



NEWS RELEASE

MIDAS' FULL YEAR NET PROFIT GROWS 24.8% TO S\$31.9 MILLION

- Revenue up 34% to S\$140.4 million
- Maiden full-year contribution of S\$1.26 million from associate company, Nanjing SR Puzhen
- Declares final dividend of 0.5 Singapore cents per ordinary share

FY07 Financial Highlights:

	FY07 S\$' million	FY06 S\$' million	Change %
Revenue	140.4	104.8	+ 34.0
Gross Profit	45.1	34.2	+ 31.8
Net Profit	31.9	25.6	+ 24.8
EPS per share (cents)	3.78	3.18	+ 18.9
NAV per share (cents)	22.0	19.35	+ 13.7

Singapore, February 27, 2008 - Midas Holdings Limited ("Midas" or the "Group") (麦达斯控股有限公司) today announced that it has recorded another strong performance for the full year ended December 31, 2007 ("FY07"), with net profit growing 24.8% to S\$31.9 million on the back of a 34% increase in Group revenue to S\$140.4 million.

Commenting on the Group's performance, Mr Patrick Chew, (周华光) CEO of Midas said, "FY2007 has been a successful year for Midas. We continued to entrench our leadership position in the PRC rail transportation sector, and strengthen our track record as a high quality supplier of aluminium extrusion profiles for train car bodies. Our Aluminium Alloy Division registered significant growth, with various new contracts secured - three of which are for the European market. Our associate company, Nanjing SR Puzhen Rail Transport Co., Ltd, also put up a strong showing since its inception in January 2007, securing three high profile contracts together with its consortium partners."

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 FY07, accounting for 76.9% of total revenue and 92.5% of the Group's profit before interest and tax. Revenue at the Aluminium Alloy Division jumped 50.3% to S\$107.9 million in FY07, up from S\$71.8 million in the financial year ended December 31, 2006 ("FY06").

The Group's PE Pipe Division and Agency and Procurement Division contributed the remaining 9.6% and 13.5% respectively.

The Transport Industry remained the major revenue contributor in the Aluminium Alloy division, contributing 52.1% of revenue in FY07. The Power Industry contributed 22.2% to the division's revenue, while the Others segment - which included mainly supply of aluminium alloy rods and other specialised profiles for industrial machinery - accounted for 25.7% of the division's revenue.

Overall, the Group's gross profit margins for FY07 remained stable at 32.1%, almost unchanged from the 32.7% recorded in FY06.

Gross profit margin from the Aluminium Alloy Division remained stable at about 38% in FY07. Gross profit margin for the PE Pipe Division saw a decline from about 30.3% in FY06 to about 28.5% in FY07 due to increasing competition. Meanwhile, the Agency and Procurement Division recorded higher gross margins of 6% in FY07, compared to 4% in FY06.

FY07 marked the maiden contribution from the Group's associate company, Nanjing SR Puzhen Rail Transport Co., Ltd ("NPRT"), which contributed a profit of S\$1.26 million for the full year. Since it started operations in January 2007, NPRT, together with its consortium partners, has secured three high profile metro train projects in the PRC, namely the Nanjing Metro Line 2 Phase 1 Project, the Shanghai Metro Line 10 Project, and the Nanjing Metro Line 1 Extension Project.

As a result, the Group registered a 24.8% increase in net profit attributable to shareholders to S\$31.9 million.

The Group has declared a final dividend of 0.5 Singapore cents per ordinary share for FY2007.

Outlook for 2008

Moving forward, the Group is well-positioned to continue its strong performance given the growth of the PRC rail transportation sector. In FY07, the Group's Aluminium Alloy Division secured a series of new contracts in both the PRC and international markets.

In the PRC, the Group has been appointed the supplier for several metro train projects including the Shanghai Metro Line 2 Extension 1 Project, the Shanghai Metro Line 9 Project, the Shenzhen MRT Line 1 Extension Project, the Shanghai Metro Line 7 Project and the Nanjing Metro Line 2 Project. In addition, it is the sole supplier for the local content portion for two high profile high-speed train projects in the PRC: the Regional Line Phase 1 Project and the Beijing to Tianjin High Speed Train Project. These contracts secured in FY07 have strengthened the Group's

track record and position as the leading supplier of aluminium alloy profiles for train car bodies in the PRC.

Internationally, the Group has also made significant headway in the European market in FY07, with three new projects secured from Alstom and Siemens, including the Valero Rus Project in Russia, Desiro Mainline Project for European and ex-European markets, and the Helsinki – St Petersburg High Speed Train Project.

“Many of our contracts were awarded by existing or repeat customers, which reflects our ability to satisfy our customers’ needs and expectations. Our success in the international markets is an indication of the global train car manufacturers’ recognition of our ability to meet stringent international standards and compete on a global platform,” said Mr Chew.

Going forward, the Group is also optimistic about the growth potential for NPRT as many PRC cities have plans to build new metro lines or expand existing metro systems to facilitate public transportation arising from urbanization. Given NPRT’s position as one of only four rolling stock companies in the PRC licensed to manufacture and sell metro trains on a nationwide basis, the Group is confident about the future outlook for NPRT.

In December 2007, the Group entered into a Framework Agreement with Aluminium Corporation of China (“Chinalco”), the largest aluminium producer in the PRC and one of the largest producers of aluminium and alumina in the world. Under the terms of the Framework agreement, both parties will actively collaborate in the business development of aluminium alloy plates, sheets and profiles. The first collaboration will be in respect of China Northeast Light Alloy Co., Ltd’s “thick aluminium alloy plates and sheets project”. In addition, Chinalco will also seek collaboration with Midas in the development and investment of aluminium alloy extrusion profiles for rail car bodies.

Commenting on the growth prospects for the Group, Mr Chew said, “We are confident that our collaboration with Chinalco will enable us to capitalize on the vast opportunities in the PRC and the international markets in the years ahead. In 2008, we will continue to proactively seek out new business opportunities and pursue contracts that will bring our Group to greater heights.”

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.

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 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, 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, Beijing Airport Terminal 3 and the Shenzhen Exhibition Centre.

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 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局).

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