



MEDIA RELEASE
For Immediate Release

BBR Holdings reports significant increase in both revenue and net profit for nine months ended 30 September 2013

- **9M2013 revenue and net profit rose 52% and 50% respectively compared to 9M2012**
- **Higher revenue contribution from both general construction and specialised engineering projects**
- **Strong order book at approximately S\$1.0 billion with projects lasting to 2016**

SINGAPORE, 5 November 2013 – MAINBOARD-LISTED BBR Holdings (S) Ltd (BBR控股) (BBR or the Group) has posted revenue of S\$302.7 million and a net profit attributable to shareholders of S\$13.2 million for the nine months ended 30 September 2013 (9M2013). The increase in revenue for 9M2013 was largely attributable to higher revenue contribution from its general construction and specialised engineering projects, partially offsetting the lower property development revenue. The lower revenue for property development was a result of contribution from Bliss @Kovan project in 9M2013 as compared to Lush on Holland Hill in 9M2012, a project completed in the first half of 2012.

Gross profit was S\$26.0 million as compared to S\$26.7 million in the previous corresponding period, and margins decreased to 8.6% in 9M2013 from 13.4% in 9M2012, mainly due to difference in project mix and lower profit margins from general construction projects affected by escalating workers' and subcontractors' costs, as well as consequential costs for project delays due to labour shortages. However, the group registered higher gross profits from its specialised engineering projects for the period under review.

For 9M2013, the Group reported a significant share of associates' profits of S\$3.3 million, mainly attributable to its 48% share of profits for the units sold at 8 Nassim Hill in the current period as compared to loss of S\$0.4 million due to operating expenses in the same development for 9M2012.

Earnings per share for 9M2013 was 4.30 Singapore cents, 49 per cent higher as compared to 2.88 Singapore cents in the previous corresponding period.

BBR's Chief Executive Officer, Mr Andrew Tan (陈庆辉) said: "We are pleased to report a stronger set of nine months results showing growth for both top and bottom lines, in line with management expectations. Looking forward, the business environment for construction in Singapore continues to be challenging due to heightened competition as well as foreign labour shortages. With that in mind, we will continue to be vigilant in managing our costs and improving our operational efficiency so as to stay relevant and competitive.

We will also continue to leverage our strong technical expertise in specialised engineering as well as our wide business network to bid for projects in public and private sectors in Singapore and Malaysia and explore business opportunities in the region."

Financial Position

BBR's financial position remains healthy, backed by stronger net assets of S\$116.8 million as at end of 30 September 2013. This translates to a 8.7 per cent increase in net asset value per share of 38.15 Singapore cents compared to 35.10 Singapore cents as at 31 December 2012.

As at 30 September 2013, cash and cash equivalents, including pledged deposits, decreased to S\$38.0 million as compared with S\$51.3 million as at 31 December 2012. The decrease was mainly attributable to shareholder's loans to its 35% owned associate, Lakehomes Pte. Ltd. for purchase of land at Yuan Ching/Tao Ching Road for executive condominium development, and repayment of term loan for Bliss @Kovan.

The Group's total bank loans and borrowings decreased by S\$5.4 million to S\$54.2 million for 9M2013 from S\$59.6 million as at 31 December 2012, mainly due to repayment of term loan for Bliss @Kovan, partially offset by short-term borrowings to bridge funding requirements for the development of executive condominium at Yuan Ching/Tao Ching Road.

Business Outlook

Based on recent advance estimates released by the Ministry of Trade and Industry on 14 October 2013, the Singapore economy grew by 5.1 per cent on a year-on-year basis in the third quarter of 2013, compared to 4.2 per cent in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.0 per cent, compared to the 16.9 per cent expansion in the previous quarter.

The construction sector grew by 3.6 per cent on a year-on-year basis, compared to 6.9 per cent growth in the previous quarter. The slower growth was mainly due to weaker public sector construction activities, which were partially offset by robust construction activities in the private sector. On a quarter-on-quarter basis, the sector contracted at an annualised rate of 8.8 per cent, in contrast to the 20.9 per cent expansion in the previous quarter.

In consideration of the estimated contraction of the construction sector for the third quarter of 2013, coupled with increasing competition and expected increase in labour costs due to foreign worker shortages, the outlook for the construction industry is expected to be challenging in the next 12 months.

As for its property development business, the Group will continue to cautiously conduct feasibility studies to identify good land plots and may work with strategic partners to co-develop and market new property development projects in Singapore.

