



新興重型機械有限公司
SIN HENG HEAVY MACHINERY LIMITED

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CO REG. NO: 198101305R

GST REG. NO: M2-0043237-1

PROFIT GUIDANCE

The Board of Directors of Sin Heng Heavy Machinery Limited (the "Company") wishes to announce that following a preliminary assessment of the financial results of the Company and its subsidiaries (the "Group"), the Board of Directors of the Company would like to advise shareholders that the Group expects its financial results for 4Q FY2010 to be considerably lower than the comparative 4Q FY2009. Nevertheless, the Group expects to remain profitable for 4Q FY2010 and overall profitable for FY2010.

The decrease in profitability of the Group for 4Q FY2010 is mainly attributed to decreasing profitability of our equipment rental business due to lesser overtime work required by our rental customers as well as the redeployment downtimes following the completion of several long-term contracts. In addition, mark-to-market differences on forward contracts entered into to hedge our foreign currency purchases also contributed to the decline in our profitability in 4Q FY2010.

The Company expects to finalise and announce its unaudited results for 4Q FY2010 and FY2010 before 29 August. Further details of the Group's results will be disclosed then.

By Order of the Board

Tan Cheng Soon Don
Managing Director
Date: 18 August 2010

DBS Bank Ltd. is the Joint Issue Manager, Underwriter and Placement Agent and Stirling Coleman Capital Limited is the Joint Issue Manager for the Company's listing.