



NEWS RELEASE

MIDAS REPORTS FULL YEAR NET PROFIT OF S\$32.7 MILLION

- Group's Revenue up 2.9% to S\$144.5 million; Revenue from Aluminium Alloy Division increased 17.4% to S\$126.7 million
- Full year contribution of S\$1.9 million from associate company, NPRT
- Proposes final dividend of 0.25 Singapore cents per ordinary share

FY08 Financial Highlights:

	FY08 S\$' million	FY07 S\$' million	Change %
Revenue	144.5	140.4	+ 2.9
Gross Profit	50.9	45.1	+ 12.8
Net Profit	32.7	31.9	+ 2.4
EPS per share (cents)	3.87	3.78	+ 2.4
NAV per share (cents)	24.9	21.5	+ 15.7

Singapore, February 26, 2009 - Midas Holdings Limited ("Midas" or the "Group") (麦达斯控股有限公司) today announced its results for the full year ended December 31, 2008 ("FY08"). Net profit for FY08 increased by 2.4% to S\$32.7 million, on the back of a 2.9% increase in revenue to S\$144.5 million.

Revenue from the Group's core business, the Aluminium Alloy Division, grew 17.4% to S\$126.7 million due to strong sales volume. The Aluminium Alloy Division, Jilin Midas Aluminium Industries Co., Ltd (吉林麦达斯铝业有限公司), continued to be the key contributor to the Group's growth in FY08, accounting for 87.7% of total revenue

and 92.5% of the Group's profit before interest and tax. Revenue from the Aluminium Alloy Division was largely attributable to the Transport Industry, which contributed 64.3% to the division's revenue.

Said Mr Patrick Chew, (周华光) CEO of Midas, "Our Aluminium Alloy Division grew steadily in FY08, with a strong focus on the transport industry. During the year, we continued to strengthen our foothold in the PRC's rail transportation market by securing more new contracts and pursuing many exciting business opportunities. In view of the boom in the PRC's rail infrastructure industry, we have been increasingly shifting our business focus to concentrate on our aluminium alloy business. Going forward, we will continue to grow the Aluminium Alloy Division to capitalise on the thriving rail transportation sector."

In FY08, the Group's Aluminium Alloy Division made strong headway in the market, with six new contracts secured, including three contracts for projects in Shanghai and Guangzhou, as well as the Incheon International Airport Railroad Project in South Korea and the RS-Citadis Project in Europe.

Midas' associate company, Nanjing SR Puzhen Rail Transport Co., Ltd (南京南车浦镇城轨车辆有限公司) ("NPRT"), contributed a profit of S\$1.9 million in FY08, its second year of operations. During the year, NPRT announced three new contracts including the Nanjing Metro Line 1 Extension Project, Nanjing Metro Line 2 Phase 1 Project, and the Shanghai Metro Line 2 Eastern Extension Project.

Income tax expense jumped 136.1% to S\$8.0 million, due to changes in the corporate income tax rate in the PRC. Profits from the first production line of Jilin Midas are taxed at 25% in FY08, up from 15% in FY07, while profits from the second production line are taxed at an incentive rate of 12.5%, where it was previously exempted from tax.

As a result, the Group registered a 2.4% increase in net profit attributable to shareholders to S\$32.7 million.

The Group proposed a final dividend of 0.25 Singapore cents per ordinary share for FY08.

Outlook for 2009

In view of the global economic recession, the PRC government recently announced a massive RMB4 trillion stimulus package to boost the domestic economy. Under the public stimulus package, which has a strong focus on railway infrastructure, a substantial amount of RMB2 trillion has been set aside for the development of railway projects across the country. In addition, many PRC cities have plans to build mass rapid transit systems to ease traffic congestion. As such, the outlook for the Group is positive, with upcoming demand for Jilin Midas' aluminium alloy profiles for railways expected to increase significantly in the medium-term.

To capitalise on the impending boom in demand and to maintain its market leadership position, the Group is in the process of expanding the capacity of its Aluminium Alloy Division through the installation of a third production line which, upon completion, is expected to increase the division's annual production capacity from 20,000 to 30,000 tons.

In addition, to cater for further expansion in the longer term, the Group has also announced in December 2008 the proposed RMB168 million acquisition of land, buildings, ancillary facilities, machinery and equipment located near its existing production facilities in Jilin Province.

Commenting on the growth prospects for the Group, Mr Chew said, "We have taken several important steps in FY08 towards realising our vision of becoming an integrated player in the rail transport car bodies component value chain. Through strategic collaborations with our business partners, in which we leverage on each other's strengths to achieve synergies, we are in a strong position to seize the vast opportunities in the PRC rail infrastructure market. In 2009, we will continue to seek out such mutually beneficial collaborations and pursue business opportunities that will contribute to the Group's growth."

About Midas Holdings Limited

Founded in 2000, Midas is today a leading manufacturer of aluminium alloy extrusion products and PE pipes, primarily for the transportation and infrastructure sectors in the PRC. The Group operates three business divisions; namely, Aluminium Alloy, PE Pipe and Agency and Procurement.

Midas is the only PRC certified supplier to the world's largest train manufacturers, ALSTOM SA, Siemens and Changchun Bombardier. It is also a preferred supplier for Alstom Transport's projects globally, under Alstom's "Leading Partners 150" programme. Midas' customers include ALSTOM Transport SA, Siemens International Trading Ltd, Bombardier Transportation, Changchun Railway Vehicles Co., Ltd, etc.

The Group is also involved in high profile projects such as the Beijing – Tianjin High Speed Train Project, Regional Line Phase 1 Project, Shanghai MRT Line 1 Extension Project, Shanghai MRT Line 1 Extension 2 Project, Shanghai Line 2 Extension 1 Project, Shanghai Yangpu MRT Line Phase 1, Shanghai Metro Line 9 Project, Shanghai Metro Line 7 Project, Shanghai Pearl Line Project, Shenzhen MRT Line 1 Extension Project, Guangzhou MRT Line 3, Tianjin MRT, Nanjing Metro Line 1 Project, Nanjing Metro Line 2 Project, Beijing Airport Terminal 3, Shenzhen Exhibition Centre, the Circle Line project in Singapore, Metro Oslo MRT in Norway, Valero Rus Project in Russia, Desiro Mainline Project in Germany, Helsinki-St. Petersburg Project, RS-Citadis Project in Europe and the Incheon Airport Project in South Korea.

Midas also has a 32.5% equity stake in a Sino-foreign joint venture, Nanjing SR Puzhen Rail Transport Co., Ltd, to engage in the development, manufacturing and sale of metro trains, bogies and their related parts.

In September 2007, Midas' Aluminium Alloy Division was named "2007 China's Top Brand" by the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China ("AQSIQ") (国家质量监督检验检疫总).

Midas was also named a Forbes Asia's Best Under A Billion Company consecutively for three years from 2006 to 2008.

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