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Mencast's HY2010 net profits up 20.0% to S\$4.8 million

- Revenue grew by 8.2% to approximately S\$15.2 million in HY2010 with robust growth in the sterngear services business segment
- Order book for the sterngear manufacturing business segment stood at approximately S\$8.2 million as at 30 June 2010

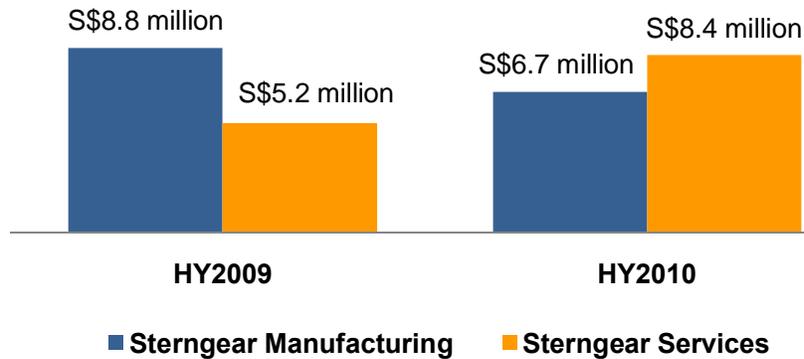
FINANCIAL HIGHLIGHTS	HY2010	HY2009	chg
	S\$'000	S\$'000	%
Revenue	15,161	14,017	8.2%
Gross Profit	8,553	7,128	20.0%
Gross Profit Margin	56.4%	50.9%	-
Net Profit Attributable to Equity Holders	4,807	4,007	20.0%
Net Profit Margin	31.7%	28.6%	-
Basic Earnings Per Share (cents)*	3.10	2.72	14.0%

* Based on the weighted average of 155,066,000 shares for HY2010 (HY2009: 147,500,000 shares)

Singapore, 12 August 2010 . Mencast Holdings Ltd. (**Mencast+**) and its subsidiaries (the **Group+**), a sterngear equipment manufacturer and sterngear services provider in Singapore, today announced net profit attributable to equity holders of approximately S\$4.8 million for the six-month financial period ended 30 June (**HY+**) 2010.

Financial Overview

The Group's total revenue increased by approximately 8.2% to approximately S\$15.2 million in HY2010 as compared to HY2009 mainly due to the increase in revenue from the sterngear services business segment, offset by the decrease in revenue from the sterngear manufacturing business segment.



As compared to HY2009, revenue for the Group's sterngear manufacturing business segment decreased by approximately 23.6% as compared to HY2009 to approximately S\$6.7 million in HY2010 due mainly to the slow-down in activities in the shipbuilding industry. On the other hand, with the revenue contributions from Recon Propeller & Engineering Pte Ltd (**Recon+**) and the business of Denfon Engineering (following the completion of their acquisitions in July 2009), the Group's sterngear services business segment's revenue surged by approximately 61.6% as compared to HY2009 to approximately S\$8.4 million in HY2010.

In line with the increase in revenue, the Group's gross profit also increased by approximately 20.0% as compared to HY2009 to approximately S\$8.5 million in HY2010. The Group's gross profit margin also improved from approximately 50.9% in HY2009 to approximately 56.4% in HY2010 mainly due to the higher proportion of sterngear services business in HY2010 which commanded better margins as compared to the sterngear manufacturing business.

Together with the increase in the Group's other gains, and offset by the increases in the Group's administrative expenses, finance costs and income tax expenses, the Group's net profit attributable to equity holders increased by approximately 20.0% as compared to HY2009 to approximately S\$4.8 million in HY2010, translating to a basic earnings per share (**EPS+**) of 3.10 Singapore cents, compared to a basic EPS of 2.72 Singapore cents in HY2009. The Group's net profit margin also improved from approximately 28.6% in HY2009 to approximately 31.7% in HY2010.

Outlook & Business Prospects

The demand for new shipbuilding orders remain slow despite an improvement in the world economy. This in turn will affect sales for the Group's sterngear manufacturing business segment. As at 30 June 2010, the order book for the Group's sterngear manufacturing business segment stood at approximately S\$8.2 million.

Notwithstanding the strong industry competition, the Group expects its sterngear services business segment to continue to improve.

***“We are pleased with the Group posting a good set of results amidst the challenging environment. Our sterngear services business is progressing well with the integration of Recon and Denfon Engineering in the Group.*”**

The Group will continue to look out for selective investments and exploit strategic opportunities in related business and will be prudent in cash flow management in carrying out its expansion plans. The construction of our new waterfront facility at Tanjong Penjuru Road is progressing as per schedule and the facility is expected to be operational in 2011.

Mr Glennle Sim, Executive Chairman & CEO

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ABOUT MENCAS HOLDINGS LTD. (Bloomberg Ticker: MCAST SP)

The first company to achieve a listing on SGX-CATALIST, Mecast is a Singapore-based sterngear equipment manufacturer and sterngear services provider for a wide range of commercial vessel applications.

Catering primarily to customers in the offshore oil and gas and marine industry for the local and regional shipyards, Mecast's clientele include some of the major players in the offshore oil and gas and marine industry.

Mecast is one of the first sterngear equipment manufacturers in Singapore to obtain the ISO9001:2000 Quality Management System. Also, it had achieved the Singapore SME 500 award for two consecutive years in 2005 and 2006.

For more information, please refer to the corporate website: www.mecast.com.sg

Issued for and on behalf of Mecast Holdings Ltd.

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*This news release and its contents have been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), this being the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this news release. This news release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this news release, including the correctness of any of the statements or opinions made or reports contained in this news release.*

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