MEDIA RELEASE

ROWSLEY REPORTS FY15 NET ATTRIBUTABLE LOSS OF $36.3 MILLION

- *Group EBITDA and profit total $17.5 million and $4.0 million respectively excluding impairments and fair value changes*
- *RSP achieves three-year net profit target of $75 million*
- *New investments in India and UK contribute to earnings*

Singapore, 24 February 2016 – Rowsley Ltd. today announced net attributable loss of $36.3 million for the financial year ended 31 December 2015 (FY15) against a profit of $49.4 million previously mainly due to asset impairments and lower fair value gains on purchase consideration payable to RSP vendors.

Excluding these accounting items, the Group recorded earnings before interest, taxes, depreciation and amortisation (EBITDA) of $17.5 million and net profit attributable to shareholders of $4.0 million for FY15. During the period, impairments were taken against its Iskandar land holdings ($24.4 million), legacy investments in three portfolio companies ($8.1 million) as well as goodwill from its RSP acquisition ($10.1 million). Fair value gains on purchase consideration payable to RSP vendors was $2.3 million versus $54.0 million a year ago.

Group revenue slipped five per cent to $83.0 million compared to $87.2 million in FY14. The decline was mainly due to a $5.5 million drop in RSP revenue which was offset by a one-month contribution of $1.4 million from the Group’s new hospitality business in the UK, which it had acquired in November 2015.

Despite a challenging environment, RSP achieved a combined net attributable profit target of $75 million for the last three financial years. Upon hitting the target, RSP vendors are entitled to a maximum of 375 million Rowsley shares under the sales and purchase agreement. In April 2015, 125 million shares were issued to the RSP vendors for having met the first earn-out targets.

Rowsley expects sentiment in RSP's key market of Singapore to remain weak, in particular the private market. To counter this, RSP is positioning itself to capture more public infrastructure contracts as well as win more projects overseas. The Group acquired a 34.7% in RSP Design Consultants (India) Private Limited last August which contributed positively to the Group's earnings in 2015.

Finance costs of $5.3 million were mainly related to the accrual of interest on the fixed rate notes of $100 million due 2018 issued in March 2015 under the Group's $500 million Medium Term Note (MTN) programme.

Foreign exchange losses totalled $46.6 million in FY15 against losses of $10.1 million in FY14 mainly from the weakening of the Malaysian ringgit against the Singapore dollar. The weak ringgit also affected the value of the Group's investment and development properties which fell to $294.1 million compared with $364.1 million in 2014. Rowsley notes that these are unrealised losses and its Iskandar investments are for the long term. The ringgit has also since stabilised.

In September 2015, Rowsley announced plans to reposition its Vantage Bay project in Iskandar into a major medical, wellness, and education hub comprising a specialist hospital, a community hospital, long-term care facilities, a teaching hospital, a medical school, research and training institution, an urban wellness resort and associated facilities. The Group has also signed up

Thomson Medical Group, a leading healthcare service provider, as a strategic partner for the project.

Since then, the Group has been executing on its plans for the development, in particular, the long-term care component of the project. Active discussions with key investors and operators for the project are underway and the necessary announcements will be made when ready.

Rowsley announced five investments in the UK in the second half of 2015 including a 75% stake in an integrated residential, office, retail and hotel development, known as St Michael’s, in the heart of Manchester. It also invested 75% in Hotel Football, Café Football, and hotel management group GG Collections, marking the Group’s entry into the hospitality market. As well, Rowsley invested in a 50% stake in the former Stock Exchange building in Manchester which it would refurbish into a boutique hotel.

The hospitality business has begun to contribute to the Group’s earnings in 2015 and is expected to contribute more in 2016. The Group expects to open the Stock Exchange hotel in Manchester later this year and has plans to grow in hotel management contracts, in particular the Hotel Football brand, in Europe as well as in Asia.

The Group said it continues to make progress on its St Michael’s mixed-use development project in Manchester. The project is currently seeking public consultation and planning approvals and the intention is to launch the sale of the residential apartments later this year in the UK and selected markets in Asia.

Net cash used in investing activities was $78.6 million while net cash generated from financing activities for the year was $91.7 million, which mainly came from the proceeds from the issuance of the $100 million notes issued under its MTN programme, offset by the payment of half-yearly interest on the notes. Overall, the net decrease in cash and cash equivalents for the year was $1.5 million. As of 31 December 2015, the Group's cash and cash equivalents amounted to $37.3 million.

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