



## NEWS RELEASE

### KINGSMEN'S NET PROFIT DOUBLES TO S\$4.7 MILLION

- Third consecutive year of growth
- Growth seen in all business divisions
- Acquisitions and booming regional economies to drive future growth
- Proposes Final & Special Dividend total of 2 cents

#### FY2006 Results Highlights:

	FY2006	FY2005	Change
Revenue	S\$108.9m	S\$76.7m	42%
Gross profit	S\$27.8m	S\$20.5m	35%
Net profit	S\$4.7m	S\$2.4m	98%
Earnings Per Share (Cents)	4.88	2.17	125%
Net Asset Value Per Share (Cents)	18.32	14.55	26%
Dividend Per Share (Cents)	2.0	1.0	100%

*“ We are now on a new growth track for the Group. We have the resources and capabilities to meet the strong demand for our services in the regional and the domestic markets. In the region, we see the demand in the upgrading of existing leisure facilities, retail malls and F&B outlets and the construction of new facilities in the PRC prior to the 2008 Beijing Olympics. Elsewhere in the region, there is also a strong drive towards the upgrading of facilities in light of the booming regional economies. Closer to home, the new integrated resorts (“IRs”) will result in new fit-out contracts and the spill over effect of the IRs will lead to more upgrading projects in the leisure and retail sectors. These trends, coupled with our intention to acquire more of our regional Kingsmen Affiliates puts us in a strong position to continue doing well in the years ahead.”, Mr Benedict Soh (苏锡波), Group Managing Director of Kingsmen.*

**Singapore, February 27, 2007** – Kingsmen Creatives Ltd (“Kingsmen”), a leading communications design and production group in the Asia Pacific region, today reported a sterling set of numbers for its financial year ended 31 December 2006 (“FY2006”). Net profit surged 98% to S\$4.7 million on the back of a 42% increase in Group revenue from S\$76.7 million in FY2005 to S\$108.9 million in FY2006.

Marking the third straight year of growth, Mr Benedict Soh (苏锡波), Group Managing Director of Kingsmen commented “Our strong performance is the result of the strategic investments in capacity and capabilities we have made over the last two years and the strong growth in the regional economies. This coupled with the strong Kingsmen brand and reputation for quality has enabled us to secure more jobs, especially since we increased our capacity through our new Malaysian facility in 2006.”

Growth was seen in all business divisions of the Group, with the Exhibitions and Museums Division contributing S\$46.8 million to FY2006 revenue, a 54% increase over FY2005’s revenue of S\$30.4 million. Key contributors to this division included major exhibition events such as the Asian Aerospace, Arabian Travel Mart, Cityscape, Communique Asia, the Farnborough Airshow, ITB Berlin, SIBOS and TFWA. The Group also undertook event launches for BMW in Singapore and Yamaha Motors in Vietnam, as well as the year round Sure Heboh event in Malaysia throughout FY2006. Two major museum projects, the National Museum of Singapore and the i-Space/i-Future projects were also completed in FY2006.

The Interiors Division grew 35% from S\$41.6 million in FY2005 to S\$56.0 million in FY2006. The growth in the retail sector is evident, with the opening of the new mega shopping and entertainment complex, Vivo City, which by itself has contributed approximately S\$10.1 million to the Group’s turnover in the fourth quarter. Key accounts, which includes Adidas, Baccarat, Dickson Group, DBS/POSBank, DFS, Esprit, FJ Benjamin, GRI, The Hour Glass, Marionnaud Perfumaries, Nokia, Nuance-Watsons, Osim, P&G, Performance Motors, Philip Electronics, Samsung, Watsons and

Wing Tai accounted for approximately 75% of the Division's revenue for FY2006 . Of these, about S\$9.5 million were from the export of fixtures.

Revenue from the Research and Design Division grew 40% to S\$3.5 million in FY2006, while revenues from the Group's Integrated Marketing Division increases to S\$2.7 million from S\$2.3 million in FY2005.

Moving forward, the Group has already been awarded two museum projects in Singapore worth S\$3.7 million, scheduled for completion in 2007. The upcoming IRs will see strong short to medium term prospects of the Group's Exhibitions and Museums division. Overseas, the Group will continue to market its retail fixtures capabilities/services to Europe and the United States. With the new Malaysian facilities in Johor Bahru, the Group is now equipped to meet the demand from this business segment. On the Interior's front, the Group will be carrying out a number of major roll-out projects in the region for its key clients. These include retail interior projects in existing shopping complexes which are being upgraded and the opening of new shopping malls and Terminal 3, Changi Airport .

The Group also intends to exercise its existing Call Option Agreements with Kingsmen International Limited to acquire its respective interest in the share capital of Kingsmen North Asia Limited (with operations in Hong Kong, China and Taiwan), Kingsmen Middle East LLC (with operations in Dubai) and Kingsmen Fairtech Int (P) Ltd (with operations in India) to expand its reach into some of the region's fastest growing markets.

The Group continues to see strong orders from customers and as at 23 Feb 2007, the Group has an order book of S\$30.4 million.

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 1.5 Singapore cents per ordinary share and a Special dividend of 0.5 Singapore cents per share.

## **About Kingsmen Creatives Ltd.**

Listed on the SGX-SESDAQ 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 Robinsons, DFS Venture, Dickson Group, F J Benjamin, Burberry, Asian Aerospace and Reed Exhibitions.

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February 27, 2007