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Mencast extends record with 30% growth in FY2012 earnings to S\$13.3 million

- Eighth consecutive year of record revenue and NPAT
- New Penjuru facility boosts revenue by 49% to S\$84.1 million, with all business segments growing
- One-for-one bonus issue proposed to reward shareholders
- Property assets independently valued at S\$32.0 million premium to book value, equivalent to an unrealised gain of S\$0.14 per share

Singapore, 26 February 2012 – Mencast Holdings Ltd. and its subsidiaries (“Mencast” or the “Group”), a Mainboard listed and Singapore-based Maintenance, Repair and Overhaul (“MRO”) Company for the Offshore and Marine Industry, is pleased to announce that the Group has extended its record earnings for the eighth consecutive year with a 30% increase in net profit after tax of S\$13.3 million for the financial year ended 31 December 2012 (“FY2012”). A table on the financial highlights is provided below:

FINANCIAL HIGHLIGHTS	FY2012	FY2011	Chg
	S\$'000	S\$'000	%
Revenue	84,086	56,358	49
Gross Profit	30,935	23,466	32
Net Profit After Tax	13,342	10,236	30
Net Cash Generated by Operating Activities	12,984	9,046	44
Basic Earnings Per Share (cents)*	6.27	5.77	9

* Based on weighted average of 210,231,587 shares for FY2012 (FY2011: 177,475,573 shares)

Financial Overview

Group revenue rose to S\$84.1 million in FY2012, a 49% jump over FY2011 due to strong demand and the additional capacity at our new Penjuru facility. Across the board increase in revenue was recorded, with strong growth in the Offshore & Engineering and Marine segments, as well as an initial contribution from the new Energy segment.

Segmental Performance	Offshore & Engineering ¹ (S\$'000)		Chg (%)	Marine ² (S\$'000)		Chg (%)	Energy ³ (S\$'000)		Chg (%)
	FY12	FY11		FY12	FY11		FY12	FY11	
Revenue	34,880	18,259	91	46,315	38,099	22	2,891	-	n.a.
Gross Profit	11,572	9,585	21	17,717	13,881	28	1,646	-	n.a.

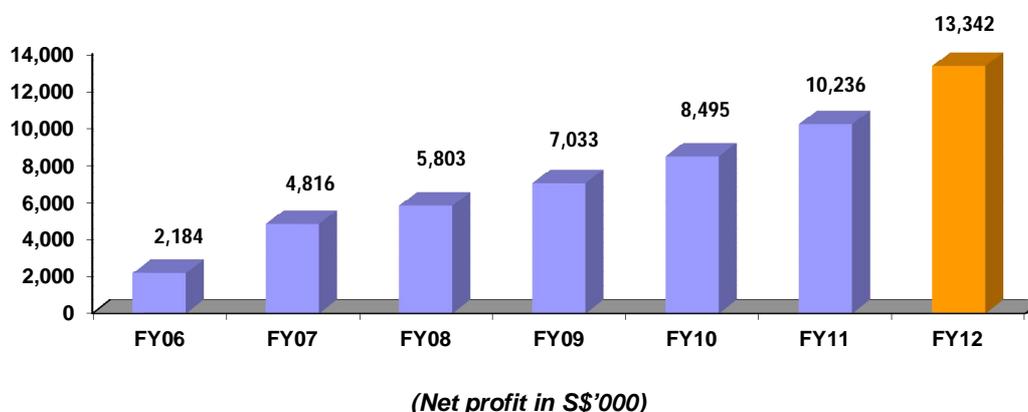
- 1) Offshore & Engineering includes offshore structures, engineering, manufacturing, inspection and maintenance. This includes rope access services
- 2) Marine Services includes stearngear manufacturing and refurbishment works, ship inspection, repair & maintenance services and engineering & fabrication works and diving services
- 3) Energy includes oil sludge and slop reclamation, hydro cleaning oil and gas tanks, encapsulation of wastes prior to landfill disposal and design and launch carbon footprint management initiatives and green initiatives

Revenue from the Offshore & Engineering segment increased by S\$16.6 million primarily due to the full year revenue contribution of Top Great, Mencast Subsea (rope access services only) and Team businesses, which only contributed eight months, seven months and one month of revenue respectively in FY2011. Furthermore, the Group was able to secure bigger projects due to increased production capacity at its state of the art offshore and marine facility at Penjuru.

Revenue from the Marine segment grew S\$8.2 million, mainly due to the full year revenue contribution from diving services at Mencast Subsea of S\$12.1 million in FY2012, up sharply from S\$5.6 million in FY2011. Gross profit margins for the segment improved slightly to 38% in FY2012 from 36% in FY2011 as a result of jobs with a higher profit margin.

The Group also recorded a maiden contribution from the Energy segment in FY2012, through Vac-Tech, a subsidiary acquired in May 2012.

As a result, the Group reported net profit of \$13.3 million in FY2012, an increase of 30% compared to \$10.2 million in FY2011.



Rewarding Shareholders

The Board of Directors of Mencast has proposed a first and final tax-exempt cash dividend of 1.2 cents per ordinary share, unchanged from the prior year.

The Board of Directors of Mencast have also proposed a one-for-one bonus issue to reward shareholders for their loyalty and in recognition of the Group's growth record and scale. This bonus issue is subject to SGX and shareholders' approval.

Outlook & Business Prospects

Reflecting on FY2012, Mr Glenndle Sim, Executive Chairman & CEO of Mencast, commented,

“The 30% NPAT growth in FY2012 is a testament to the solid execution by the Mencast team of our operational strategies.

Our strategy of acquiring strategic businesses is reaping dividends. Even more importantly, our growth strategy is coming to fruition and we enter the current year optimistic about our long term growth prospects.”

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

The first stock to be listed on SGX-Catalist and also transferred to SGX-Mainboard, Mencast Group is a Singapore-based marine maintenance, repair and overhaul ("MRO") provider for the offshore and marine industry worldwide.

Mencast's Offshore & Engineering services include offshore structures, engineering, manufacturing, inspection and maintenance, including rope access services. Marine services include sterngear manufacturing and refurbishment works, ship inspection, repair & maintenance services and engineering & fabrication works. It also includes diving services. For the Energy segment, services provided encompasses oil sludge and slop reclamation, hydro cleaning oil and gas tanks, encapsulation of wastes prior to landfill disposal and design and launch carbon footprint management initiatives and green initiatives.

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

Issued for and on behalf of Mencast Holdings Ltd.

By Financial PR Pte Ltd

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