

For immediate release

## KINGBOARD LAMINATES HOLDINGS LIMITED

### Global Laminates Market Leader for 9<sup>th</sup> Consecutive Year

#### Financial Highlights

	Six months ended 30 June		Change
	2014	2013	
	HK\$'million	HK\$'million	
<b>Revenue</b>	<b>6,432.3</b>	6,311.2	<b>+2%</b>
<b>EBITDA</b>	<b>1,111.3</b>	1,084.4	<b>+2%</b>
<b>Profit before tax</b>	<b>689.8</b>	655.7	<b>+5%</b>
<b>Net profit attributable to owners of the Company</b>	<b>591.1</b>	569.7	<b>+4%</b>
<b>Basic earnings per share</b>	<b>HK19.7 cents</b>	HK19.0 cents	<b>+4%</b>
<b>Interim dividend per share</b>	<b>HK6.0 cents</b>	HK5.0 cents	<b>+20%</b>
<b>Dividend payout ratio</b>	<b>30%</b>	26%	
<b>Net asset value per share</b>	<b>HK\$4.35</b>	HK\$4.05	<b>+7%</b>
<b>Net gearing ratio</b>	<b>22%</b>	30%	

**Hong Kong, August 22, 2014** – The world's largest laminates manufacturer Kingboard Laminates Holdings Limited (the "Company") (HKEx: 1888) and its subsidiaries (the "Group") today announced that for the six months ended 30 June 2014. Group revenue increased by 2% to HK\$6,432.3 million, with net profit attributable to owners of the Company up by 4% to HK\$591.1 million. EBITDA was HK\$1,111.3 million. Renminbi sales accounted for around 63% of total revenue. The directors of the Company resolved to declare an interim dividend of HK6 cents per share.

According to the latest report from Prismaark Partners LLC, the Group continued to maintain the No. 1 position in the global laminates market for the ninth consecutive year with a global market share of 14.2% in 2013. During the reporting period, the global economy continued to show progressive recovery, while China also delivered a steady growth rate in its domestic economy. Global consumer demand for electronic products has been fuelled by expectations of a positive economic rebound. Against a backdrop of thriving electronic products sales, the Group strengthened its production capability and expanded sales efforts to capture business opportunities in the market. As a result, the Group achieved higher output and shipment volume year on year.

Kingboard Laminates Chairman Mr. Cheung Kwok Wa said: "As the global telecommunications industry continued to thrive and 4G technology gained more market share in China, demand for portable and telecommunication-related electronic products such as smartphones showed robust growth. In addition, strong consumer demand for intelligent motor vehicles has also driven up demand for laminates products. Hence, we expanded the output of high-performance laminates in order to capture greater share amidst this market change."

Driven by additional capacity from Jiangmen laminates plant in Guangdong Province and Jiangyin laminates plant in Jiangsu Province, overall laminates shipment volume was up 8% to an average monthly shipment of 9.1 million square metres in 1H 2014. Revenue from composite epoxy material

laminates (“CEM”) and glass epoxy laminates (“FR4”) accounted for 61% of Group turnover, while paper laminates sales accounted for 19%. The balance mainly comprised sales of upstream material and others. Enjoying a high occupancy rate, the Group’s investment properties received a steady rental income, reaching HK\$67.6 million.

As shipment volume increased, distribution costs and administrative costs slightly increased by 2% and 5% respectively. Financing costs were down 23% as a result of lower average bank borrowings and a more favourable bank borrowing rate during the reporting period than last year’s.

As demand in the electronics market tends to improve in the second half-year owing to normal seasonality, the Group expects laminates sales to ramp up over the next six months. Leveraging on its current production facilities, the Group will continue to enhance product mix and expand capacity to meet strong market demand for high performance laminates.

In line with the challenging operating environment in the laminates market, fewer manufacturers were willing to invest in upstream material. Against this background, the Group’s additional capacity of the Lianzhou glass fabric plant commenced production in 1H 2014. Meanwhile, trial production of the new glass yarn plant in Qingyuan, Guangdong Province, is also expected to commence in the second half of 2014. The Group has made good preparation for the future development of the laminates business.

Construction work of the first phase of Jiangyin Kingboard Yu Garden is close to completion, which will help to speed up sale progress of this project.

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#### **About Kingboard Laminates Holdings Limited**

Kingboard Laminates Holdings Limited (HKEx: 1888) is a leading vertically-integrated electronics materials manufacturer, specializing in the production of laminates, a fundamental material ultimately used for the production of all kinds of electronic products. The Company is the global leader in rigid laminates, with a strategic network of more than 20 manufacturing facilities in the PRC.

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