MEDIA STATEMENT

Soilbuild Construction posts net profit of S$4.0 mil for 1QFY2016

- **Remained profitable for 1QFY2016**
- **Myanmar operation achieved new milestone with third construction project win**
- **Order book stands at S$678.7 mil to-date**

Singapore, 26 April 2016 – Soilbuild Construction Group Ltd. ("The Group" or "Soilbuild"), today reported that it has achieved a net profit of S$4.0 million for the first quarter ended 31 March 2016 ("1QFY2016").

Financial Highlights S$'000	1QFY2016	1QFY2015	Change (%)
Revenue	102,508	70,419	45.6
Gross Profit	7,305	7,322	(0.2)
Net Profit	3,966	4,431	(10.5)
Gross Profit Margin	7.1%	10.4%	(3.3%)

Financial Review

The Group's revenue increased by 45.6% in 1QFY2016 mainly due to progressive revenue contributions from on-going projects that included Jalan Lam Huat project (multiple-user general industrial development at 60 Jalan Lam Huat), Yishun HDB project (public housing development at Yishun 4/Yishun Ring Road), Sembawang HDB project (public housing development at Sembawang), Ang Mo Kio HDB project (public housing development at Ang Mo Kio Avenue 3/Street 51), Pepperl + Fuchs project (global distribution center at Pioneer Turn), Goodwood Grand project (residential flat development at Balmoral Road) and Hospice project (development of hospice at Thomson Road).

The gross profit remained at approximately S$7.3 million in 1QFY2016 while gross profit margin decreased by 3.3%. The lower gross profit margin was mainly due to higher revenue recognised for projects that generated relatively lower profit margins.

The Group's net profit decreased by S$0.5 million or 10.5% in 1QFY2016, mainly due to other losses arising from foreign exchange differences as well as increase in other operating expenses.

"The results for 1QFY2016 was mainly driven by the progressive execution of our current projects, some of which generated relatively lower gross profit margin owing to the respective project nature and construction risk profile. The Group will exert more efforts to lower our construction cost so as to improve our overall profitability.

On the Group's business expansion plan in Myanmar, we are pleased to mark another achievement by our project team in winning our third construction project there. While driving revenue growth for our Myanmar operation, the Group will also focus on driving its local execution efficiency in order to generate contribution to the Group's performance going forward.

The Group's order book stands at S$678.7 million to-date, of which the Group expects to recognise substantially over the next 24 months."

Mr Ho Toon Bah

Executive Director of Soilbuild Construction Group

The End

About Soilbuild Construction Group Ltd.:

Soilbuild Construction is a leading builder with a long and successful track record of constructing a sterling award-winning portfolio of residential and business space properties. Since its inception in 1976, Soilbuild charts 40 years of success in offering a full spectrum of real estate services which includes Design and Build, Construction, Turnkey Construction, Project Management Consultancy, Procurement and Mechanical & Electrical Installation. Soil-Build (Pte.) Ltd., a subsidiary of the Group, is A1-graded under CW01 (General Building) and A2-graded under CW02 (Civil Engineering) by the Singapore's Building and Construction Authority, and has acted as the main contractor for projects which have won architectural and environmental awards over the years.

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