As at the date of this announcement, the Group has an order book of approximately S\$1.0 billion, predominantly in Singapore and Malaysia. The Group expects to remain profitable for FY2013.

Update on Projects

Currently, BBR is working on a number of civil engineering and building projects from both the public and private sectors in Singapore as well as Malaysia. These include:

- a S\$153.1 million contract to design and construct a mixed-use development at Fusionopolis Place, scheduled for completion at the end of 2014;
- a S\$102.7 million contract to construct housing and sports facilities (Phase 1) for The Singapore University of Technology and Design at Changi, Singapore scheduled for completion in phases in third quarter 2013 and mid 2014;
- two contracts totalling RM76.45 million to construct and complete the facilities works for the Kelana Jaya LRT Line Extension Project, Package A and B, in Kuala Lumpur, Malaysia, which are expected to be completed in the second half of 2014;
- a S\$79.8 million contract secured from the Land Transport Authority (LTA) 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 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 per cent share in the joint venture;
- a S\$139.6 million contract from the Urban Redevelopment Authority to construct Phase 3B (MC02) of the Proposed Common Services Tunnel at Marina Bay targeted for completion in the second half of 2014;
- a LTA contract worth S\$81.5 million to design and construct the Tai Seng Facility Building for the Downtown Line Project with completion in the fourth quarter of 2014;
- a S\$179 million contract from the Housing and Development Board (HDB) to construct 17 blocks of 1,386 new homes in Pasir Ris Neighbourhood 5 due to be completed in the second half of 2014;
- a S\$108 million contract from the HDB to build 808 HDB flats at Kallang Whampoa C23B due to be completed by end 2015;
- a S\$102.8 million contract to build 755 HDB flats at Kallang Whampoa C28B due to be completed by the second quarter of 2016;

- a S\$74.9 million contract from the HDB to build 474 HDB flats at Sengkang Neighbourhood 2 due to be completed by the second quarter of 2015;
- a building contract for Dulwich College, Singapore's first British independent school due to be completed by mid-2014;
- a 25,000 tonne silo construction job at Pulau Damar Laut due to be completed by end 2013;
- two contracts worth RM286 million to build two bridges in Terengganu and Sarawak in Malaysia, which are due to be completed at the end of 2015 and second quarter of 2016 respectively; and
- a contract for the construction and maintenance of a mixed-use development at The Springside at Jalan Ulu Seletar/Sembawang Road, Singapore due to be completed by the second half of 2015.

For its property development business, BBR is involved in four condominium projects. Lush on Holland Hill, a freehold development with 56 spacious units in two 12-storey blocks, was fully sold and has obtained the Temporary Occupation Permit and Certificate of Statutory Completion in 2012. Bliss @Kovan is another freehold site that is currently under construction and is to be developed into a five-storey condominium with superior design elements consisting of 140 units. The Group has also jointly developed with Shing Kwan (Pte) Ltd an upmarket development comprising 16 super luxury triplex units with basement car parks at 8 Nassim Hill, of which only one is unsold.

The fourth property development involved forming an associate company with a consortium of investors to develop approximately 500 units of executive condominium that offers modern and lifestyle design features at Yuan Ching Road/Tao Ching Road, Jurong, Singapore.

This press release should be read in conjunction with the full SGX announcement released by BBR on 5 November 2013. A copy of the announcement is available on www.sgx.com.

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About BBR Group (www.bbr.com.sg)

The BBR Group (BBR控股) is one of Singapore's leading construction groups with more than 20 years of industry experience and businesses spanning across General Construction, Specialised Engineering and Property Development.

Established in 1993, the Group today has a presence in Singapore, Malaysia, Philippines and Thailand. 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 and Construction Authority of Singapore under the "A1" classification since 1984. Its Specialised Engineering arm is part of the BBR Network that spans 50 countries.

For its Property Development business, the Group is involved in four condominium projects: Lush on Holland Hill, a freehold development with 56 spacious units in two 12-storey blocks completed in 2012; Bliss @Kovan, another freehold site to be developed into a five-storey condominium with superior design elements consisting of 140 units; 8 Nassim Hill, an upmarket development comprising 16 super luxury triplex units with basement carpark completed in 2010; and proposed development of approximately 500 units of executive condominium on a 99-year leasehold HDB land site at Yuan Ching Road/Tao Ching Road, Jurong.

The Group was listed on the Singapore Exchange Sesdaq in 1997 and was subsequently upgraded to the Mainboard in September 2006.

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

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