



**CHIP ENG SENG CORPORATION LTD.**

**Co. Reg. No. 199805196H**

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**INCORPORATION OF SUBSIDIARY, CES – MCKENZIE (VIC) PTY LTD**

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The Board of Directors of Chip Eng Seng Corporation Ltd (the 'Company') wishes to announce that its wholly owned subsidiary, CEL Development Pte. Ltd. has incorporated a wholly-owned subsidiary, CES – Mckenzie (Vic) Pty Ltd ("CESM"), in Australia on 12 March 2010. CESM is a wholly-owned subsidiary of CES Corporation Australia Pty Ltd.

The issued capital of CES – McKenzie (Vic) Pty Ltd is AUD100.00. The principal activities of CES – McKenzie (VIC) Pty Ltd are investment and development.

The above transactions are not expected to have any material impact on the earnings per share or the net tangible assets per share for the financial year ending 31 December 2010.

None of the Directors and, to the best knowledge of the Directors, none of the substantial shareholders or controlling shareholders of Company and CEL Development Pte. Ltd., has any interest, direct or indirect, in the aforesaid transaction.

Submitted by Chia Lee Meng Raymond, Group Chief Executive Officer on 15 March 2010 to the SGX.