



(Company Registration No: 200305693E)

PRESS RELEASE

1Q 2015 NET PROFIT AFTER TAX AT \$1.6 MILLION

Singapore, May 13, 2015 : Dyna-Mac reported a net profit of \$1.6 million for the three months ended 31 March 2015. This was \$6.4 million lower as compared with the \$8.0 million recorded in 1Q 2014. The lower net profit was attributable mainly to the recognition of unrealised fair value adjustment on hedging instruments due to mark-to-market adjustments of foreign currency forward contracts (the weakening of Singapore Dollar against the US Dollar that continued into early 2015) of \$2.6 million as compared with a fair value gain of \$0.6 million for the corresponding quarter in 2014.

Group revenue at \$39.8 million in 1Q 2015 was 49.5% lower as compared with \$78.9 million for the corresponding period in 2014. The lower revenue was due mainly to the timing in revenue recognition of projects in the Group's yards in Singapore as well as the lower activity levels in the Group's overseas yards with most projects still in the initial stage of production.

Gross profit in 1Q 2015 at \$14.6 million was \$2.7 million lower as compared with \$17.3 million for the same period in 2014. The decline was due to the timing in revenue recognition of projects in Singapore yards as well as the lower activity levels in the Group's overseas yards in 1Q 2015 with most projects still in the initial stage of production. Profit before tax at \$2.2 million in 1Q 2015 was 76.4% lower as compared with \$9.4 million in 1Q 2014.

EBITDA (earnings before interest, tax and depreciation) at \$7.3 million was 40.2% lower quarter-on-quarter while operating profit declined 69.0% to \$3.0 million in 1Q 2015. Earnings per share was 0.17 cents. Cash & bank balances stood at \$43.3 million.

Financial Highlights

S\$'000	1Q 2015	1Q 2014	% Change
Revenue	39,810	78,891	(49.5)
Gross Profit	14,583	17,321	(15.8)
EBITDA	7,301	12,219	(40.2)
Operating Profit	2,972	9,601	(69.0)
Pre-tax Profit	2,214	9,398	(76.4)
Net Profit	1,587	7,950	(80.0)
EPS, basic (cents)	0.17	0.70	(75.7)

OUTLOOK

The Group has a net order book of \$349 million with completion and deliveries extending into 2016. This includes \$149 million in new orders secured in 1Q 2015 to-date, comprising \$89 million for the construction of 10 FPSO topside modules for the Catcher oil fields in the UK sector of the North Sea and \$60 million for 6 units of FPSO topside modules destined for Block 15/06 East Hub field located in deep water offshore Angola.

The market environment remains challenging with lower oil prices and reduced capital expenditure by the oil and gas companies. Amidst the challenging environment, the Group remains focused on growing its core business. We will further improve our operational efficiency, building on our established track record and expanding our product capabilities to better serve our customers worldwide. We remain committed to delivering long-term value and growth.

For media & analysts' enquiries, please contact:

