

Pan-United reports 1Q09 net attributable profit of S\$10m

■ Established pan-Asian presence, varied businesses, and robust balance sheet will help shelter Group from global economic crisis

SINGAPORE, 12 MAY 2009

FOR IMMEDIATE RELEASE

Pan-United Corporation Ltd (PUC, the Group or 泛联集团) reported a 10% year-on-year increase in revenue to \$128.3 million for first quarter ended 31 March 2009 (1Q09) with Group net attributable profit (PATMI) at S\$9.9 million despite a more challenging trading environment. In 1Q08, the Group achieved a PATMI of S\$11.7 million.

Revenue growth was on the back of higher activity level in its Basic Building Materials (BBM) division in spite of softer selling prices.

PUC's expanded fleet was relatively well deployed in 1Q09 even though the Shipping division did not have the benefit of utilising all its vessels – some were docked for survey and repairs, while two tugboats were mobilised to take delivery of the new barges.

Throughput at its 51.3%-owned Changshu Xingshu Port (CXP) was affected in January 2009 by continuing severe global trade contraction.

Said Mr Patrick Ng, PUC's Chief Executive Officer: "The strong pick-up in activities in CXP in February and March 2009 has been encouraging. The ground feel is certainly more optimistic as a result of the Chinese government's RMB4.0 trillion domestic stimulus packages and we expect the port to benefit from improving domestic demand in the coming months.

The geographical spread of our three core businesses focusing on China, Southeast Asia and Singapore will help us weather the challenging business environment."

The Group's balance sheet remained robust as its operations generated a net cash flow of S\$20.2 million in 1Q09, 6% up from the previous quarter. Net gearing remained at a low 12.4% as at 31 March 2009 with an interest cover of about 8 times.

On prospects for the rest of the year, Mr Ng commented: "While our BBM division expects higher demand for cement and ready-mixed concrete, we are already seeing softer



selling prices. However, higher contributions from the expanded fleet and the trade flow increase in China over the next few months are expected to mitigate this. We believe that our integrated operations built around our core logistics capabilities will give us a competitive edge in this difficult year.”

ABOUT THE COMPANY

www.panunited.com.sg

SGX mainboard listing: December 1993

PUC is one of the region’s rising infrastructure and logistics groups, engaged in port & logistics, shipping and basic building materials (BBM) activities.

The Group owns and operates Changshu Xinghua Port (CXP), a multi-purpose port located at the gateway to the dynamic Yangtze River delta. One of China’s busiest river ports, it has eight berths and a total berth length of 1.7 km. CXP’s berths can handle vessels up to 70,000 dwt.

As a leading regional shipping group, PUC provides total solutions for its customers. It owns and operates a fleet of tugboats and barges that specialise in bulk cargo transportation in South-east Asia and a container vessel.

The BBM group manufactures and supplies basic building materials such as cement, aggregate products, ready-mixed concrete (RMC), asphalt pre-mixed and refined petroleum products. As the largest cement and RMC supplier in Singapore, PUC is active in many major infrastructural developments, such as the MRT Downtown Line and the Marina Bay Financial Centre.

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