic Games, Commonwealth Games, F1 Singapore Grand Prix, BMW Asia auto-show, Nissan/Infiniti auto-shows in China and exhibition projects such as Food and Hotel Asia 2010, Singapore Airshow 2010, Tax Free Asia Pacific 2010 and other trade exhibitions.

The Group's Interiors division continued to perform well, posting a 24.5% increase in revenue to S$116.6 million in FY10, compared to S$93.7 million in FY09. This was achieved largely by the completion of more than 30 shops at Marina Bay Sands which contributed about S$23 million to FY10 revenue, and from contribution from key customers such as Aldo, Bottega Veneta, Chanel, Fendi, FJ Benjamin, Hinckley, Luxury Venture, Polo Ralph Lauren, Swarovski and The Hour Glass. In addition, the division

also fitted out several boutiques for Tiffany in Singapore and China and for Burberry in China, Mongolia, Vietnam and India.

The Group‘s Research & Design division’s revenue grew 11.7% to S$6.4 million in FY10 compared to S$5.8 million last year. Revenue from the Group’s IMC division increased from S$5.2 million to S$7.0 million.

Outlook for FY2011 and beyond

The Group expects 2011 to be a good year, given the strong regional recovery and its unique position and footprint in Asia. As at 21st February 2011, the Group has secured contracts of approximately S$84 million, of which S$70 million is expected to be recognized this financial year.

The Group’s thematic business looks set for a strong start in 2011, having been awarded several thematic projects including Universal Studios Singapore, Gardens by the Bay and the Hong Kong Disneyland Extension. In addition, the team is also currently pursuing contracts for theme parks and attractions in the region including Shanghai Disneyland, Universal Studios Korea, Singapore River Safari, Legoland and Kidzania in Malaysia, Madame Thao’s Happy Land in Vietnam, Imagic in Brazil, Fushun Dreamworld in China and Samsung Everland in Korea.

With the recovery of the global economy, the Group’s exhibitions and MICE-related business look set to see a stronger year with more shows and events planned in the region.

The interiors division is expected to maintain its momentum. On the local retail front, business remains buoyant and the Group expects to be involved in upgrading and new projects in suburban malls in Singapore and along Orchard road.

On the regional front, the Group’s efforts to strengthen the capabilities of its overseas offices and increased contribution from overseas markets have produced results. China especially, is expected to contribute significantly to the Group in the coming years, given its strong consumer spending power, high retail demand and the entry and expansion of

international brands in the country. To cater for this expected increase in business in China and position the Group to capitalize on opportunities in Asia, the Group is setting up a more automated production facility in Beijing which is expected to be fully operational by the second half of 2011.

This facility, together with the Group's production facility in Johor, Malaysia will position the Group well to meet the strong demand for retail fixture exports to Asia, US and Europe and for roll-out management services from key clients in the region.

In line with the Group's policy of distributing its profits to reward loyal shareholders, the Board is recommending a final dividend of 2.0 cents per ordinary share, and a special dividend of 0.5 cent per ordinary share to mark the Group's 35th Anniversary. Combined with the interim dividend of 1.5 cents declared in August 2010, the Group would have paid out a total dividend of 4.0 cents per share in FY10.

About Kingsmen Creatives Ltd.

Listed on the Main Board of the Singapore Exchange, Kingsmen is a leading communication design and production group in Asia Pacific and the Middle East. Established in 1976, its four business segments comprise Exhibitions & Museums, Retail & Corporate 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.

Kingsmen has a regional network of 17 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), The Hour Glass, Tiffany and Wing Tai.

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For more information, please contact:
Andrew Cheng
Group General Manager
Kingsmen Creatives Ltd
DID: (65) 6880 0465
Fax: (65) 6880 0038
Email: andrewcheng@kingsmen-int.com

Victoria Narciso
Manager, Corporate Communications
Kingsmen Creatives Ltd
DID: (65) 6880 0029
Fax: (65) 6880 0038
Email: victoria@kingsmen-int.com