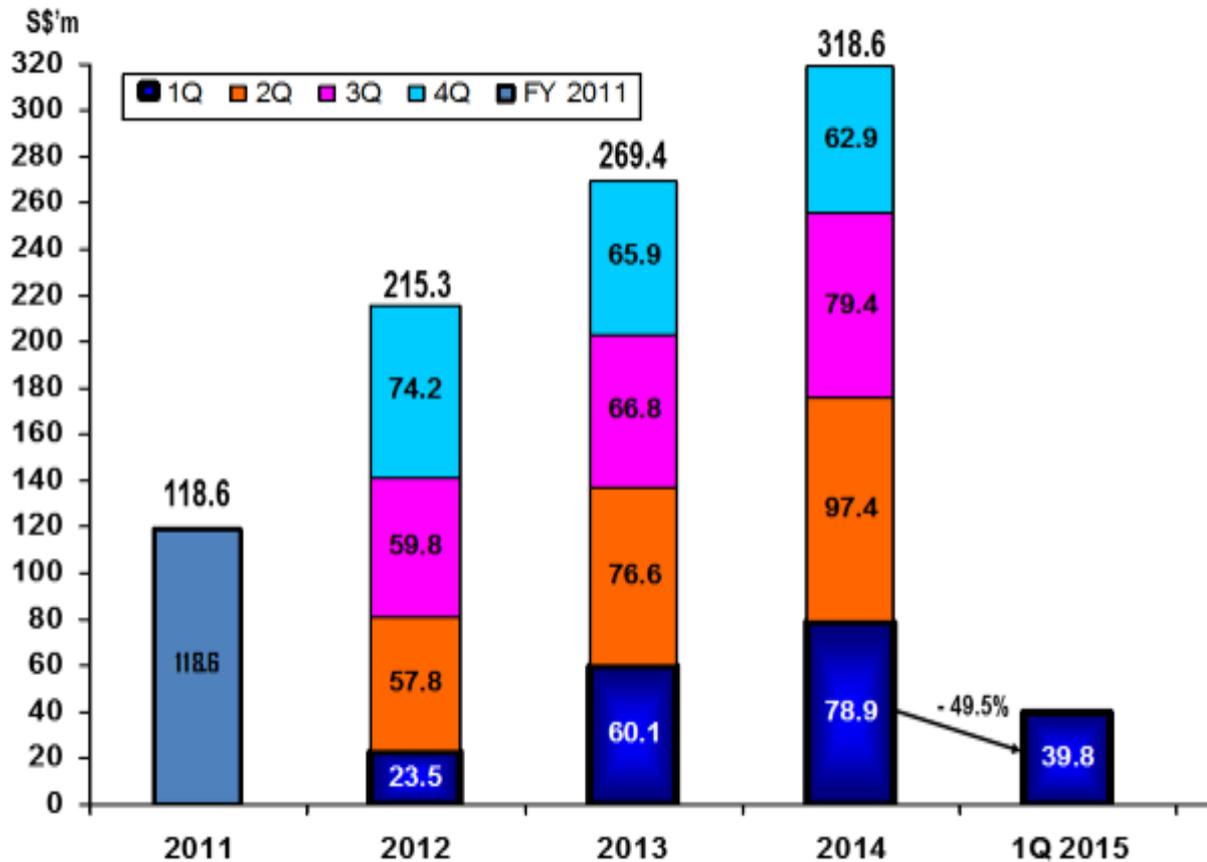
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ABOUT DYNA-MAC HOLDINGS

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 industries. Listed on SGX Mainboard and headquartered in Singapore, Dyna-Mac has yards spanning across Singapore, Malaysia and China, with presence in the Philippines.

