Press Release

DSI achieves 47% and 61 % Year on Year increase in Revenues and Net Profit respectively in Fiscal 2013

Order Backlog closes at AED 12.0 billion an increase of 36% over fiscal 2012

- FY 2013 Revenues reached AED 4.9 billion compared to AED 3.3 billion in FY 2012 representing a 47 % YoY growth
- Net Profit for fiscal 2013 stood at AED 185 million compared to AED 115 million achieved in fiscal 2012 representing a 61 % YoY growth
- Total project awards for the year closed at AED 7.5 billion compared to AED 5.2 billon achieved in FY 2012
- Total Backlog for fiscal 2013 reached AED 12.0 billion an increase of 36 % over fiscal 2012
- EPS for the year were AED 0.074 representing a 77 % YoY increase

[Dubai, 12th February, 2014] Drake & Scull International PJSC (DSI), a regional market leader in the integrated design, engineering and construction disciplines of Civil Contracting, Mechanical, Electrical and Plumbing (MEP), Water and Power, Rail and Oil and Gas reported today the preliminary financial results for fiscal 2013 ended December 31st.

Net profit for the fiscal year closed at AED 185 million and revenues at AED 4.9 billion an increase of 61 % and 47 % respectively over fiscal 2012. Earnings per Share (EPS) Stood at AED 0.074 in comparison to AED 0.042 recorded in 2012.

The top line growth was driven by operations in KSA and the UAE markets each contributing 58 % and 29 % respectively.

The General Contracting and Engineering businesses generated 28% and 43 % of the cumulative Net profit achieved in 2013. The Oil & Gas division achieved substantial results in Southern Iraq and increased its yearly contribution to the bottom line to 29 %.

DSI continues to increase its market share in the MENA region as total project awards announced in 2013 reached AED 7.5 billion compared to AED 5.2 billion awarded in 2012. The GCC continues to be the key growth market for DSI with KSA, UAE and Qatar accounting for 42%, 18 % and 11 % respectively of the new project awards in 2013. Expansion into North Africa is well on track and the Algerian Market also witnessed a stronger momentum in project awards contributing 11% of DSI's new project awards in 2013. Expansion into the LEVANT region is also progressing cautiously with Jordan contributing 12% to the new project awards in 2013 with the prestigious Saraya Aqaba development and the St Regis hotel awards.

The Order Backlog reached a record high of AED 12.0 billion representing a year on year increase of 36 %. KSA and the UAE remain the largest contributors to the backlog accounting for 42 % and 18% respectively as of the 31st December 2013.

Commenting on the results, Khaldoun Tabari, CEO of DSI said, “2013 saw a lot of advancement in DSI’s fundamentals. Our skilled and highly motivated employees are a driving force in the success of our organisation and we all remain focused on our shared vision for further expansion and operational excellence. We are confident that the achievements we have seen in 2013 will be just as strong in the year ahead and DSI will continue to play a pivotal and leading role within the industry. 2013 was a year a continued growth for DSI in the GCC with major milestones achieved in North Africa, LEVANT and India. The investments we made over the last two years are now materializing to create a future of exceptional integrated engineering services with tremendous opportunities for DSI across all sectors in 2014. "

Mukhtar Safi, CFO of DSI added, “Our performance in fiscal 2013 demonstrated solid results. We have succeeded in achieving a 47% growth in Revenues while sustaining our profitability margins. We continue to focus on cost reduction, return on capital and liquidity to drive sustainable performance across all our markets. We will remain selective in the new construction projects we undertake in order to minimize risk and preserve capital. The cash flow situation which was challenging in 2012 has significantly improved with cash flow from operating activities exceeding AED 206 Million for the year 2013. Our focused efforts to improve the working capital and to shorten the cash conversion cycle were the main contributors to the significant improvement in liquidity. We expect in 2014 accelerated growth for DSI in emerging markets and particularly across the Oil & Gas and Rail sectors,” Mukhtar concluded.

- Ends -

About Drake & Scull International PJSC

Drake & Scull International PJSC (DSI) is a regional market leader delivering world class quality projects via end to end solutions that provide integrated design, engineering and construction disciplines of Mechanical Electrical and Plumbing (MEP), Civil Contracting, and Water & Power Infrastructure, through People, Innovation, and Passion.

DSI established its first office in Abu Dhabi in 1966, and has since expanded operations to encompass offices in Dubai, Egypt, Kuwait, Libya, Oman, Saudi Arabia, Syria, Qatar, Jordan and Thailand, as well as managing projects in Europe and other parts of North Africa.

DSI 's main business streams include Drake & Scull International, which serves as the MEP arm, Drake & Scull Construction (DSC), which is the General Civil Contracting unit and Drake and Scull Water & Power (DSWP), which focuses on the Water & Power and Infrastructure sector.

In 2008, DSI offered 55% of its shares to the public and the IPO was oversubscribed 101 times. Ernst & Young ranked the IPO among the top 20 global IPOs in 2008.

DSI has since then used the funds to integrate, establish and acquire businesses that complement its corporate strategy of expansion into new markets, via organic and inorganic growth.

The fully Integrated Management Systems, certified to ISO 9001:2008, ISO 14001:2005 and OSHAS 18001:2007 standards are compliant with leading building, health and safety regulations, as well as sound environmental and energy management procedures.

DSI is a leader through experience, and has established a regional leadership position over 44 years of successfully completing the most complex projects on time, within budgets and matching set quality parameters.

DSI has completed many prestigious projects in the region for over four decades, and has helped shape the region's skyline from within.

For more Information:
Rabih Abou Diwan
Corporate Communications Manager
Drake & Scull International
Mobile: 00971 52 800 34 12
Rabih.aboudiwan@drakescull.com