



## **BBR Holdings' net profit doubles to S\$14.1m as revenue jumps to S\$236.2m for six months ended 30 June 2011**

““There are still opportunities in the market. Even as we actively pursue new business prospects, we remain selective about the projects that we target as we want to focus on those that offer reasonable returns,” said BBR CEO Andrew Tan

FINANCIAL HIGHLIGHTS						
S\$ 'million	2Q2011	2Q2010	Change	1H2011	1H2010	Change
Revenue	126.8	36.5	▲248%	236.2	68.7	▲244%
Gross Profit	10.8	6.8	▲60%	24.5	13.2	▲86%
Profit before Tax	5.7	3.3	▲70%	16.2	8.3	▲97%
Profit After Tax & Non-controlling Interests	4.6	2.7	▲72%	14.1	7.2	▲96%
EPS (SG cents)	1.51	0.87	▲74%	4.59	2.33	▲97%
Current order book stands at S\$538 million with projects lasting up till 2015						
As at 30 June 2011: Net Assets: S\$93.3 million or 30.05 Singapore cents per share						

**SINGAPORE, 4 August 2011** – MAINBOARD-listed BBR Holdings (S) Ltd (BBR or the Group) today unveiled its results for the first half ended 30 June 2011. The Group saw a doubling of its net profit after tax and non-controlling interests of S\$14.1 million from S\$7.2 million previously, even as its revenue for the period under review climbed 244% to S\$236.2 million from S\$68.7 million in the previous corresponding period.

The higher Group revenue was mainly due to higher revenue recognized from all business segments. In the period under review, the Group also took in

progressive revenue for sold units of Lush on Holland Hill, a property development project.

In the six months to 30 June 2011, gross profit increased to S\$24.5 million from S\$13.2 million previously, mainly attributable to contributions from the property development segment. Gross profit contributions from both specialised engineering and general construction segments have also increased.

Earnings per share for 1H2011 was 4.59 Singapore cents, up 97% from 2.33 Singapore cents in 1H2010.

BBR Chief Executive Officer Andrew Tan said the Group's strong performance was underpinned by a strong, diligent and professional team. "Even as we prospect for new contracts, we continue to execute our existing projects well, providing our clients a high level of service. At the same time, we remain committed to keeping cost down, and are continually looking for new ways to be more productive and efficient."

To date, the Group's order book stands at S\$538 million with projects lasting up to 2015. These comprise mainly civil engineering and building contracts predominantly in Singapore and Malaysia.

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.

### **Strong Financial Position**

The Group's financial position remain strong with total assets of S\$325.0 million and net assets of S\$93.3 million compared to S\$248.6 million and S\$80.6 million recorded on 31 Dec 2010 respectively. Total equity increased by S\$12.7 million to S\$93.3 million as at 30 June 2011, representing an increment of 16% over the

year-end FY2010 of S\$80.6 million. Net asset value per share stood at 30.05 Singapore cents or 16% higher than at 31 December 2010.

Cash and cash equivalents as at 30 June 2011 increased to S\$50.8 million. This is due mainly to the repayment of shareholders' loan and dividend received from its associate, Tennessee Pte Ltd, offset partially by cash paid (net after borrowings) on completion of the purchase of development property at Simon Lane and early lump sum settlement of term loan of S\$5.0 million.

### **Business outlook**

Government statistics show that the Singapore economy in the second quarter of 2011 grew by 0.5% on a year-on-year basis, down from the 9.3% in the previous quarter. On a seasonally-adjusted quarter-on-quarter annualised basis, the economy contracted 7.8% compared to the 27.2% expansion in the previous quarter. The construction sector grew by 1.6% on a year-on-year basis in the second quarter of 2011, following growth of 2.4 % in the preceding quarter.

In view of the estimated moderate growth in the Singapore economy and the construction sector in the second quarter of 2011, increasing competition and expected increase in labour and material costs, the Group expects the outlook to be challenging over the next 12 months. Even so, the Group is expected to remain profitable for FY2011.

"There are still opportunities in the market. Even as we actively pursue new business prospects, we remain selective about the projects that we target as we want to focus on those that offer reasonable returns," said Mr Tan.

"Going forward, the domestic market will continue to be the Group's key focus in the near term although it will selectively consider overseas opportunities with strategic value as they arise," Mr Tan added.

## **Recent and on-going projects**

The Group's civil engineering and building projects from both the public and private sectors include:

- a RM52.7 million contract from Trans Resources Corporation Sdn Bhd to construct and complete the facilities works for the Kelana Jaya LRT Line Extension Project in Kuala Lumpur, Malaysia;
- a S\$48.3 million contract secured from Yang Kee Holdings Pte Ltd to construct Phase 2 of the Yang Kee Chemical Logistics Hub at Jurong Pier Road. Work on the project has started and is scheduled for completion in the second quarter of 2012;
- a S\$79.8 million contract secured from the Land Transport Authority to widen Keppel Viaduct targeted to be completed in the first half of 2015;
- a S\$413.8 million construction contract awarded to a joint venture, Takenaka–Singapore Piling Joint Venture (“JV”) by the National Heritage Board to restore two iconic heritage monuments in the heart of the Civic District, the former Supreme Court and the adjacent City Hall targeted for completion in the second half of 2014. BBR's wholly-owned subsidiary Singapore Piling & Civil Engineering Private Limited has a 25% share in the JV;
- a S\$139.6 million contract from the Urban Redevelopment Authority to construct Phase 3B (MC02) of the Proposed Common Services Tunnel (CST) at Marina Bay targeted for completion in the second half of 2014;
- a S\$189.6 million contract from the Urban Redevelopment Authority (URA) for Phase 3A of the Common Services Tunnel (CST-3A) due to be completed in the second half of 2011;
- a Land Transport Authority contract worth S\$81.495 million to design and construct the Tai Seng Facility Building for the Downtown Line Project with completion in November 2014;
- a S\$77.7 million contract to build the Singapore Island Country Club's main clubhouse with completion date in 2011; and

- a S\$104.2 million contract from the Housing & Development Board to build seven blocks of flats in Yishun Neighbourhood 4 to be delivered in 2012.

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#### **About BBR Group ([www.bbr.com.sg](http://www.bbr.com.sg))**

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 40-year history and has been registered with the Building & Construction Authority of Singapore under the "A1" classification since 1984.

Its Specialised Engineering arm is part of the BBR Network that spans 42 countries. Today, BBR Singapore has a presence in Malaysia, Philippines and Thailand.

For its Property Development business, the Group is involved in three condominium projects: 8 Nassim Hill, an upmarket development comprising 16 super luxury triplex units with basement carparks completed in 2010; Lush at Holland Hill, a freehold development with 56 spacious units in two 12-storey blocks and Bliss@Kovan, another freehold site to be developed into a 5-storey condominium with superior design elements consisting of about 140 units.

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

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