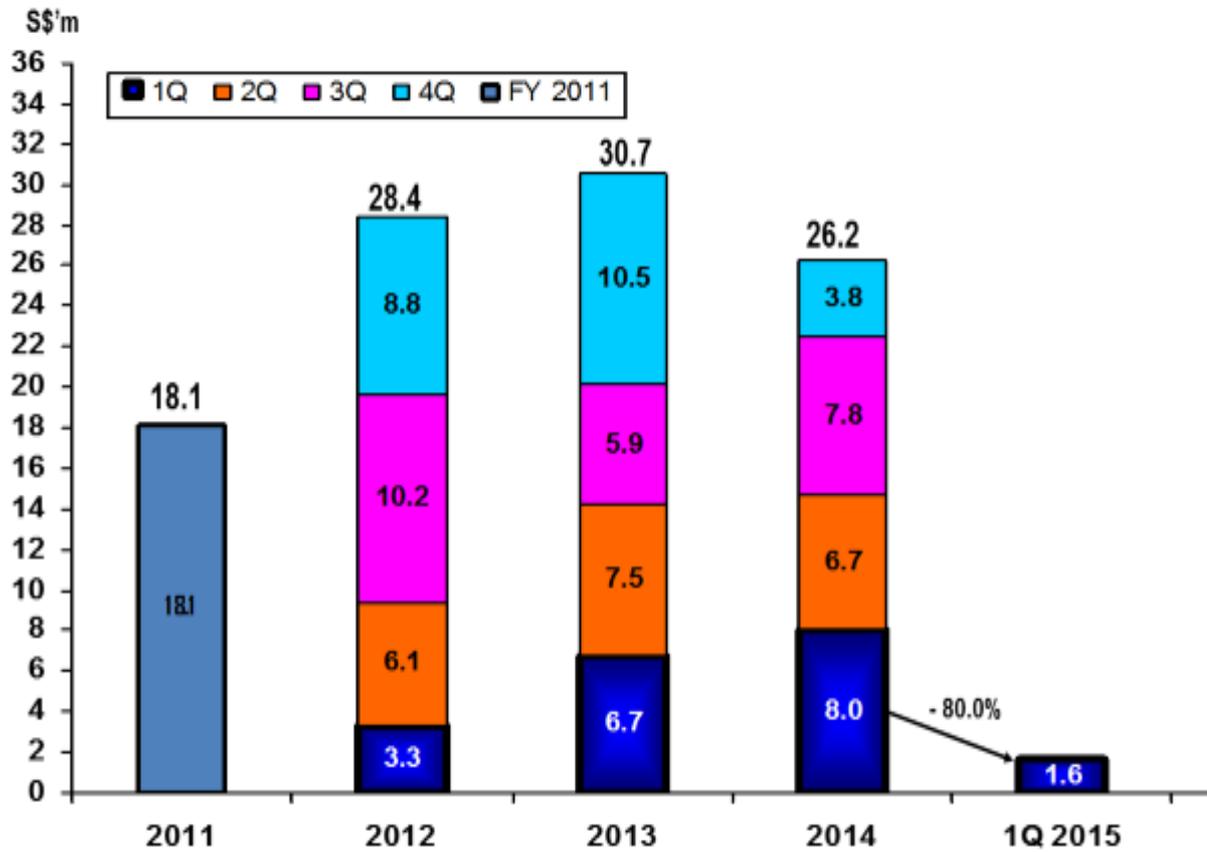
APPENDIX

QUARTERLY REVENUE (2011 TO 1Q 2015)



- Group revenue on a quarterly basis decreased 49.5% from \$78.9 million in 1Q 2014 to \$39.8 million in 1Q 2015
- The decline in revenue was due mainly to the timing in revenue recognition of projects in the Group's yards in Singapore as well as the lower activity levels in the Group's overseas yards with most projects still in the initial stage of production

QUARTERLY NET PROFIT (2011 TO 1Q 2015)



