



CIVMEC LIMITED
(Company Registration Number 201011837H)

Civmec Reports FY2016 Net Profit of S\$17.4M

SINGAPORE, 18 August 2016 – SGX Mainboard-listed Civmec Limited (“Civmec” or the “Group”), an integrated multi-disciplinary heavy engineering services provider, announced today its financial results for the full year ended 30 June 2016 (“FY2016”).

The Group remained profitable in FY2016 even though the prices of oil and other commodities has taken a toll on the offshore, marine and mining industries worldwide. Civmec’s diversification in recent years into other sectors with strong growth potential, such as defence and infrastructure, is expected to further underpin the Group’s performance going forward.

For FY2016, the Group generated revenue of S\$396.8 million compared to S\$499.2 million the previous year (“FY2015”). The decline was partly due to a weaker Australian dollar – Civmec’s main operating currency – against the Singapore dollar.

The diversification of revenue streams has begun to pay dividends with the Group reporting in FY2016 S\$136.0 million in revenue from the infrastructure division.

Gross profit for FY2016 amounted to S\$43.5 million compared to S\$62.1 million for the previous year. Gross profit margin slipped to 11.0% from 12.4% as the Group’s project mix changed and saw entry into new sectors.

Administrative expenses for FY2016 decreased to S\$23.6 million from S\$25.2 million in FY2015, partly reflecting the Group’s ongoing efforts to streamline internal efficiencies.

Net profit attributable to shareholders came in lower at S\$17.4 million for FY2016, from S\$30.3 million in FY2015. Fully diluted earnings per share amounted to 3.45 Singapore cents, compared to 6.05 Singapore cents for the previous year.

Net asset value per share improved to 32.11 Singapore cents from 30.29 Singapore cents as at 30 June 2015. Cash and cash equivalents increased to S\$39.8 million from S\$37.6 million over the respective periods.

Mr. Patrick Tallon, Civmec’s Chief Executive Officer, said: “Our decision to diversify into other sectors will position us for more sustainable growth in the years ahead. As it is, our growing presence in the east coast of Australia has enabled us to secure substantial mining and other infrastructure contracts in that region.”

As announced on 29 June 2016, the Group won A\$50 million worth of contracts for major infrastructure projects in the state of New South Wales, where it has a facility in Newcastle following its acquisition of Forgacs, Australia’s largest privately-owned engineering and shipbuilding company, in February 2016. The shipyard at Tomago in Newcastle will over time replicate Civmec’s multidisciplinary facility at Henderson in Western Australia.

As at 30 June 2016, the Group’s order book was approximately S\$155.2 million.



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Civmec remains committed to advancing its long term growth strategy and diversification of revenue sources. Over the coming year the Group will continue to strengthen its position in growing infrastructure and defence markets in Australia. Geographical diversification initiatives will remain a focus.

Mr. James Fitzgerald, Civmec's Executive Chairman, said: "Even as we strengthen our position in all reporting sectors in Australia, we have embarked on geographical expansion initiatives with a view to enhancing long-term shareholder value."

*******End of Release*******

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

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About Civmec Limited

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the oil and gas, metals and minerals, infrastructure and defence sectors. Headquartered in Henderson, Western Australia, Civmec has regional offices in Broome (Western Australia), Darwin (Northern Territory, Australia), Newcastle and Sydney (New South Wales, Australia) and Gladstone (Queensland, Australia). It also has a presence in Singapore, where it has been listed since 2012. Its core capabilities include heavy engineering, modularisation, SMP (structural, mechanical and piping), ECI (electrical, instrumentation and control), precast concrete, site civil works, industrial insulation, maintenance, offshore logistics, refractory, access solutions and training.

For more information, please visit our website at www.civmec.com.au