



(Company Registration No: 200305693E)

MEDIA RELEASE

FIRST QUARTER 2016 FINANCIAL PERFORMANCE

Singapore, May 12, 2016 : Dyna-Mac reported a net loss of \$6.1 million for the three months ended 31 March 2016 (“1Q 2016”) as compared with a net profit of \$1.6 million recorded a year ago (“1Q 2015”). The loss after tax was attributable to other loss of \$5.1 million in 1Q 2016 due mainly to foreign translation loss of \$6.9 million on the current assets and partly offset by fair value gain of \$1.5 million on the financial instrument for hedging the exposure of the United States dollar.

Group revenue increased \$46.9 million from \$39.8 million in 1Q 2015 to \$86.7 million in 1Q 2016. The increase in revenue was due to the acceleration in construction progress on all the projects which were delayed last year due to delays in receipt of engineering drawings and free-issued materials from customers.

Gross profit in 1Q 2016 at \$8.4 million was \$6.1 million lower as compared with \$14.6 million for the same period in 2015. The decline was due to the higher costs recognised ahead of confirmation of revenue from project variation orders which will take effect only upon completion of the projects in the later part of the year.

Cash and bank balances as at 1Q 2016 stood at \$119.5 million as compared with \$43.2 million in 1Q 2015.

Financial Highlights

S\$'000	1Q 2016	1Q 2015	% Change
Revenue	86,728	39,810	117.9
Gross Profit	8,442	14,583	(42.1)
Operating (Loss)/ Profit	(5,350)	2,972	NM
Pre-tax (Loss)/ Profit	(6,066)	2,214	NM
Net (Loss)/ Profit	(6,068)	1,587	NM
Total comprehensive (Loss)/Income	(5,182)	1,610	NM
(Loss)/Earnings per share (cents)	(0.50)	0.17	NM

OUTLOOK

The Group has a net order book of \$77 million with completion and deliveries extending into the second half of 2016.

Although oil prices have recovered from a low of US\$28 per barrel as in January 2016 to US\$45 per barrel as at 2nd May 2016, the market environment remains challenging with reduced global exploration and production expenditure by oil and gas companies. While we continue to actively source and negotiate for new projects and to diversify our product base, we remain focused on productivity improvements and cost savings to increase our operational efficiency to serve our customers and partners better. Whilst we remain hopeful to secure new projects, we have also embarked on rightsizing efforts to match the work volume.

ABOUT DYNA-MAC HOLDINGS

Dyna-Mac is a global leader in the detailed engineering, fabrication and construction of offshore FPSO (floating production storage offloading) and FSO (floating storage offloading) topside modules as well as onshore plants and other sub-sea products for the oil and gas industry. Listed on SGX Mainboard and headquartered in Singapore, Dyna-Mac has yards spanning across Singapore, Malaysia and China, with presence in the Philippines and Brazil.

For more details please refer to our website: www.dyna-mac.com

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