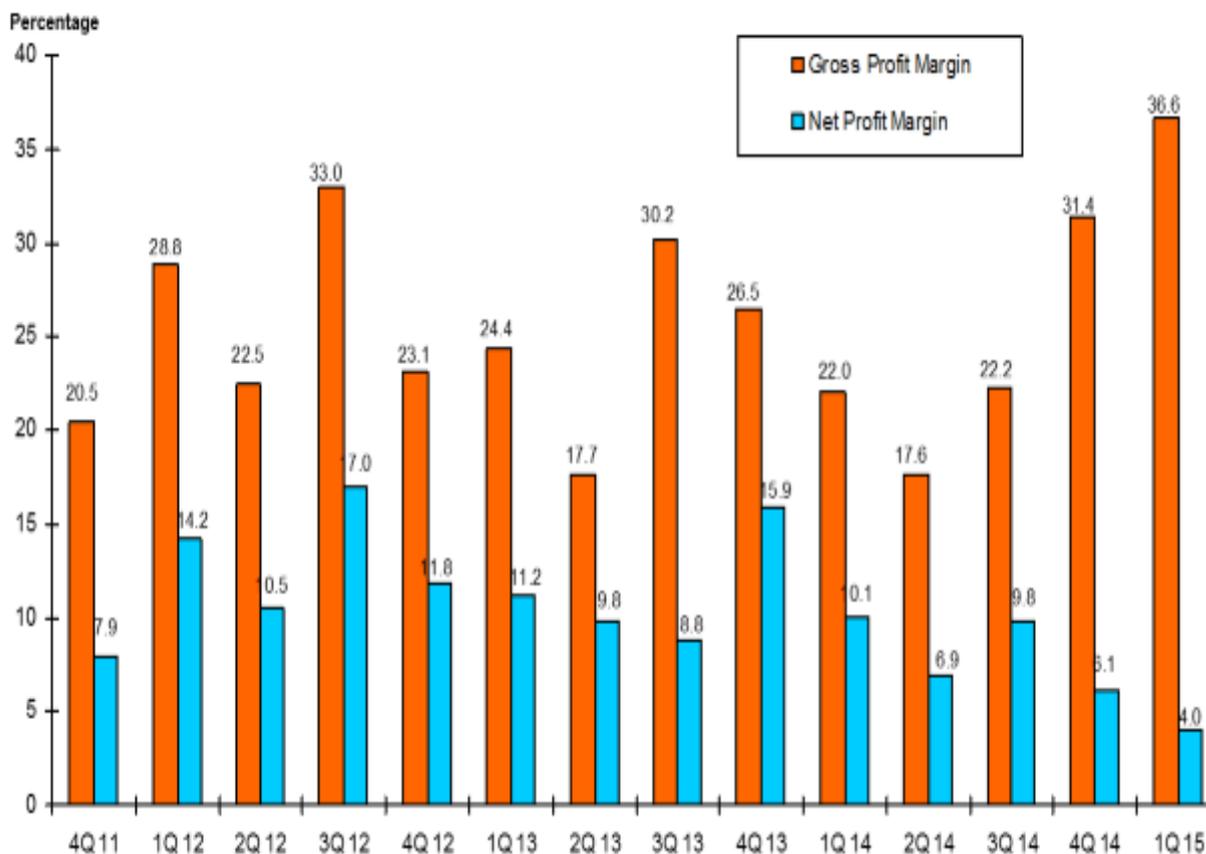
- Net profit declined 80% from \$8.0 million in 1Q 2014 to \$1.6 million in 1Q 2015
- The lower net profit was attributable mainly to the recognition of unrealised fair value adjustment on hedging instruments due to mark-to-market adjustments of foreign currency forward contracts (the weakening of Singapore Dollar against the US Dollar that continued into early 2015) of \$2.6 million as compared with a fair value gain of \$0.6 million for the corresponding quarter in 2014.

CASHFLOW

Description (S\$m)	Year		% change
	1Q 2015	1Q 2014	
Cashflow from operations before working capital changes	10.3	11.4	(9.6)
Net cash (outflow)/inflow from operating activities	(20.1)	(4.9)	n.m.
Net cash outflow from investing activities	(0.9)	(7.8)	(88.5)
Net cash provided by/(used in) financing activities	22.1	(2.6)	n.m.
Cash & cash equivalents (a)	17.0	15.7	8.3
Bank Deposits with maturity more than 3 months (b)	26.3	32.0	(17.8)
Cash and bank balances (a) + (b)	43.3	47.7	(9.2)

- Cash & cash equivalents stood at \$17.0 million
- Cash and bank balances at \$43.3 million

