

Pan-United ups dividend payout; proposes final dividend of 1.5¢ for FY09

- Diligent working capital management supports 38% rise in net operating cashflow to \$69.4m
- Net gearing slashed to 4% from 13%

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FOR IMMEDIATE RELEASE

Pan-United Corporation Ltd (PUC, the Group or 泛联集团) has proposed a final ordinary dividend of 1.5 cents for the year ended 31 December 2009 (FY09), bringing the total ordinary dividend to 3.0 cents. This translates to a higher payout ratio of 48% compared to last year's 31%.

This dividend payout is supported by diligent efforts in working capital management which lifted net cashflow from operations by 38% year-on-year (yoy) to \$69.4 million from \$50.2 million last year. In addition, the Group slashed its net gearing to a mere 4% from 13% last year.

The Group's net attributable profit (PATMI) for FY09 came in at \$34.7 million on revenue of \$470.8 million. Group revenue was down 15% yoy due to lower revenue from the Basic Building Materials (BBM) and Shipping divisions, partially offset by higher revenue from the Port & Logistics division.

PUC's Chief Executive Officer, Mr Patrick Ng said: "Our diversified and synergistic business portfolio, coupled with our active capital management, have steered us through a tough operating environment. On top of that, we achieved several milestones for two of our divisions in FY09."

The BBM division doubled its storage capacity by adding 40,000 metric tons with the completion of its second dual-cell cement silo in Jurong Port. The Group's wholly-owned subsidiary, Pan-United Concrete Pte Ltd, became the first company in Singapore to be awarded certification under the new RMC production quality standards defined by the Building and Construction Authority of Singapore.



The Group's 51.3%-owned Changshu Xinghua Port (CXP) inked two landmark contracts during the year. The first contract is with Pacific Forest Products (PFP), the second-largest trading company for New Zealand (NZ) logs, which will see PFP exporting 600,000 cubic metres of NZ logs into China through CXP.

The second contract is with China Metallurgical Group Corporation (MCC), one of the largest equipment manufacturers in China, marking CXP as MCC's first port partner in the assembly of mega-sized equipment. CXP will lease out 40,000 square metres of yard space for MCC to assemble up to 100,000 cubic metres of mining equipment, after which CXP will handle the export of the finished mining equipment.

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 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, its shipping division 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 in addition to a container vessel for bareboat charter in Asia.

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

FOR FURTHER ENQUIRIES

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