



Boustead Projects Limited
(Co. Reg. No. 199603900E)

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BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR 2Q FY2016 ENDED 30 SEPTEMBER 2015

	2Q FY2016	2Q FY2015	Change	1H FY2016	1H FY2015	Change
Revenue	S\$53.8m	S\$50.9m	+6%	S\$110.4m	S\$107.3m	+3%
Gross profit	S\$13.1m	S\$16.8m	-22%	S\$25.4m	S\$29.3m	-13%
Profit before income tax	S\$7.2m	S\$11.0m	-34%	S\$13.2m	S\$18.7m	-29%
Total profit	S\$5.5m	S\$8.2m	-33%	S\$10.3m	S\$14.1m	-27%
Profit attributable to equity holders of Company	S\$5.5m	S\$8.2m	-33%	S\$10.3m	S\$14.2m	-27%
- Earnings per share	*1.7cts	*2.6cts	-35%	*3.2cts	*4.4cts	-27%
- Net asset value per share				*56.6cts	*76.6cts	-26%

Note:

* Computed based on 320,000,000 shares post-sub-division

Note to Editors: The Boustead Projects Group's revenue is largely derived from project-oriented business and as such, quarterly results would not accurately reflect the full-year's performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

2Q/1H FY2016 Highlights:

- 2Q FY2016 revenue of S\$53.8 million was 6% higher than 2Q FY2015. 1H FY2016 revenue of S\$110.4 million was 3% higher than 1H FY2015.
- 2Q FY2016 total profit of S\$5.5 million was 33% lower than 2Q FY2015, affected by pressure on gross margins and higher finance expenses. 1H FY2016 total profit of S\$10.3 million was 27% lower than 1H FY2015 due to reasons similar to 2Q FY2015.
- The Boustead Projects Group's order book backlog stood at a healthy S\$174 million at the end of 2Q FY2016, excluding two additional design-and-build contracts totalling S\$59 million secured shortly after the close of the quarter.

Singapore, 11 November 2015 – Mainboard-listed Boustead Projects Limited (“Boustead Projects” or the “BP Group”), a leading specialist in real estate solutions today announced its unaudited financial results for the second quarter and first half ended 30 September 2015 (“2Q FY2016” and “1H FY2016” respectively).

For 2Q FY2016, the BP Group achieved revenue of S\$53.8 million, 6% higher than 2Q FY2015. However, total profit of S\$5.5 million was 33% lower than 2Q FY2015, affected by pressure on gross margins and higher finance expenses.

For 1H FY2016, the BP Group achieved revenue of S\$110.4 million, 3% higher than 1H FY2015. Total profit registered at S\$10.3 million, 27% lower than 1H FY2015 due to reasons similar to 2Q FY2016.

Contributing 84% of the BP Group’s total revenue for 2Q FY2016, design-and-build revenue reached S\$45.2 million, which was comparable to 2Q FY2015.

Contributing 16% of the BP Group’s total revenue for 2Q FY2016, leasing revenue came in at S\$8.6 million, rising 39% over 2Q FY2015. This was attributed to the expansion of the industrial leasehold portfolio, which benefitted from full quarterly contributions of three design-build-and-lease projects completed during FY2015.

The BP Group’s gross profit in 2Q FY2016 decreased by 22% to S\$13.1 million compared to 2Q FY2015, impacted by softer design-and-build gross margins arising from the challenging and competitive business environment. The negative impact on design-and-build gross profit was partially mitigated by the significantly improved gross profit contribution of the leasing business.

Profit before income tax in 2Q FY2016 decreased by 34% to S\$7.2 million compared to 2Q FY2015, impacted by softer design-and-build gross profit margins and higher finance expenses.

Mr Thomas Chu, Managing Director of Boustead Projects said, “The Board has met to review and update the strategic plans of the Company. We believe that with a strong balance sheet, several growth platforms and strategic partnerships, we are well-positioned to ride out the market down cycle.”

Following the receipt of a S\$50.8 million repayment of a loan by a joint venture and with S\$25.1 million repayment of bank loans, the BP Group’s net borrowings stood at S\$14.6 million at the end of 2Q FY2016.

Despite the highly challenging and competitive industrial real estate market, the BP Group’s order book backlog stood at a healthy S\$174 million as at the end of 2Q FY2016, excluding two additional design-and-build contracts totalling S\$59 million secured shortly after the close of the quarter. Nonetheless, the difficult business conditions of the past few years are set to continue having an impact on future gross margins.

The BP Group believes that notwithstanding the challenging business environment, it can continue to deliver a reasonable level of profit in FY2016.

-- End of media release --

Boustead Projects Limited's admission to and listing on the Singapore Exchange Securities Trading Limited was sponsored by CIMB Bank Berhad, Singapore Branch. CIMB Bank Berhad, Singapore Branch assumes no responsibility for the contents of this announcement.

About Boustead Projects Limited

Established in 1996, Boustead Projects Limited is a leading industrial real estate solutions provider in Singapore, with core engineering expertise in the design-and-build, and development of industrial facilities for multinational corporations and local enterprises. To date, Boustead Projects has constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects is approved by the Building & Construction Authority of Singapore for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Boustead Projects' in-depth experience in designing and constructing custom-built facilities covers the aviation, commercial, electronics, food processing, high-tech manufacturing, lifestyle, logistics, petrochemical, pharmaceutical, precision engineering and technology industries. It is also the market leader in pioneering advanced environmentally-sustainable industrial facilities under the Building & Construction Authority's Green Mark Programme and the U.S. Green Building Council's Leadership in Energy & Environmental Design Programme. In Singapore, Boustead Projects is one of only 10 bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company's health, safety and environmental management programmes.

On 30 April 2015, Boustead Projects listed on the Main Board of the SGX.

Boustead Projects is a 51%-owned subsidiary of Boustead Singapore Limited, a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group which is separately listed on the Main Board of the SGX.

Visit Boustead Projects at www.bousteadprojects.com.

Financial Results Archive

To access the archive of financial results since the listing of Boustead Projects on the SGX, please go to: www.bousteadprojects.com >> investor centre >> financial information >> quarterly results.

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