QUARTERLY GROSS & NET PROFIT MARGIN



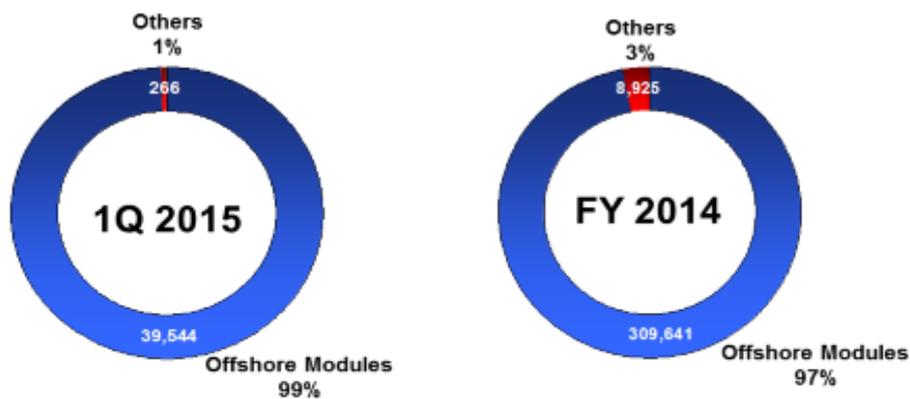
- Quarterly gross & net profit margin dependent on the timing in project recognition and completion and activity levels in the yards
- On a quarterly basis, 1Q 2015 gross profit margin at 36.6% was higher than the 31.4% achieved in 4Q 2014 and 22.0% in 1Q 2014 due mainly to cost savings upon finalisation of projects
- However, net profit margin at 4.0% in 1Q 2015 was lower than the 6.1% achieved in 4Q 2014 and 10.1% in 1Q 2014. The lower net profit margin was due mainly to the recognition of unrealised fair value adjustment on hedging instruments due to mark-to-market adjustments of foreign currency forward contracts (the weakening of Singapore Dollar against the US Dollar that continued into early 2015)

CAPEX

Description (S\$m) \ Year	Actual 1Q 2015	Actual FY 2014
Buildings & Land Enhancement	-	0.3
Site Equipment and Tools	-	2.8
Others	0.3	2.2
Sub-total	0.3	5.3
Singapore Yard	0.5	0.9
Johor Yard	0.1	6.9
China Yard	-	4.0
Grand Total	0.9	17.1

- CAPEX as at 1Q 2015 was \$0.9 million

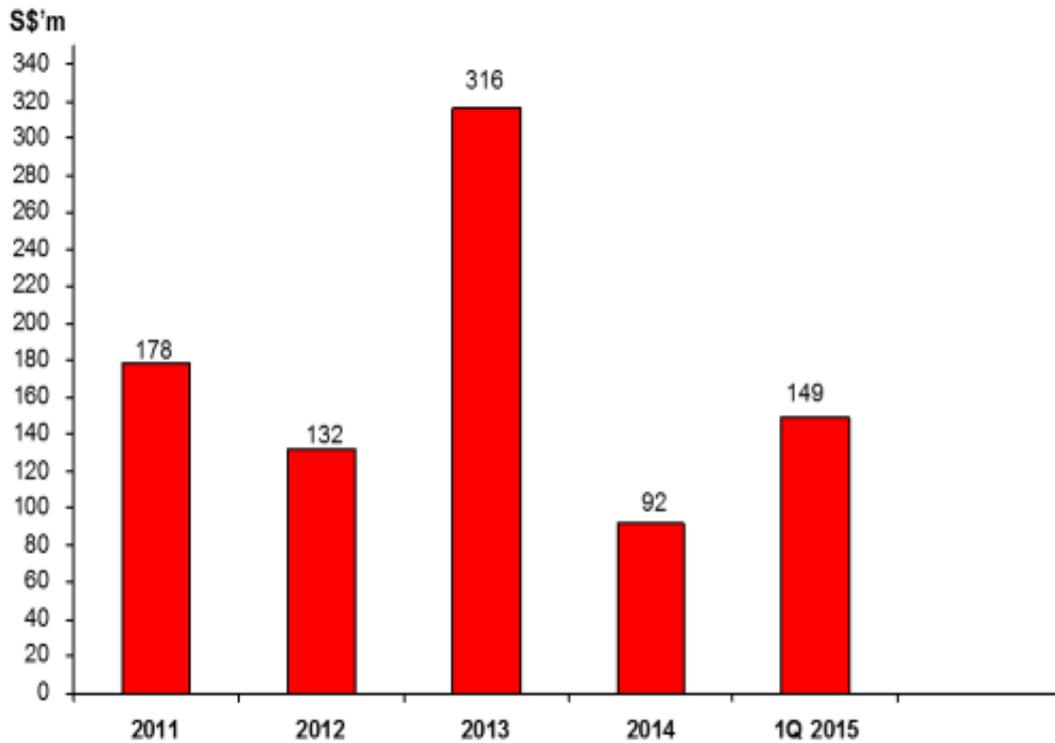
BREAKDOWN OF BUSINESS SEGMENT



Segment	1Q 2015 (S\$'000)	1Q 2014 (S\$'000)	FY 2014 (S\$'000)
Offshore Modules	39,544	78,178	309,641
Others	266	713	8,925
Total	39,810	78,891	318,566

