Sin Heng Heavy Machinery Limited
26 Gul Road Singapore 629346
Tel: (65) 6861 6111 Fax: (65) 6863 8616
www.sinheng.com.sg

PRESS RELEASE

Contact Information:
August Consulting
Tel: +65 67338873 Fax: +65 67339913
YAP Meng Lee – menglee@august.com.sg
Nora SNG – nora@august.com.sg
Zoe TAY– zoe@august.com.sg

Sin Heng reports S$10.4 million in earnings for 1H FY2010

- *Group continues to grow its core equipment rental business, despite unfavourable global economic condition which slowed its trading business in 1H FY2010*
- *A recovery in demand and buying interest is now evident from first quarter of FY2010; Group sold 59 cranes in 1H FY2010 compared to 29 cranes in 2H FY2009*
- *Directors recommend an interim dividend of 0.45 Singapore cents a share*

S$'m	6 months ended 31.12.09 ("1H FY2010")	6 months ended 31.12.08 ("1H FY2009")	Growth (%)
Revenue	71.2	80.2	↓ 11.2%
Gross Profit	14.2	22.2	↓ 35.9%
Profit Before Tax	11.4	19.3	↓ 40.9%
Net Profit	9.9	16.3	↓ 39.0%
Comprehensive Income	10.4	15.8	↓ 34.2%

SINGAPORE – 11 March 2010 – Sin Heng Heavy Machinery Limited ("Sin Heng" and, together with its subsidiaries "the Group"), one of the leading heavy lifting service providers in Singapore focusing on the mid-to-high lifting capacity segment, has seen its earnings impacted last year due to the economic slowdown but is now seeing a recovery in demand and buying interest, moving into the current year.

For the six months ended 31 December 2009 ("1H FY2010"), the Group reported a 34.2% drop in comprehensive income to S$10.4 million on an 11.2% decline in revenue to S$71.2 million.

This was mainly due to a 14.3% decline in revenue from its trading business to S$54.6 million as a result of lower sales from both cranes and aerial lifts due to the unfavourable global economic condition.

Revenue from its equipment rental business, however, held steady at S$16.6 million, but gross profit fell 12.1% to S$5.9 million due to a combination of factors, such as lesser overtime work from its rental customers; an increase in depreciation charges and an increase in maintenance costs - both resulting from an increase in rental fleet size.

Per Share Data

Based on the Group's 1H FY2010 results, the Group's earnings per ordinary share (based on weighted average shares of 371,640,000) is 2.67 Singapore cents, while its net asset value per ordinary share is 16.50 Singapore cents as at 31 December 2009.

Directors are recommending an interim tax exempt (one tier) dividend of 0.45 Singapore cents per share, which amounts to close to 23.1% of the Group's 1H FY2010 net profit.

Revenue By Business Segment

S$'m	6 months ended 31.12.09 ("1H FY2010")	6 months ended 31.12.08 ("1H FY2009")	Growth (%)
Equipment rental business	16.7	16.6	↑ 0.5%
Trading business	54.6	63.6	↓ 14.3%
Total	**71.2**	**80.2**	**↓ 11.2%**

As Sin Heng is strategically focused on higher lifting capacity cranes that can undertake larger projects, the Group has conscientiously built up its fleet of mid-to-heavy lifting capacity cranes and aerial lifts in recent years.

As at 31 December 2009, the Group owns a fleet of 73 cranes with a combined lifting capacity of more than 7,900 tons. This translates to an average lifting capacity of 108.5 tons/crane as at 31 December 2009. In addition, Sin Heng owns a fleet of 216 aerial lifts, with access heights of up to 45.7 metres.

Sin Heng's strategic focus has enabled the Group to be slightly more immune from the global financial crisis as most of its targeted industries have continued to do well in 2009.

"Our comprehensive fleet of cranes and aerial lifts allows us to offer a more complete and integrated range of lifting solutions, and hence, catering to a wider customer base. It has also enabled us to participate in the larger projects commonly found in the infrastructure and geotechnic, construction, offshore and marine, as well as oil and gas industries," commented Mr Don Tan, Managing Director of Sin Heng.

Prospects

"Due to the global economic slowdown and the credit crunch, trading of equipment has experienced a slowdown in the second half of FY2009, but we are beginning to see a steady recovery in demand and buying interest starting from the first quarter of FY2010 with an upward trend towards the end of the first half of FY2010. In the first half of FY2010, we sold 59 cranes as compared to 29 cranes in the second half of FY2009," commented Mr Tan.

"Since our establishment in 1969, Sin Heng has grown rapidly to become one of leading heaving lifting service providers in Singapore. Going forward, we intend to continue our strategy of enhancing our comprehensive fleet of cranes and aerial lifts to secure more projects in the infrastructure and geotechnic sectors and maximize the returns on our assets and deliver greater returns to our shareholders," added Mr Tan.

Barring unforeseen circumstances, the Group is of the opinion that the equipment rental business will continue to be stable.

About Sin Heng Heavy Machinery Limited

Sin Heng, a third place winner in the 2009 Enterprise 50 Awards, has grown significantly over the past 40 years to become one of the leading heavy lifting service providers in Singapore with a focus on the mid-to-high lifting capacity segment.

Sin Heng is strategically focused on higher lifting capacity cranes that can undertake larger projects. As at 31 December 2009, the Group owns a comprehensive fleet of 73 cranes and 216 aerial lifts which enables the Group to offer a more complete and integrated range of lifting solutions and hence, cater to the requirements of a wider customer base.

The Group has participated in major infrastructure and geotechnic projects in Singapore, including the Newton Circle flyover – one of Singapore's first dual carriage flyovers, Ayer Rajah Expressway, Central Expressway in the 1980s; Pan-Island Expressway and reclamation of Jurong Island in the 1990s; and Sentosa Light Rail System, Singapore Flyer and Changi Airport Terminal 3 from year 2000 onwards. The Group is currently involved in prominent projects such as Marina Bay Integrated Resort, Resorts World at Sentosa, Marina Bay Financial Centre and the Marina Coastal Expressway.

The Group's two core business segments – equipment rental and trading – complement each other, whereby the trading business provides Sin Heng with an avenue to renew its equipment rental fleet while its existing equipment rental fleet can be traded and sold to customers. Through its long operating history, Sin Heng has also built up an extensive network of suppliers to source for good working condition equipment at competitive prices and a wide customer base across various industries worldwide spanning USA, Europe, the Middle East, Asia, Australia and Africa.

In 2009, the Group took further steps towards its regional expansion plans and set up subsidiaries in Vietnam and Malaysia to tap into various equipment rental opportunities in the region.

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DBS Bank Ltd. is the Joint Issue Manager, Underwriter and Placement Agent and Stirling Coleman Capital Limited is the Joint Issue Manager for Sin Heng's listing on the SGX-ST.