



PRESS RELEASE

For Immediate Release

CENTURION REVENUE SEES FOUR-FOLD INCREASE IN SECOND QUARTER 2012

- Revenue increased from S\$3.13 million in 2Q 2011 to S\$17.03 million in 2Q 2012
- Group achieved net profit of S\$2.62 million and S\$3.85 million in 2Q 2012 and 1H 2012 respectively
- Group continues to expand its portfolio through asset enhancements, new developments and acquisitions
- Group seeks further growth in overseas markets and other similar asset classes

	1 Apr 12 to 30 Jun 12 (2Q 2012) S\$'000	1 Apr 11 to 30 Jun 11 (2Q 2011) S\$'000	Increase %	1 Jan 12 to 30 Jun 12 (1H 2012) S\$'000	1 Jan 11 to 30 Jun 11 (1H 2011) S\$'000	Increase %
Revenue	17,030	3,133	444	30,005	6,258	379
Gross Profit	7,384	2,357	213	13,085	4,636	182
Gross Margin	43%	75%	-	44%	74%	
Net Profit	2,622	1,564	68	3,850	3,084	25

Singapore, 13 August 2012 - Centurion Corporation Limited (胜捷企业有限公司) (“Centurion”, the “Company”, or together with its subsidiaries, the “Group”), a diversified business group involved in developing and managing workers dormitory assets (“Dormitory Business”) and the manufacturing and sale of optical storage media (“Optical Disc Business”), today announced its financial results for the second quarter ended 30 June 2012 (“2Q 2012”).

In 2Q 2012, the Group registered total revenue of S\$17.03 million, representing a four-fold increase from S\$3.13 million in 2Q 2011. This contributed to a 379% increase in the Group’s 1H 2012 revenue to S\$30.01 million, from S\$6.26 million in 1H 2011. The higher revenue was driven by contributions from the Group’s Optical Disc Business and newly acquired dormitories in Tuas, Singapore and Johor, Malaysia during the first half of 2012.

On a quarter-on-quarter basis, the Group’s Dormitory Business almost doubled its revenue from S\$5.62 million in 1Q 2012 to S\$10.41 million in 2Q 2012. The Group’s Optical Disc Business however saw a 11% dip in revenue from S\$7.35 million to S\$6.62 million for the same period.

For the year-to-date, the Group’s gross profit increased 182% from S\$4.64 million in 1H 2011 to S\$13.09 million in 1H 2012. Gross margin normalised at 43.6% in 1H 2012.

The Group reported higher overall distribution and administrative expenses for 1H 2012 due to the inclusion of operating expenses from the Optical Disc Business. This also includes costs incurred in the acquisition of the dormitory in Tuas and increased salary and professional costs

associated with the expansion of the Group's Dormitory Business. Finance costs grew in line with increased borrowings incurred by the Group to fund its acquisitions.

On the whole, the Group attained a net profit of S\$3.85 million for 1H 2012, a 25% increase from S\$3.08 million in 1H 2011.

On a quarter-on-quarter basis, the Group's two business segments delivered gains in net profit for 2Q 2012. Net profit for the Dormitory Business surged 114% from S\$1.13 million in 1Q 2012 to S\$2.41 million in 2Q 2012. The Group's Optical Disc Business segment also garnered net profit gains in the same period contributing S\$217,000 in net profit for 2Q 2012, a 111% increase from S\$103,000 recorded in 1Q 2012 despite a drop in revenue.

Mr Kong Chee Min (江志明), CEO of Centurion said, "We are pleased to see our profits grow from the last quarter on the back of our expansion plans. This reaffirms our well-placed strategy of growing our Dormitory Business through accretive asset enhancements and acquisitions. In our expansion, we continue to keep our operating standards and efficiency levels up as we strive to be one of the leading providers of quality workers accommodation in Singapore and the region."

Operations and Outlook

The Group's Dormitory Business has been a beneficiary of the demand for quality purpose-built workers dormitories, and foreign / migrant labour in the key industries of construction, marine, and oil and gas in Singapore and Malaysia.

Asset enhancement initiatives

In Singapore, the Group's dormitories at Toh Guan and Tuas are expected to continue operating at high occupancy levels on the back of strong demand for purpose-built workers dormitory in Singapore. Nevertheless, the Group continues to identify asset enhancement opportunities, and is currently undertaking enhancement initiatives at Westlite Toh Guan dormitory to increase its capacity from approximately 5,300 to 8,000 beds by early 2014.



