



Centurion Corporation Limited

(Company Registration No. 198401088W)

PRESS RELEASE

For Immediate Release

CENTURION CORP'S 1Q 2017 NET PROFIT IMPROVED 44% FROM GROWING ACCOMMODATION BUSINESS

- 1Q 2017 earnings growth from stronger performances of workers accommodation assets in Singapore and four newly-acquired UK student accommodation assets
- Launched **dwll Student Living** – a vibrant and energetic student accommodation brand to spearhead the Group's growth in the sector

	First Quarter Ended 31 March		Increase %
	2017 ("1Q 2017") S\$'000	2016 ("1Q 2016") S\$'000	
Revenue	36,021	28,671	+26%
Gross Profit	23,951	19,330	+24%
Gross Margin	66%	67%	-1 pp
Net Profit After Tax from Core Business Operations	13,452	9,345	+44%
Net Profit from Core Business Operations Attributable to Equity Holders	12,442	9,365	+33%

Singapore, 9 May 2017 – Centurion Corporation Limited (胜捷企业有限公司) ("Centurion", or together with its subsidiaries, the "Group") is pleased to report a strong 44% year-on-year growth in net profit after tax from core business operations to S\$13.5 million for the first quarter ended 31 March 2017 ("1Q 2017"). This growth is on the back of a 26% year-on-year increase in revenue to S\$36.0 million.

The Group's earnings growth was largely attributed to the improved performances of its purpose-built workers accommodation ("PBWA") assets in Singapore, particularly from the newer PBWA assets of Westlite Woodlands and ASPRI-Westlite Papan, which are both operating at very high occupancy rates.

In addition, the earnings from four student accommodation assets in the United Kingdom ("UK") which were newly acquired in July 2016, coupled with positive rental reversions from the Group's existing student accommodation business in Australia and the UK also contributed to the strong year-on-year growth in the Group's top-and-bottom line.

Mr Kong Chee Min (江志明), CEO of Centurion Corporation Limited said, "Our workers and student accommodation assets continued to achieve healthy occupancy rates and delivered a strong performance in the first quarter. We are cautiously optimistic that the demand for purpose-built workers accommodation in Singapore will continue to improve in tandem with the recovery of the Singapore economy. Our student accommodation demonstrates its resilience as an asset class with strong demand and high occupancy across our assets."



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Strong Performing Accommodation Business

As at 31 March 2017, Centurion continued to achieve a stable and consistently high occupancy rate of approximately 95% for its five workers accommodation portfolio in Singapore.

As one of the first Singapore companies to venture into the student accommodation business, Centurion has steadily built up a growing portfolio in the UK, Australia and Singapore. As at 31 March 2017, RMIT Village in Melbourne, Australia, operated at close to full occupancy while **dwell Selegie** in Singapore achieved an occupancy rate of approximately 93%. Similarly, the Group's eight student accommodation assets in the UK attained a healthy average occupancy rate of close to 96%.

In Malaysia, as part of its asset rationalisation exercise, Westlite Desa Cemerlang ceased operations in January 2017, and the property is currently held for sale. Nonetheless, the Group achieved an average occupancy rate of approximately 74% for its remaining six operating workers accommodation assets in the first quarter, and stands to benefit from the Malaysian government's gradual relaxation of the hiring freeze, which was previously imposed on foreign workers in the manufacturing sector in 2016.

In February 2017, Centurion launched student accommodation brand - **dwell Student Living** ("**dwell**") in to drive its student accommodation business growth strategy. This new brand signifies the core values, ethos, brand promise and ambition that Centurion is bringing to its student accommodation business across markets. Besides injecting vibrancy and energy into the new branding, **dwell** also crystallises the Group's vision of inspiring a cool, caring and active community living for its student residents. To date, the Group's nine student accommodation assets in Singapore and the UK are operating under the **dwell** brand.

The Group entered into an agreement on 30 March 2017 to acquire a development site in Adelaide earmarked to be the Group's second student accommodation asset in Australia, after RMIT Village. Expected to be completed in the fourth quarter of 2018, the 280-bed **dwell Adelaide** will cater to the student intake of the 2019 academic year, and brings Centurion's total number of student accommodation beds to almost 3,500 across the three key tertiary education hubs in Australia, Singapore and the UK.

