



NEWS RELEASE

KINGSMEN'S INTERIM NET PROFIT INCREASES TO S\$5.9 MILLION

- Revenue increases 14.6% to S\$88.7 million
- Records sixth consecutive year of growth in interim revenue and net profit
- Growth driven by contribution from all business divisions
- Proposes interim dividend of 1.5 cents

1HFY09 Results Highlights:

	1HFY09	1HFY08	Change
Turnover	S\$88.7m	S\$77.4m	+14.6%
Gross profit	S\$25.4m	S\$24.1m	+ 5.3%
Net profit after MI	S\$5.9m	S\$5.4m	+ 8.2%
Diluted EPS	3.11 cents	2.87 cents	+ 8.3%

“Our first half numbers reflect the continued strong demand for our specialised services in the region. Visibility of our business remains strong and our immediate task is to build on our capabilities and capacity to meet market needs, to reinforce our position in our key markets. While our overseas business is doing well and contributes half of Group turnover, we are only scratching the tip of the iceberg. The markets there are huge and we intend to devote more resources to further develop these markets, positioning us for sustainable and scalable growth for the next five years.” said **Mr Benedict Soh, Executive Chairman of Kingsmen.**

Singapore, August 13, 2009 – 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 an 8.2% growth in interim net profit to S\$5.9 million for the six months ended June 30, 2009 (“1HFY09”). This was on the back of a 14.6% increase in revenue to S\$88.7 million in 1HFY09, from S\$77.4 million in the previous period.

Commenting on the Group’s performance, Mr Soh said: “We are pleased with our performance this half year. Despite the global slow down over the last one year, our business continues to be buoyant and demand strong. Significantly, we have also expanded our business scope to include thematic and scenic works and fixture exports as potential business areas that are replicable and scalable over the long run. This, coupled with the growth and market potential of our overseas offices points to more exciting times ahead for us.”

Driving the Group’s growth this first half was strong revenue contribution from the Exhibitions and Museums division which recorded higher revenues of S\$46.4 million for 1H 2009, a 21.6% increase from the previous period. During the first half of the year, the division supported major exhibition events such as Idex Abu Dhabi 2009, TFWA Asia Pacific 2009 and a series of exhibition projects for Nissan/Infinity for automobile shows in major cities in China. Significant progress was also made on works for Universal Studio Singapore and Bank Negara Museum in Malaysia.

The Interiors division likewise continued to perform well, posting revenues of S\$36.9 million from managing key accounts and undertaking “roll-out programmes” for key accounts such as Burberry, Cotton On, Chanel, FJ Benjamin, Polo Ralph Lauren, RSH Singapore, Swarovski and Tiffany & Co. These, together with the opening of ION Orchard in early July which saw the Group completed the fit-out of some 20 stores/boutiques and the export of fixtures to Europe, contributed to the bulk of the division’s first half year’s revenue.

The Research and Design division recorded revenues of S\$2.3 million, about the same level as that of 1H 2008, while the IMC division saw its revenue more than doubled to S\$3.1 million, compared to S\$1.3 million in the same period last year.

Outlook for FY2009 and Beyond

The impending opening of the Integrated Resorts and the Orchard Road revamp has created positive spin-offs for the Singapore economy, directly boosting demand for the Group's services, especially in the design, fabrication and maintenance of interior fit-out works for shops and boutiques within the resorts and theme park, and retail malls along Orchard Road and across the island. Demand for services in exhibitions and conventions is also expected to rebound once the downturn ends and the IRs open.

By the end of this year, the Group would have completed some S\$76 million worth of contracts relating to Universal Studios Singapore. In 2010, the Group would embark on Phase 2 of the Universal Studios project which includes several parcels of works which should generate significant income. With the experience gained, the Group now have the capabilities to carry out thematic and scenic construction works and are well positioned to bid for future theme parks in the Middle East and Asia regions.

The experience gained in supporting the Singapore Formula 1 in 2008 and the subsequent 4 years, will also provide an edge in marketing the Group's expertise and services for such races and mega sporting events across the region.

The focus on key accounts and roll-out management services for the Group's interior business continues to show results. Interestingly, over the last few months, the Group has secured repeat orders from well known global brands, most notably Polo Ralph Lauren, to provide fixtures for their shops in Europe. This development is especially exciting, in light of the growing need from global brands seeking high quality but cost effective fit-out solutions for their chain of retail outlets across the globe.

Beyond 2009, the Shanghai World Expo which will begin in May 2010 is expected to be a major revenue stream for the Group next year. The Group is confident of being awarded several projects, given the Group's strong track record in pavilion construction and that about 200 countries and global brands are expected to participate at the six-month-long show. 2010 will also see the Group supporting the inaugural Youth Olympic Games, which will be held in Singapore in Aug 2010.

As at 12th August 2009, the Group has been awarded contracts of approximately S\$208 million, of which S\$188 million is expected to be recognized in FY2009.

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 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, Esprit, FJ Benjamin, Gucci, Nokia, Robinsons Group (including John Little and Marks and Spencer), Tiffany and Wing Tai.

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