

For immediate release

KINGBOARD LAMINATES HOLDINGS LIMITED

Record high revenue and earnings in FY2010

Financial Highlights

	FY2010 <i>HK\$'million</i>	FY2009 <i>HK\$'million</i>	Change
Revenue	13,055.2	9,071.0	+44%
EBITDA*	3,304.5	2,776.5	+19%
Profit before tax*	2,480.1	1,939.1	+28%
Net profit attributable to owners of the Company			
- Underlying net profit*	2,124.0	1,793.2	+18%
- Reported net profit	2,280.4	1,648.0	+38%
Basic earnings per share			
- Based on underlying net profit*	HK70.8 cents	HK59.8 cents	+18%
- Based on reported net profit	HK76.0 cents	HK54.9 cents	+38%
Full-year dividend per share	HK34.0 cents	HK28.0 cents	+21%
- Interim dividend per share	HK16.0 cents	HK10.0 cents	+60%
- Proposed final dividend per share	HK18.0 cents	HK18.0 cents	—
Dividend payout ratio	45%	51%	
Net asset value per share	HK\$3.29	HK\$2.78	+18%
Net gearing	14%	10%	

Excluding:

2010: gain on disposal of available-for-sale investments of HK\$156.4 million

2009: the discount on acquisition of HK\$11.2 million and impairment loss on available-for-sale investments of HK\$156.4 million

Hong Kong, March 7, 2011 –The world’s largest laminate manufacturer Kingboard Laminates Holdings Limited (the “Company”) (HKEx: 1888) and its subsidiaries (the “Group”) today announced that for the year ended 31 December 2010, revenue of the Group grew 44% to HK\$13,055.2 million, while net profit (excluding non-recurring item) increased 18% to HK\$2,124.0 million, while earnings before interest, tax, depreciation and amortisation (“EBITDA”) (excluding non-recurring item) surged by 19% to HK\$3,304.5 million. The directors of the Company have resolved to recommend a final dividend of HK18 cents per share.

Mr. Cheung Kwok Wa, Chairman of the Group said: “Backed by the global economic recovery, demand growth for electronic products was robust which translated into strong rebound in exports sales for the Group in the current year. Bolstered by favourable policies implemented by the Chinese government to boost domestic consumption, domestic demand for consumer products shown significant growth. The Group continued to gain growth momentum in China as a result of our strategic focus on expanding the domestic market, which has enormous growth potential. During the year under review, the Group enjoyed remarkable business growth in China’s domestic market. Sales denominated in Renminbi (“RMB”) soared by around 48% to account for 42% of total revenue. Our vertically integrated business model and

experienced management team have placed the Group in an advantageous position to ride through any challenges and capture growth opportunities in the market place. Once again the Group delivered excellent returns to our shareholders.”

Driven by favourable market conditions for electronic products in 2010, robust demand for tablet PCs, smartphones and high-end communication devices translated into strong demand for laminate products, laminate shipment volume experienced significant growth. Laminate volume sales increased around 13% against the previous year with average monthly shipment of 8.6 million square metres.

On the back of higher copper prices in the current year, average selling price (“ASP”) of laminates experienced an uptrend. Meanwhile, supply of glass yarn and glass fabric remained tight, pushing the ASP of glass epoxy laminates even higher. Hence, the Group upgraded certain paper laminates production lines to composite epoxy material (“CEM”) laminates and glass epoxy laminates capacities in order to improve their product mix in the current year. Phase II production capacity of the laminate plant in Jiangyin, Jiangsu province was expanded successfully during the year under review. In addition, 400,000 sheets per month of paper laminates production capacity was added in Fogang plant, Guangdong province. Total laminates production capacity for the Group reached more than 9.8 million square metres per month at the end of 2010. However, due to continuous raw materials costs increase in the second half of 2010 and lower capacity utilisation initially for newly added capacities in Jiangyin and Fogang plants together with pre-operating expenses written off for both plants, gross profit margin declined to 24% from 28% in 2009.

Mr. Cheung added: “With global economic recovery momentum remains on track, export demand for electronic products is expected to be excellent. Hence, the Group is confident of the positive business outlook for the laminate business. On the back of China’s buoyant economy, rising disposable income for the consumers in China is likely to further drive up the penetration rate of household appliances and demand growth for electronic consumer products, which in turn should be a positive driver for laminate demand. With increasing popularity of high technology products including smartphones, mobile hand-held devices and tablet PCs, the Group has focused on expanding our capabilities in the production of thin and high performance laminates. The Group has successfully penetrated the thin laminates market in eastern China. We are moving ahead to break into the southern China market with a plan to build additional thin and high performance laminates capacity in our Jiangmen laminate plant in Guangdong province in order to meet the strong demand from our multilayer and high density interconnects (“HDI”) PCB customers. With tight market supply, ASP for upstream raw materials for laminates remained high in the first two months of 2011. As a result, ASP of laminates products continued to show an uptrend. The Group has made good progress in discussions with local authorities in Shenzhen to explore the feasibility of redeveloping our existing plant in Lunghua, Shenzhen.”

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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