Looking Ahead

In the coming year, the Group remains cautiously optimistic of its workers accommodation business to improve together with the recovery of the Singapore economy and Malaysia's manufacturing sector. The introduction of more policies to regulate the accommodation requirements of foreign workers in Singapore and relaxation of hiring policies of foreign workers in Malaysia could potentially favour the market demand in the PBWA sector. Likewise, given the strong demand and high occupancy rates across its student accommodation assets in the current academic year, the Group maintains a positive outlook and will aim to grow its presence further in this resilient market segment.

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ABOUT CENTURION CORPORATION LIMITED

Centurion Corporation Limited owns and operates workers and student accommodation assets, as well as a storage disc manufacturing business. Its workers accommodation assets are managed under the **Westlite** brand and its student accommodation assets are managed under the **dwell** brand.

In Singapore, the Group had a capacity of c.34,700 beds across five workers accommodation assets in Toh Guan, Tuas, Mandai, Woodlands, and Jalan Papan as at 31 March 2017. ASPRI-Westlite Papan, the Group's fifth workers accommodation asset with 7,900 beds, was completed in May 2016.

In Malaysia, the Group had a capacity of c.23,700 beds across six workers accommodation assets in Johor as at 31 March 2017. Two projects under planning, Westlite Bukit Minyak, with c.6,600 beds, and Westlite Juru, with c.6,100 beds are both expected to be completed in 2018.

As at 31 March 2017, the Group owns RMIT Village, a student accommodation asset with 456 beds in Melbourne, Australia. In addition, the Group owns a portfolio of eight student accommodation assets with a total of 2,420 beds in the United Kingdom and a 332-bed student accommodation asset in Singapore within the Selegie educational hub. These assets are managed under the dwell brand.

The Group expects to increase its overall portfolio of workers and student accommodation assets from c.61,608 beds as at 31 March 2017 to c.74,588 beds by the end of 2018.

For more information, please visit <http://www.centurioncorp.com.sg>.

MEDIA CONTACTS

For more information on Centurion Corporation Limited, please contact:

Kreab

YAP Meng Lee / SEAH Kah Teik

cent@kreab.com

APPENDIX
Centurion Corporation Limited's Asset Portfolio (as at 31 March 2017)

Location	Facility	Current Capacity (approx no. of beds)	Expected Capacity (approx no. of beds)
Workers Accommodation			
Singapore	Westlite Toh Guan	7,800	7,800
	Westlite Mandai	6,300	6,300
	Westlite Tuas	8,600	8,600
	Westlite Woodlands	4,100	4,100
	ASPRI-Westlite Papan	7,900	7,900
	Total in Singapore	34,700	34,700
Malaysia	Westlite Tebrau	2,100	2,100
	Westlite Johor Tech Park	5,800	5,800
	Westlite Desa Cemerlang	-#	-
	Westlite Pasir Gudang	2,000	2,000
	Westlite Senai	2,600	2,600
	Westlite Tampoi	5,300	5,300
	Westlite Senai II	5,900	5,900
	Westlite Bukit Minyak (expected completion 2018)	-	6,600*
	Westlite Juru (expected completion 2018)	-	6,100*
	Total in Malaysia	23,700	36,400
Total no. of beds for Workers Accommodation		58,400	71,100
Student Accommodation			
Singapore	dwell Selegie	332	332
	Total in Singapore	332	332
Australia	RMIT Village	456	456
	dwell Adelaide (expected completion 2018)	-	280^
	Total in Australia	456	736
U.K.	dwell MSV	1,017	1,017
	dwell MSV South	355	355
	dwell The Grafton	145	145
	dwell Cathedral Campus	384	384
	dwell Beechwood House	37	37
	dwell Weston Court	140	140
	dwell Hotwells House	157	157
	dwell Garth Heads	185	185
	Total in U.K.	2,420	2,420
Total no. of beds for Student Accommodation		3,208	3,448
Total no. of beds		61,608	74,588

* Upon completion of construction in 2018

^ Upon completion of construction and development in 4Q 2018

Westlite Desa Cemerlang ceased operations in January 2017; property is currently held for sale