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**BBR Holdings' net profit more than doubles to S\$8.0 million for nine months ended 30 September 2009; affirms full-year profitability on course**

FINANCIAL HIGHLIGHTS						
S\$'m	3Q09	3Q08	Change	9M09	9M08	Change
Revenue	51.7	47.4	▲9%	166.7	180.2	▼8%
Gross Profit (GP)	6.2	2.6	▲138%	13.6	11.9	▲14%
GP Margin	12%	6%	▲100%	8%	7%	▲14%
Profit Before Tax	3.7	0.4	▲761%	9.4	3.9	▲142%
PATMI	3.0	0.4	▲714%	8.0	3.8	▲109%
EPS (cents)	0.19	0.02	▲N.M	0.52	0.25	▲108%
As at 30 September 2009						
Order book stands at S\$381.0 million						
Equity attributable to equity holders of BBR: S\$56.4 million;						
NAV per share at 3.66 cents						

**SINGAPORE, 10 November 2009** – MAINBOARD-listed **BBR Holdings (S) Ltd** (“BBR” or “the Group”) today posted another strong quarter of financial and operating results. Its net profit after tax and minority interests more than doubled to S\$8.0 million for the nine months ended 30 September 2009, a 109% increase over the S\$3.8 million recorded in the same period last year.

The Group recorded revenues of S\$166.7 million, down marginally by 8% or S\$13.5 million, primarily due to a fall in revenue recognised from building and civil works. However, gross profit increased by 14% to S\$13.6 million from S\$11.9 million previously. The Group also saw an improved gross profit margin of 8% compared to 7% in the nine months of fiscal 2008 as a result of higher returns from specialised engineering projects, both in Singapore and Malaysia.

Share of results from associate soared to S\$5.7 million for the nine months ended 30 September 2009 in line with the good progress at No. 8 Nassim Hill property development undertaken by its associate, Tennessee Pte Ltd.

Quarter-on-quarter, its revenue was up by 9% or S\$4.3 million to S\$51.7million. Gross profit rose sharply by S\$3.6 million to S\$6.2 million, mainly due to increased contribution from specialist engineering projects both in Singapore and Malaysia. These projects typically enjoy higher margins compared to general construction projects. Other income went up by 87% to S\$0.5 million as the Group received rental income from Nos. 19 & 21 Holland Hill and higher rental income from partially sub-letting its premises. Net profit after tax and minority interest saw a huge increase of 714% to S\$3.0 million.

For the nine months ended 30 September 2009, the Group recorded a rise of S\$1.7 million in other operating costs over the previous corresponding period. This was mainly due to higher staff remuneration as a result of increased headcount and salaries, including provisions for bonuses in the current quarter given the improved financial performance of the Group.

Earnings per share for the nine months ended 30 September 2009 was 0.52 cents compared to 0.25 cents registered in the corresponding period.

BBR Group, which started in 1993 as a specialist engineering group, currently has three core business activities, namely, General Construction, Specialised Engineering and Property Development.

## **Financial position**

Along with solid earnings growth, BBR's financial position remains strong. As at 30 September 2009, its assets totalled S\$216.0 million including cash and fixed deposits of S\$46.0 million. Equity attributable to equity holders of BBR was S\$56.4 million, an increase of 17% over the S\$48.1 million recorded in 31 December 2008. Net asset value per share stood at 3.66 cents as at 30 September 2009. Its market capitalisation was approximately S\$100.2 million based on the 9 November 2009 closing share price of 6.5 cents. The total number of shares issued to date is approximately 1.54 billion.

BBR Chief Executive Officer Andrew Tan said he was encouraged by the Group's solid third quarter results. "Our results demonstrate continued financial progress and improved operational performance, and I am glad we have stayed on course despite the tough conditions and stiff competition in the market. We are currently busy working on a few existing projects, and we hope to secure more contracts going forward," he added.

The Group's order book stands at approximately S\$381.0 million with projects lasting up to 2012. These comprise mainly civil engineering and building contracts predominantly in Singapore and Malaysia. With its strong order book and solid financial performance, the Group expects to remain profitable for fiscal 2009.

### **Business outlook and focus**

Citing advance estimates released by the Ministry of Trade and Industry (MTI), Mr Tan said that although Singapore's Gross Domestic Product (GDP) saw an expansion of 0.8% year-on-year (y-o-y) in the third quarter of 2009, compared to -3.2% in the second quarter, growth in the construction sector slowed to 12.4% y-o-y in the third quarter of 2009 against 18.6% growth it enjoyed in the second quarter of 2009. Quarter-on-quarter, the construction sector saw a contraction of 0.6% compared to the 33% growth it experienced in the previous quarter due to slower construction activity for industrial building projects.

Despite this, Mr Tan said the positive general economic outlook, coupled with a strong pipeline of committed public sector projects such as the Downtown Line, institutional buildings and various public housing projects, indicate that the construction industry is expected to remain positive for the next 12 months. The Building and Construction Authority (BCA) has forecasted total construction demand in 2009 to be around S\$18.0 billion to S\$24.0 billion. For 2010 to 2011, it has been projected to reach S\$20.0 billion to S\$27.0 billion.

Mr Tan said the Group will continue to concentrate on its core business by drawing on its steady track record and capabilities in building construction and civil engineering to

secure more public sector projects as well as to explore ways to realise cost and operational efficiencies in managing its on-going and upcoming projects.

“Our business fundamentals remain solid. Our financials are strong. We have an experienced and dedicated management team. We are well-positioned to meet the challenges ahead in order to maintain sustainable growth,” added Mr Tan.

### **On-going projects**

The Group continues to be busy with various projects, from both the public as well as the private sector, including two new contracts secured during the year. These are a S\$77.7 million contract to build the Singapore Island Country Club’s main clubhouse at Island Club Road scheduled to be completed in 2011 and a S\$104.2 million contract from the Housing & Development Board to build seven blocks of flats in Yishun Neighbourhood 4 scheduled for completion in 2012. It is also working on a S\$189.6 million contract awarded by the Urban Redevelopment Authority for the construction of the proposed common services tunnel phase 3A at downtown core scheduled to be completed by April 2011.

On the property front, the Group’s development, “Lush on Holland Hill”, comprising 56 homes, has been enjoying good response from the market. To date, close to 45% of units have been sold. As for its other project at 8 Nassim Hill, approximately 45% of the units have been sold, too. This development, undertaken by its associate, comprises 16 units of super luxury triplexes.

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## About BBR Group

The BBR Group has its roots in specialised engineering. Since its inception in 1993, the Group has grown significantly and today, it has established three core business activities, namely, General Construction, Specialised Engineering and Property Development.

Its General Construction activities are mainly undertaken through its wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited (Singapore Piling), a company it acquired in 2001. Singapore Piling has a 37-year history and has been registered with the Building & Construction Authority of Singapore under the “A1” classification since 1984. The company is active in Singapore as well as overseas, having undertaken projects in Korea as well as Sri Lanka. Its Specialised Engineering arm is part of the BBR Network that spans 42 countries. Today, BBR Singapore has a strong presence in Malaysia, Philippines, Thailand and Sri Lanka. The Group is developing two upmarket condominium projects: 8 Nassim Hill comprising 16 super luxury triplex units with basement car parks and a freehold site at Holland Hill which will yield a 12-storey luxury condominium.

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Issued on behalf of BBR Holdings (S) Ltd by Waterbrooks Consultants Pte Ltd

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