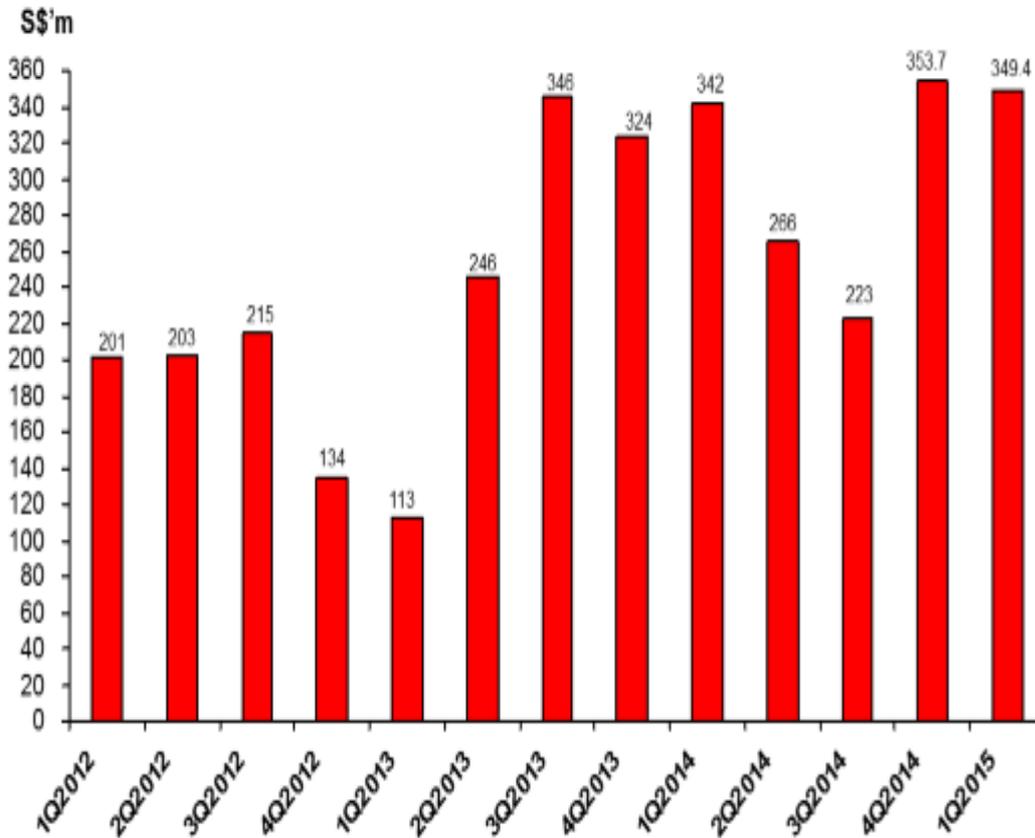
- Offshore modules (FPSO topside) contributed 99% of total revenue in 1Q 2015 followed by others that include specialised offshore projects at the remaining 1%

CONTRACTS SECURED 2011 TO 1Q 2015 (to-date)



- Contracts secured in 1Q 2015 to-date stood at \$149 million comprising
 - \$89 million for the construction of 10 FPSO topside modules for the Catcher oil fields in the UK sector of the North Sea and
 - \$60 million for 6 units of FPSO topside modules destined for Block 15/06 East Hub field located in deep water offshore Angola
- Despite the challenging operating environment, the Group strives to secure more projects

NET ORDER BOOK



- Net order book year-to-date stands at \$349 million with completion and deliveries extending into 2016
- The Group expects to grow its order book amid challenging market environment

This release may contain certain forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. Such risks and uncertainties include industry and economic conditions, competition, and legal, governmental and regulatory changes. The forward-looking statements reflect the current views of Management on future trends and developments.