



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

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## **BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR 3Q FY2018 ENDED 31 DECEMBER 2017**

	<b>3Q FY2018</b>	<b>3Q FY2017</b>	<b>Change</b>	<b>9M FY2018</b>	<b>9M FY2017</b>	<b>Change</b>
<b>Revenue</b>	<b>S\$47.9m</b>	S\$66.6m	-28%	<b>S\$143.7m</b>	S\$189.8m	-24%
<b>Gross profit</b>	<b>S\$17.4m</b>	S\$17.1m	+2%	<b>S\$50.5m</b>	S\$46.1m	+10%
<b>Profit before income tax</b>	<b>S\$9.6m</b>	S\$10.2m	-6%	<b>S\$28.5m</b>	S\$26.7m	+7%
<b>Total profit</b>	<b>S\$8.0m</b>	S\$8.5m	-5%	<b>S\$23.3m</b>	S\$22.0m	+6%
<b>Profit attributable to equity holders of the Company</b>	<b>S\$8.0m</b>	S\$8.5m	-5%	<b>S\$23.3m</b>	S\$21.8m	+7%
<b>- Earnings per share</b>	<b>2.5cts</b>	2.6cts	-4%	<b>7.3cts</b>	6.8cts	+7%
<b>- Net asset value per share</b>				<b>76.7cts</b>	67.2cts	+14%

**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 performance. Full-year to full-year comparisons are more appropriate for analytical purposes.**

### **3Q/9M FY2018 Highlights:**

- Revenue for 3Q FY2018 was 28% lower year-on-year at S\$47.9 million, due to lower revenue contributions from both the design-and-build and leasing businesses.
- Total profit for 3Q FY2018 was 5% lower year-on-year at S\$8.0 million, mainly due to higher overhead expenses in line with investments in new capabilities under the BP Group's regional growth strategies, partially offset by higher gross profit achieved through productivity improvements and the unlocking of project cost savings.
- Revenue for 9M FY2018 was 24% lower year-on-year at S\$143.7 million, mainly due to the same reasons mentioned for 3Q FY2018. However, total profit for 9M FY2018 was 6% higher year-on-year at S\$23.3 million, mainly due to higher gross profit achieved through productivity improvements and the unlocking of project cost savings, partially offset by higher overhead expenses.
- The current order book backlog stands at about S\$267 million.

**Singapore, 12 February 2018** – 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 third quarter and nine months ended 31 December 2017 (“3Q FY2018” and “9M FY2018” respectively).

For 3Q FY2018, the BP Group registered revenue of S\$47.9 million, 28% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses. Design-and-build revenue was 32% lower year-on-year at S\$40.0 million. A major project with significant contract value was completed in 3Q FY2017, which resulted in higher design-and-build revenue recorded for that period. In addition, there was a lower total value of contracts secured during FY2017 for revenue conversion during 3Q FY2018. Leasing revenue was 4% lower year-on-year at S\$7.9 million, mainly impacted by the lack of contribution from 36 Tuas Road due to AusGroup’s early lease termination<sup>1</sup> in 4Q FY2017, partially offset by contributions from new leases and development management fees from the Boustead Development Partnership.

Total profit for 3Q FY2018 of S\$8.0 million was 5% lower year-on-year, mainly due to higher overhead expenses in line with investments in new capabilities under the BP Group’s regional growth strategies, partially offset by higher gross profit achieved through productivity improvements and the unlocking of project cost savings.

For 9M FY2018, the BP Group registered revenue of S\$143.7 million, 24% lower year-on-year due to lower revenue contributions from both the design-and-build and leasing businesses. Due to the same reasons mentioned for 3Q FY2018, design-and-build revenue for 9M FY2018 was 27% lower year-on-year at S\$120.0 million, while leasing revenue was 5% lower year-on-year at S\$23.7 million.

Despite the lower revenue for 9M FY2018, total profit of S\$23.3 million was 6% higher year-on-year, mainly due to higher gross profit achieved through productivity improvements and the unlocking of project cost savings, partially offset by higher overhead expenses.

Mr Thomas Chu, Managing Director of Boustead Projects said, “We have continued to deliver healthy results in the first nine months of FY2018, with higher profit and a better overall gross margin achieved through productivity improvements and the unlocking of project cost savings. On the business development front, we have enjoyed good momentum, securing approximately S\$234 million worth of contracts to date in FY2018. We have also expanded our presence in Vietnam, winning two design-and-build contracts and securing strategic land for development.”

Mr Chu added, “Although we have seen an improvement in construction activities in the industrial real estate sector in Singapore, competition is expected to remain intense and margins challenging. Nonetheless, our financially-sound position allows us to continue making further investments in smart and eco-sustainable building capabilities, cost and productivity improvements, as well as strategic partnerships and platforms in Singapore and regionally.”

At the end of 9M FY2018, the BP Group’s financial position remained healthy with cash and cash equivalents of S\$119.2 million and total equity of S\$245.5 million. Net asset value per share climbed to 76.7 cents at the end of 9M FY2018 from 71.7 cents at the end of FY2017, while the net cash position (cash and cash equivalents less total borrowings) was at S\$34.1 million at the end of 9M FY2018.

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<sup>1</sup> The full amount of the non-recurring compensation from the early termination of the AusGroup lease was recognised in 4Q FY2017.

The BP Group's current order book backlog (unrecognised project revenue remaining at the end of 3Q FY2018 plus the total value of new orders secured since then) stands at a healthy level of S\$267 million.

-- 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 ("BP E&C") 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, food, healthcare and pharmaceutical, high-tech manufacturing, lifestyle, logistics, oil & gas, precision engineering, research & development, 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 US Green Building Council's Leadership in Energy & Environmental Design (LEED) Program. In Singapore, BP E&C 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 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](http://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](http://www.bousteadprojects.com/investor_centre/quarterly_results.asp).

## **Contact Information**

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