



**ALBEDO'S FULL YEAR REVENUE GREW BY 13.6% TO S\$46 MILLION AND RECORDS PROFIT OF S\$440,000 DESPITE CHALLENGING SECOND HALF.**

**Financial Highlights**

- Revenue grew 13.6% to S\$46 million largely contributed by our Thai manufacturing subsidiary
- A large currency translation loss arising from an inter-company loan, an aborted rights issue expenses and higher professional expenses led to an eventual loss in the continuing operations.

*Singapore, February 26, 2009* - Albedo Limited ("Albedo" or the "Group") ("耀贝多有限公司"), supplier of materials and equipment to the metals industry, today reported net profit of S\$440,000 after recording a currency translation loss of S\$1.3m. This loss negated our non operating profit of S1.24m which was recognized in the first half through the sale of our metal recycling business. The second half of year 2008 was challenging and characterized by weakened demand for steel, particularly in the last quarter in the midst of a very volatile foreign exchange environment.

The Group's revenue recorded an increase of 13.6% to S\$46 million. This was mainly due to a significant increase in sales by our Thai manufacturing subsidiary. The revenue for the local Trading and Distribution Division of S\$20.6 million was comparable to that of last financial year with no significant changes. Our Gross Profit margin has improved from 11.8% to 16.1%.

However, Group operating expenses increased substantially by 49.4 % to S\$7.4 million. This was mainly due to a currency translation loss of S\$1.3 million and an aborted rights issue expenses S\$0.2 million. In line with the higher revenue generated from the Thai subsidiary, there was an increase in operating expenses of S\$0.54 million.

During the year we had closely monitored our trade debtors and minimized our exposure through effective collection and better credit control resulting in lowering of debts, increase in cash balances and reduction in bank loans.

Commenting on the Group's performance, Mr. K.C. Tai, Chief Executive Officer of Albedo said: "The local Trading and Distribution Division contributes reasonably good profit for the Group. The operating loss of our Thai subsidiary was reduced substantially and we will endeavor to improve further this year in a challenging environment.

Commenting on the Group's outlook, Mr. Tai added: "The current deepening slump in the global economy, with no clarity of improvement in the immediate future, the business environment remains challenging. This will certainly affect demands for our products. However, the Group will take all the necessary steps to minimize the effect on our earnings for the next financial year and seek opportunities for the improvement of shareholders value.

## **About Albedo Limited**

With a history dating back to 1987, Albedo today supplies to steel mills and iron and steel foundries a wide range of products such as steel-related raw materials, intermediate steel-related products, consumable products, refractories, and mechanical and electrical spares under its trading and distribution division. The Group also has exclusive distributorships with many leading global brands which are widely known and recognised in the steel industry such as Heraeus Electro-Nite International N.V. and Metallurgica GmbH & Co., and supplies products of major industry players such as the BHP Billiton Group. Apart from trading and distribution, the Group, through its subsidiary in Thailand, Thai Tech Steel (2003) Co., Ltd. (“TTS 2003”), manufactures cast iron and steel rolls. These rolls are sold to more than 150 steel rolling mills located across at least 40 over countries. Through its partnership with a Korean company, the Group also holds a 49% equity interest in DS Albedo Sdn. Bhd. (“DSA”), which operates an aluminium recycling and processing plant in Malaysia. Through DSA, the Group offers aluminium products to its customers.

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