Figure 1 – Exercise facilities situated between two dormitory blocks at Tuas Dormitory

In Malaysia, the dormitory at Ulu Tiram recently completed a refurbishment program, adding 1,600 beds to the existing 2,600 beds at the Tebrau IV dormitory to the Group's portfolio in Malaysia. In addition, Tebrau IV dormitory is expected to reach in excess of 90% occupancy soon, signalling a robust demand for workers accommodation in the state. With this, the Group expects its Malaysia operations to contribute further to its bottom line in the second half of 2012.



Figure 2 – Two dormitory blocks at the newly renovated Ulu Tiram Dormitory

Asset developments

The Group recently announced that its joint venture with Lian Beng Group, Lian Beng-Centurion (Mandai) Pte. Ltd., has received planning approval to build an additional dormitory block on the remaining plot of freehold land at its Mandai Development. This is expected to add a further 1,540 beds to the existing 4,750-beds dormitory blocks that are under construction, bringing the total number of beds at the development to 6,290. In addition, all 142 units at the ramp-up industrial building at Mandai Development have been sold. The Group will recognise the sales revenue from the units in FY2013 when construction is completed.

Over the last half-year, the Group has been steadily growing its Malaysian portfolio by expanding its footprint within the state of Johor. The Group is currently developing its dormitory properties at Johor Tech Park and Tampoi which will potentially yield about 13,000 beds or 76% of its expected Malaysian portfolio when completed.

The Group continues to actively explore further acquisition opportunities in Singapore and Malaysia to capitalise on the demand for quality workers accommodation. (Please refer to the appendix for a summary of the Group's asset portfolio as at 30 June 2012)

Augmented mandate

On 22 May 2012, the Group obtained a mandate from its shareholders to expand its scope of business to include the student accommodation business and additional countries in the Asia Pacific region. This enables the Group to tap on its expertise and enter a wider range of accommodation-related businesses within a broader region. While no development has been announced, the Group is actively exploring these additional areas of business for further growth opportunities.

Mr Kong added, "Through our experience in the Dormitory Business, we have developed a highly exportable brand of accommodation management expertise. Banking on this, we are able to diversify and fortify our revenue streams in the future. This is part of our long-term goal to grow the business whilst delivering greater value to all shareholders."

-END-

ABOUT CENTURION CORPORATION LIMITED

Centurion Corporation Limited, formerly known as SM Summit Holdings Limited, owns and operates foreign workers' dormitory assets, as well as a storage disc manufacturing business. The Group's dormitory assets in Singapore include Westlite Dormitory (Toh Guan) Pte. Ltd. (formerly known as Centurion Dormitory (Westlite) Pte. Ltd.) the owner-operator of Westlite Dormitory located at 18 Toh Guan Road East and Westlite Dormitory (Tuas) Pte. Ltd. (formerly known as 5 Star Dormitory Management Pte. Ltd.), the owner-operator of Tuas Lodge, one of the largest single dormitories in Singapore. The Group also owns 45% of the issued share capital of Lian Beng-Centurion (Mandai) Pte. Ltd. which owns a piece of freehold land in Mandai, which will be developed into a ramp up industrial building and the foreign workers' dormitories. In Malaysia, through its subsidiary Centurion Dormitories Sdn. Bhd., it owns and operates Tebrau IV Dormitory, and Goodwill Origins Sdn. Bhd. the beneficial owner of a plot in Senai, Johor, on which a dormitory is being developed. The Group also owns Gallery Connection Sdn. Bhd., the owner and operator of a dormitory asset in Ulu Tiram, Johor. In May 2012, the Group acquired Approach Impact Sdn. Bhd., the registered and beneficial owner of a piece of land situated within the established Tampoi Industrial Park in Johor Bahru, on which a dormitory is being developed. In addition, the Group is involved in the business of manufacturing compact discs, digital versatile discs and data storage.

For more information, please contact:

Kreab Gavin Anderson

Jenny Yeo / Sabrina Chua / Clarence Koh
+65 6339 9110
jyeo@kreabgavinanderson.com
schua@kreabgavinanderson.com
ckoh@kreabgavinanderson.com

APPENDIX

The Group's Asset Portfolio (as at 30 June 2012)

Location	Dormitory	Current Capacity (no. of beds)	Expected Capacity* (no. of beds)
Singapore	Westlite Dormitory (to commence upgrading)	5,300	8,000
	Mandai Dormitory (under development)	-	6,290
	Tuas Dormitory	8,600	8,600
Malaysia			
Malaysia	Tebrau Dormitory	2,600	2,600
	Johor Tech Park Dormitory (under development)	-	6,000
	Ulu Tiram Dormitory	1,600	1,600
	Tampoi Dormitory (under development)	-	7,000
	Total	18,100	40,090

**upon completion of renovation work / upgrading works/ construction*