Incorporated in the Republic of Singapore
Co. Reg. No. 197302229H

EnGro Corporation Limited

29 International Business Park
#08-05/06 Acer Building Tower B
Singapore 609923

Tel: +65 6561 7978
Fax: +65 6561 9770

Media Release – For Immediate Release

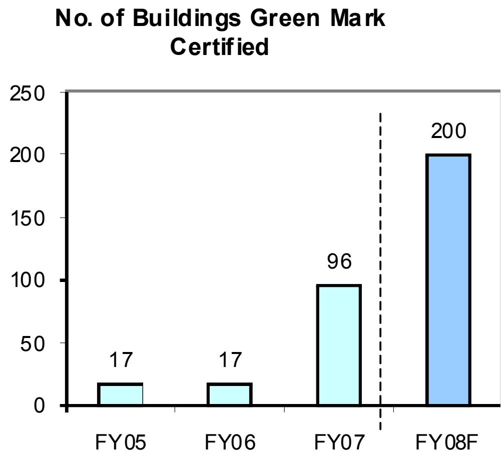
EnGro's 3Q08 net profit jumps 67.5% to S$4.5 million as its eco-friendly specialty cement business in China gains strength and exceeds expectations

- Revenue grows 11.2% to S$39.5 million buoyed by strong demand for building materials in Singapore
- Gross profit margin rose from 17.4% in 3Q07 to 22.4% in 3Q08, whilst net profit margin grew from 7.6% to 11.4%
- Performance in challenging global environment underpinned by growing shift to green building materials
- Management expects 4Q08 to show year-on-year growth

Singapore, 10 November 2008 – EnGro Corporation Limited ("EnGro", or the "Group"), one of Asia's largest producers of eco-friendly specialty cement [also known as Ground Granulated Blastfurnace Slag ("GGBS")], has announced a commendable set of results for 3Q08.

Financial Highlights

S$'000	**3Q08**	**3Q07**	**% Change**
Revenue	39,522	35,532	+11.2%
Gross Profit	8,857	6,198	+42.9%
Share of profit of associates	3,389	1,667	+103.3%
Profit Attributable to shareholders	4,567	2,705	+68.8%
Diluted EPS (cents)	3.89	2.59	+50.2%



Source: Building Construction Authority

"With the green movement across the globe gaining momentum, we are seeing added opportunities for the promotion of our eco-friendly specialty cement products.

EnGro is the first Singapore cement producer awarded the Singapore Green Label accreditation. By using our range of eco-friendly GGBS products, developers will qualify for valuable points that meet the BCA Green Mark green building rating system. In Singapore and overseas, we are increasingly seeing our GGBS products specified in prestigious projects."

- Mr Tan Cheng Gay, Chairman and CEO

Financial and Operations overview

EnGro's Singapore operations comprising of cement and ready-mix concrete ("RMC") have both continued to ride on the boom of major public and private sector projects in the Singaporean construction scene. Revenue for the quarter improved by 11.2% to S$39.5 million compared to S$35.5 million in 3Q07.

Gross Profit rose in tandem with revenue to hit S$8.9 million in 3Q08 benefiting from strong demand for building materials in the Singapore construction sector. Gross profit margin rose to 22.4% in 3Q08 from 17.4% in 3Q07.

The quarter also marked the continuation of yet another successful 3 months for the Group's GGBS business in China. The Group's share of profits from associates hit a high of S$3.4 million, with much of the increase contributed by its strategic GGBS Joint Ventures with major steel groups in China. A respectable feat considering the disruptions to plant operations and restricted highway access that occurred during the recent Beijing Olympics.

Overall, the Group posted a net profit gain of 67.5% to hit S$4.5 million in 3Q08. Similarly net profit margin also rose to 11.4% in 3Q08 from 7.4% in 3Q07.

Industry Prospects

A combination of turbulent global financial markets, a weakening housing sector and deteriorating economic outlook is expected to translate into a drop in construction demand. Escalating construction costs and a shortage of resources have also added to project delays. In view of the economic downturn, Governments in Singapore and China have already begun measures to accelerate infrastructure projects to mitigate the impact of a slowing economy on the property sector.

In Singapore, an economic slowdown is unlikely to impact major construction projects. Developers and contractors are likely to be occupied with projects on hand till 2010. The Government is also in a good position to resume some S$4.7 billion worth of public sector projects, deferred in order to ease tight construction capacity. If these measures are adopted it should help defray a sharp drop in construction demand.

The Chinese Government has also been actively undertaking measures to prop up their ailing property sector. To breathe life into the property sector, the government has announced measures in October to cut taxes, mortgage rates and down payments for first time buyers of homes.

"We believe that EnGro's unique position of being able to call upon 4.2 million tonnes of high quality GGBS production capacity from its GGBS joint ventures in China places the Group in good stead to benefit from a strong pull in demand for- eco-friendly building materials in both China and Singapore. By importing high and consistent quality GGBS products into Singapore, our domestic operation is able to meet local market's green building needs."

- Mr Tan Cheng Gay, Chairman and CEO

In spite of a challenging macro environment, the Group still expects its performance in the fourth quarter to remain resilient and show a year-on-year improvement. .

Advantages of GGBS over traditional OPC

The cement industry has always had a reputation for being one of the leading causes of carbon emissions. Cement plants account for 5% of global emissions of carbon dioxide, the main cause of global warming. A major portion of the carbon dioxide emissions caused by making cement is from the chemical reaction that creates cement. In contrast, GGBS is 100% recycled from steel production, and with every tonne of GGBS used to replace a tonne of Ordinary Portland Cement ("OPC"), approximately 1 tonne of carbon dioxide can be reduced. Hence, GGBS has been hailed as an eco-friendly building material for the 21st century.

Characteristics	Traditional OPC	GGBS
Concrete Strength	Higher strength at early stage	Higher ultimate strength
Durability	About 50 years	More than 100 years
Workability	Poorer	Better
Setting Time	Shorter	Longer (Can improve with chemicals)
Water Tightness	Inferior	Superior
Permeability	More permeable	Less permeable

>>>>>>> The End

About EnGro Corporation Limited ("EnGro")

EnGro has established itself as a leading specialty cement producer in Singapore. Since 2005, the Group has strengthened the supply-chain by leveraging on its GGBS joint venture production base in China coupled with its Pulau Damar Laut bulk-terminal cum logistics services undertaken by Top-Mix ready-mix concrete operations.

The extended supply chain allows EnGro to meet stringent requirement for specialty cement and high-performance concrete supply. With this integration, EnGro is able to undertake supply of voluminous quantity timely to prestigious mega projects. As the first local cement company granted the Singapore Green Label for its eco-friendly VCEM brand of GGBS products, EnGro is well-positioned to contribute to the growing green building needs of the regional construction industry.

EnGro has built 2 core businesses, namely the specialty cement and the specialty polymer. Operationally, it is driven by these 2 growth engines supplemented by evergreen venture capital (VC) investment activity in technology-driven businesses.

For more information, please refer to our corporate website www.engro-global.com.

Issued for and on behalf of **EnGro Corporation Limited**.

By Financial PR Pte Ltd

For more information, please contact:
Kamal Samuel: kamal@financialpr.com.sg
Adrian Seah: adrian@financialpr.com.sg
Tel: (65) 6438 2990
Fax: (65) 6438 0064