



ROTARY ENGINEERING LIMITED

MEDIA RELEASE

Rotary Engineering records \$42.8m net profit on S\$329.3m revenue for the year ended 31 December 2015

Highlights

- **Stays profitable and resilient with smaller projects from a wider customer base**
- **Effective cost management and improvements in operational efficiency increases gross profit margin to 24% in FY2015 from 17% in FY2014**

SINGAPORE, 25 February 2016 – Mainboard-listed **Rotary Engineering Limited** and its subsidiaries (“Rotary” or the “Group”), a leading regional oil & gas engineering, procurement, construction (“EPC”) and maintenance services value chain provider, today announced that it recorded net profit attributable to shareholders of S\$42.8 million on the back of revenue of S\$329.3 million for the twelve months ended 31 December 2015 (“FY2015”).

In line with the general downturn in the oil and gas sector, revenue and gross profit declined by 52% and 32% respectively. However, gross profit margin continued to steadily increase from 17% in FY2014 to 24% in FY2015 due to continual efforts in continuing cost management and improved productivity.

Commenting on the results, **Mr. Roger Chia Kim Piow, Chairman and Managing Director of Rotary** said, ***“Our strong financial position, coupled with effective cost management and continual improvements in operational efficiency will***

help us stay on course to be resilient and weather the current downturn in the oil and gas sector.”

The Group's balance sheet remains strong with cash and short-term deposits of S\$118.2 million out of a net asset value of S\$289.1 million. Net asset value per ordinary share has increased 13% from 45.2 Singapore cents per ordinary share as at 31 December 2014 to 50.9 Singapore cents per ordinary share as at 31 December 2015. The Group's debt equity ratio is low of 0.03 times. As at the date of this announcement, the Group's order book stands at S\$159 million.

The Board of Directors is proposing a dividend of 1.5 Singapore cents per ordinary share. This works out to a dividend yield of 4.8 % based on the closing share price of 31 Singapore cents as at 24 February 2016.

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This media release is to be read in conjunction with the Company's announcement posted on the SGX website on 25 February 2016.

About Rotary Engineering Limited

Rotary Engineering Limited (罗德里工程有限公司) is one of the region's leading oil and gas infrastructure Services Company with extensive international experience, offering engineering, procurement, construction (EPC) and maintenance services to the oil and gas, petroleum, petrochemical and pharmaceutical industries.

Headquartered in Singapore, Rotary has established a strong presence in the Asia Pacific and the Middle East, and continues to make its mark as a global player.

Established in 1972, Rotary has forged a reputation built on its hallmark traits of providing quality services, within budget and on-time delivery. Today, the Group boasts a total strength of approximately 5,000 employees, which includes a highly and multi-skilled workforce that forms the mainstay of its core EPCM services.

Singapore remains a focus for the Group while it actively seeks business opportunities overseas. The Group has subsidiaries in Malaysia, Thailand, Indonesia, India, China, Australia, Saudi Arabia and the United Arab Emirates.

The Group has won numerous awards and accolades. It was the winner for "Most Transparent Company" in the Construction Category at the Securities Investors Association (Singapore)'s Investors Choice Awards 2007, 2011 and 2012. It was also the winner in the Enterprise category in 2008. Mr. Roger Chia Kim Piow(谢金标), Rotary's Chairman and Managing Director, won in the Businessman category for 2011 at the Singapore Business Awards which was jointly organised by the Business Times and DHL Worldwide Express Singapore. He has also won the Best Chief Executive Officer for 2008 in the "\$300 million to less than \$1 billion in market capitalisation" category at the Singapore Corporate Awards 2009. Most recently, Rotary won the Singapore Corporate Awards for Best CFO in the "\$300 million to less than \$1 billion in market capitalization" category in July 2014.

Rotary is ISO 9000, ISO14000, OHSAS certified and has been listed on the Mainboard of the Singapore Exchange since 1993.

For more information about Rotary Engineering, please visit www.rotaryeng.com.sg

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