



BRC Asia Limited

BRC 1Q15 revenue rises 2% y-o-y to S\$101.98 million

- **Net profit drops 44% y-o-y to S\$4.76 million**
- **Gross profit margin deteriorates to 9.6% from 15.7% y-o-y**
- **Robust construction demand of S\$29-36 billion forecast for 2015**

Singapore, 11 February 2015 – SGX-Mainboard listed BRC Asia Limited (“BRC” or “The Group”), one of the largest prefabricated steel reinforcement providers in Singapore, reported a slight 2% year-on-year rise in revenue to S\$101.98 million for its first quarter ended 31 December 2014 (“1Q2015”) despite unit selling prices falling more than 10% as we delivered more steel to our customers. Nevertheless, net profit suffered a 44% fall from S\$8.55 million in the first quarter of 2014 (“1Q2014”) to S\$4.76 million in 1Q2015 amid worsening margins as market competition intensified.

Financial Highlights (S\$’000)

	1Q2015	1Q2014
Revenue	101,980	99,764
Gross Profit	9,775	15,650
Gross Profit Margin (%)	9.6	15.7
Net Profit	4,756	8,550
Basic Earnings Per Share (Cents)	0.51	0.97
Net Asset Value Per Share (Cents)	18.23	17.34

Industry Outlook

Total construction demand broke records a second year in a row to reach S\$37.7 billion in 2014, topping the all-time high of S\$35.8 billion attained in 2013. For 2015, BCA projected that total construction demand in Singapore would remain buoyant level, and could reach between S\$29-36 billion due to heightened activities in industrial projects and institutional and civil engineering works. We are therefore optimistic that the total reinforcing steel demand will remain buoyant, notwithstanding the projected softening of construction demand for the year ahead.

The Singapore government continues to intensify the push for better buildability and productivity through labour-efficient methods and design such as precast and prefabrication.

BRC's Group Managing Director, Mr Lim Siak Meng, commented, "*BRC will continue to invest in research and development and resources to upscale our prefabrication capabilities to support this rising trend.*"

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About BRC Asia Limited

BRC Asia Limited is one of the largest reinforcing steel fabricators in Singapore. The Group's core business is in providing a complete range of reinforcing solutions - steel welded mesh, prefabricated reinforcing steel cages, cut & bent reinforcement bars - for the construction industry.

The Company was incorporated in Singapore in 1938 as the Malayan Wire Mesh & Fencing Co Ltd and was listed on the SGX-ST Mainboard in July 2000.

For more information, please visit the Group's website at www.brc.com.sg

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