



Boustead Projects Limited
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BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR FY2017 ENDED 31 MARCH 2017

	4Q FY2017	4Q FY2016	Change	FY2017	FY2016	Change
Revenue	S\$38.5m	S\$59.4m	-35%	S\$228.3m	S\$255.5m	-11%
Gross profit	S\$12.5m	S\$14.2m	-12%	S\$58.5m	S\$59.0m	-1%
Profit before income tax ("PBT")	S\$18.2m	S\$6.4m	+183%	S\$44.9m	S\$29.7m	+51%
Total profit	S\$14.3m	S\$5.4m	+165%	S\$36.2m	S\$22.9m	+59%
Total profit (adjusted for comparative review)*	S\$2.9m	S\$5.4m	-47%	S\$24.8m	S\$23.0m	+8%
Profit attributable to equity holders of Company ("net profit")	S\$14.3m	S\$5.4m	+165%	S\$36.1m	S\$22.9m	+58%
- Earnings per share**	4.5cts	1.7cts	+165%	11.3cts	7.1cts	+59%
- Net asset value per share**				71.7cts	60.6cts	+18%

Note:

* Adjusted for other gains and losses after income tax

** Computed on post-sub-division basis

Note to Editors: The Boustead Projects Group ("BP 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.

FY2017 Highlights:

- Revenue of S\$228.3 million was 11% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses.
- Total profit of S\$36.2 million was 59% higher year-on-year mainly due to better operating results from the design-and-build business, and other gains and losses. Without the one-off other gains and losses, adjusted total profit would have been S\$24.8 million or 8% higher year-on-year.
- The current order book backlog stands at about S\$146 million.
- The Board has proposed an inaugural final dividend of 2.5 cents per share, comprising an ordinary dividend of 1.5 cents per share and a special dividend of 1 cent per share.

Singapore, 22 May 2017 – 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 fourth quarter and full-year ended 31 March 2017 (“4Q FY2017” and “FY2017” respectively).

For 4Q FY2017, the BP Group registered revenue of S\$38.5 million, 35% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses. However, total profit of S\$14.3 million was 165% higher year-on-year mainly due to other gains and losses, primarily the non-recurring compensation from the early termination of the AusGroup lease and the gain from the sale of the BP Group’s interest in TripleOne Somerset (“TripleOne Somerset Sale”), partially offset by an impairment loss on an investment property.

For FY2017, the BP Group registered revenue of S\$228.3 million, 11% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses. However, total profit of S\$36.2 million was 59% higher year-on-year mainly due to better operating results from the design-and-build business, and other gains and losses, primarily the non-recurring gains mentioned earlier. Without the one-off other gains and losses, adjusted total profit would have been S\$24.8 million or 8% higher year-on-year.

Design-and-build revenue for FY2017 was S\$195.2 million, 12% lower year-on-year. The previous year registered higher revenue mainly due to greater work progress in several significant projects.

Leasing revenue for FY2017 declined to S\$33.1 million, mainly due to a few partial vacancies in the industrial leasehold portfolio and the early termination of the AusGroup lease, partially offset by the initial full-year contributions of two leases.

Overall gross profit for FY2017 decreased marginally by 1% to S\$58.5 million, mainly due to lower revenue earned from the leasing business but partially offset by higher gross profit from the design-and-build business. Overall gross margin for FY2017 increased to 26% from 23% in FY2016, mainly from the unlocking of cost savings from previously completed projects.

Despite the lower overall gross profit, PBT for FY2017 increased 51% year-on-year to S\$44.9 million, mainly supported by the other gains mentioned earlier and lower finance expenses, partially offset by lower overall gross profit and lower other income.

Mr Thomas Chu, Managing Director of Boustead Projects said, “We achieved a commendable set of results for FY2017 amid the challenging conditions in Singapore’s industrial real estate market, boosted by non-recurring gains related to the compensation from an early lease termination and sale of our interest in TripleOne Somerset. In the coming year, we plan to remain focused on building additional strategic platforms, capturing opportunities in high value industries, driving cost and productivity improvements, and diversifying our business outside of Singapore. These are platforms essential for further medium to long-term growth both in Singapore and overseas.”

Mr Chu continued, “We are pleased to propose an inaugural ordinary dividend of 1.5 cents per share and a special dividend of 1 cent per share. However, given the capital-intensive nature of our property development platforms, we will seek to prudently manage our cash resources to maintain an optimal balance between paying sustainable dividends and investing in growth opportunities across our various geographic markets.”

At the end of FY2017, the BP Group’s financial position remained healthy with cash and cash equivalents of S\$113.4 million and total equity of S\$229.4 million. Net asset value per share climbed to 71.7 cents at the end of FY2017 from 60.6 cents at the end of FY2016,

while the net cash position (cash and cash equivalents less total borrowings) stood at S\$25.0 million at the end of FY2017.

-- End of media release --

About Boustead Projects Limited

Established in 1996, Boustead Projects Limited (SGX:AVM) 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, we have constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Our wholly-owned design-and-build subsidiary, Boustead Projects E&C Pte Ltd ("BPEC") is approved by the Building & Construction Authority ("BCA") of Singapore for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Our in-depth experience in designing and constructing custom-built facilities covers the aerospace, commercial, electronics, food processing, healthcare, high-tech manufacturing, lifestyle, logistics, oil & gas, petrochemical, precision engineering, R&D, resource recovery, technology and transportation industries. We are also a leader in pioneering advanced eco-sustainable facilities under the BCA's Green Mark Programme and the U.S. Green Building Council's Leadership in Energy & Environmental Design Program. In Singapore, BPEC is one of only nine 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 SGX Mainboard.

Boustead Projects is a 51%-owned subsidiary of Boustead Singapore Limited (SGX:F9D), a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group which is separately listed on the SGX Mainboard.

Visit us 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: http://www.bousteadprojects.com/investor_centre/quarterly_results.asp.

Contact Information

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