



KS ENERGY SERVICES LIMITED

(Company Registration No. 198300104G)

NEWS RELEASE

FY2006 Results Announcement: 12 months ended 31 December 2006 (unaudited)

KS Energy Reports Net Profit Increase of 51% to \$50.7 million

Another Year of Record Performance

	FY2006	FY2005	% change
Revenue	\$295.1m	\$269.1m	+10%
Gross Profit	\$76.2m	\$59.0m	+29%
Profit Before Tax	\$64.9m	\$41.5m	+56%
Net Profit	\$50.7m	\$33.6m	+51%
- Net profit margin	17.2%	12.5%	-
Earnings per share	21.30 cents	14.11 cents	+51%
Total net dividend payout	\$14.6m	\$8.2m	+78%

Key Points

- **Another year of record performance: Net Profit +51% to \$50.7 million**
- **Broad-based improvement: contributions from more rig and capital equipment related projects and higher demand for equipment & parts**
- **Full year net dividend payout increased 78% to \$14.6 million**
- **Group expects to expand in existing and new markets to undertake more capital equipment related projects and distribution contracts in FY2007**
- **Group remains optimistic of prospects in FY2007**

Singapore, 13 February 2007 – Singapore Exchange Mainboard-listed KS Energy Services Limited (“KS Energy” or the “Group”), an energy services group which furnishes and supplies capital equipment as well as distributes equipment, parts, and consumables for the global oil & gas industry today reported another year of record performance for the 12 months ended 31 December 2006.



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High capital expenditures and investments by the global oil & gas industry in FY2006 underpinned strong demand from major oil and gas companies for capital equipment, parts and consumables to support a rising level of exploration and production activities. The Group recorded higher contributions from a larger number of capital equipment related projects and growth in the distribution business in FY2006. As a result, group revenue rose 10% to \$295.1 million and net profit jumped 51% to \$50.7 million.

To reward shareholders for the record performance, the directors have proposed a final dividend of 1.8 cents per share. Together with the interim dividends, the total payout for FY2006 represents a growth of 78% over FY2005.

Pleased with the Group's performance, Mr Kris Wiluan, the CEO and Executive Chairman of KS Energy commented, "With strong demand, the global oil & gas industry is expected to remain buoyant in FY2007 and accompanied by a high level of oil & gas exploration and production ("E&P") activities around the world. We are confident that demand for capital equipment as well as parts and consumables will remain firm to support the growing E&P activities."

"We intend to capitalise on the positive market conditions to refurbish and supply more capital equipment to our customers in FY2007. In addition to the traditional markets, I will enable the Group to benefit from my extensive contacts in the Latin American, Middle Eastern and Indonesian oil & gas sectors to expand into these new markets for capital equipment related projects and distribution contracts. The scheduled completion of more capital equipment related projects in FY2007 will add to the demand for parts, equipment and consumables. KS Energy, which is leading a group integration process, will benefit from business synergies and higher operating efficiencies among the companies in the Group. We will also continue to seek opportunities to expand our services and product portfolio to better service our growing base of customers around the world," Mr Wiluan added.

Barring unforeseen circumstances, the Group remains optimistic of prospects in FY2007.



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About KS Energy Services Limited (“KS Energy”)

Listed on SGX-SESDAQ on 6 August 1999 and upgraded to the Mainboard on 11 March 2002, KS Energy (formerly known as KS Tech Ltd) is an energy services group catering to the oil & gas and petrochemical industries around the world.

In addition to distributing more than 60,000 oil & gas related products that encompass over 140 international brands, the Group through a series of acquisitions in the last few years enhanced its expertise in the related services of procurement and supply of refurbished and new capital equipment to support its customers.

Over the last two decades, the Group has established very close working relationships with major oil & gas companies in the region. In leveraging its enhanced expertise as a leading one-stop supply and services provider with these long term relationships, KS Energy was able to provide higher value-added services by procuring and supplying upgraded capital assets to CNOOC Group, Maersk, Gulf Drilling International Limited and others under the service contracts it has secured since November 2003.

Headquartered in Singapore, the Group has subsidiaries and representative offices in China, Vietnam, Thailand, Qatar, UAE, USA and Malaysia to serve its wide base of global oil & gas customers.

Contact Information

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