

NEWS RELEASE

KINGSMEN'S NET PROFIT INCREASES 90% TO S\$9.4 MILLION

- **Records fourth consecutive year of growth**
- **Net profit jumps four-fold over last 2 years**
- **Growth seen in all business divisions**
- **Strong overseas demand and new Integrated Resorts to drive future growth**
- **Proposes Final & Special Dividend total of 3 cents**

FY2007 Results Highlights:

	FY2006	FY2007	Change
Revenue	S\$108.9m	S\$146.1m	34%
Gross profit	S\$27.8m	S\$38.7m	39%
Net profit attributable to shareholders	S\$4.9m	S\$9.4m	90%
Earnings Per Share (Cents)	4.88	7.87	61%
Net Asset Value (Cents)	18.32	28.27	54%
Dividend (Cents)	2.0	3.0	50%

“FY2007 was a good year for us. All our engines are running nicely and for the first time in years we have good visibility of the market in front of us. While we are naturally pleased with our performance last year, we are equally pleased to see the whole organization energized and ready to meet an unprecedented demand for specialized services in design and production. I am confident that our people, together with a proven operating ethos of quality, flexibility and speed, will enable us to do well in the years ahead.” **Mr Benedict Soh (苏锡波), Executive Chairman of Kingsmen.**

Singapore, February 28, 2008 – Kingsmen Creatives Ltd (“Kingsmen”), a leading communications design and production group in the Asia Pacific region, today announced another set of strong numbers for its financial year ended 31 December 2007 (“FY2007”). Net profit attributable to shareholders increased 90% to \$9.4 million on the back of a 34% rise in Group revenue from \$108.9 million in FY2006 to S\$146.1 million in FY2007.

Marking the fourth consecutive year of growth, Mr Benedict Soh (苏锡波), Executive Chairman of Kingsmen commented “We are delighted to note that once again, all our operating divisions have registered growth. Interestingly, our overseas operations in Hong Kong, China and Taiwan have started to contribute significantly, and we see tremendous potential for us to develop and grow further in these markets. On the other side of the globe, our exports of retail fixtures to Europe and North America are also showing promising results. Closer to home, new projects in the IRs and the rejuvenation of Orchard Road and its numerous shopping malls will keep us busy for years to come.”

The key contributor to Group revenue, the Interiors division saw its revenue grow 57% or \$31.9 million to \$87.9 million in FY2007. This was led by growth in the retail sector both in Singapore and Malaysia. In FY2007, key accounts contributed up to 80% of its business. These key accounts include customers and brand names such as Apple, Burberry, Chanel, DBS, Esprit, FJ Benjamin, Gap, Gucci, John Little, Marks & Spencer, Nokia, Nuance Watsons, Omega, Polo Ralph Lauren, Robinsons, Standard Chartered Bank, Tag Heuer, Tiffany, Tommy Hilfiger and Wing Tai.

In addition, the Group’s fixture export business has also shown steady growth with orders from customers such as Aldo, Apple Ipod, Marks & Spencer, and continued orders from Nokia for their roll-out projects across Asia. Exports of retail merchandising units to the Middle East also increased substantially.

Revenue for the Group’s Exhibitions and Museums division grew 8% to \$50.4 million in FY2007. This included revenue from major exhibition events such as Cityscape Dubai, Dubai Airshow, Guangzhou Motorshow, Korea Airshow, Label Expo, SIBOS, TFAP and

Tempus, Venetian Opening event in Macao, and event launches undertaken for BMW in Singapore and Yamaha Motors in Vietnam and Malaysia, and installation works for Eye Corp at Changi Airport. The Museum business included the two museum projects in Singapore, namely the Home Team Academy Museum and the Army Museum in FY2007. During the last quarter of FY2007, the Group's China subsidiaries also carried out various museum/visitor centre fit-out jobs for Suzhou Industrial Park, Suzhou Technology Exhibition Centre and Dalian Software Park.

Revenue for the Research and Design division grew 26% to \$4.3 million in FY2007, driven by more design jobs, while the Group's IMC division grew its revenue by 29% to \$3.4 million.

Moving forward, the Group intends to leverage on its subsidiaries in North Asia to capitalize on the expected retail boom and a rapidly growing exhibition industry in the PRC. It also intends to expand its scope and services into the fast-developing sports marketing, consultancy and event management service area through its associate company, Enterprise Sports Group Pte Ltd. In the UAE, massive construction projects, an expanding manufacturing base and a thriving services sector have created new opportunities for the Group's associate company, Kingsmen Middle East LLC.

The Group's export of retail fixtures to Europe and North America have been encouraging, with new clients secured in the US, Switzerland and Canada. The Group plans to expand this business by committing additional resources and increasing its production capabilities in Malaysia and the PRC.

On the local front, the Group expects strong demand for its services to come from the opening of new shopping centres in Orchard Road, namely, Orchard Central, ION Orchard and at the Mandarin Hotel, the continuous upgrading of Terminal 1 and 2 and the opening of Terminal 3, as well as new retail and F&B outlets for the two new Integrated Resorts which are scheduled to open in 2009 and 2010. In addition, its 5-year contract to construct grandstands and corporate suites for the Singapore F1 Grand Prix will also contribute to the Group's financials.

The Group continues to see strong orders from customers and as at 27 Feb 2008, has an order book of \$66 million. Therefore barring unforeseen circumstances, the Group expects to do well in FY2008.

In line with the Group's policy of distributing its profits to reward loyal shareholders, the Board is recommending a First and Final dividend of 2.0 Singapore cents per ordinary share and a Special dividend of 1.0 Singapore cents per share.

About Kingsmen Creatives Ltd.

Listed on the Singapore Exchange in 2003, 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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