



Global Interior Solutions

Press Release

DEPA ANNOUNCES FIRST QUARTER 2016 FINANCIAL RESULTS

Dubai, UAE; 24 May 2016: Depa Limited [Nasdaq Dubai: DEPA; “the Company”/“the Group”], the global interior solutions group, today reported its financial results for the three months ending March 31, 2016. Despite an overall drop in revenue and profit on the same quarter in 2015, Depa has shown a robust start to the year with a satisfactory performance by most of its operating companies, notably Deco Emirates, Design Studio and Vedder. Costs associated with restructuring in the quarter will show an improved operating result going forward. A stable balance sheet, cash position and growing backlog demonstrate the underlying strength of the business for the coming year.

FINANCIAL HIGHLIGHTS

- AED 321 million revenue (Q1 2015: AED 440 million)
- 16% gross margin (Q1 2015: 13%)
- AED 9 million net profit after NCI (Q1 2015: AED 15 million)
- AED 143 million net cash balance (31 March 2015: AED 135 million)
- AED 2,501 million total assets (31 December 2015: AED 2,490 million)
- AED 1,207 million total equity (31 December 2015: AED 1,173 million)

OPERATIONAL HIGHLIGHTS (Best performing units in Q1 2016)

- Vedder: AED 76 million revenue; backlog AED 406 million; net profit margin 9%
- Design Studio Group: AED 55 million revenue; backlog AED 533 million; net profit margin 9%
- Deco Emirates: AED 27 million revenue; backlog AED 22 million; net profit margin 6%

BACKLOG

- AED 2,160 million backlog (Q1 2015: AED 1,955 million)

Highest backlog by sector:

- Hospitality: 59%; AED 1,264 million (Q1 2015: 54%; AED 1,050 million)
- Yacht: 19%; AED 409 million (Q1 2015: 15%; AED 303 million)
- Residential: 17%; AED 358 million (Q1 2015: 15%; AED 303 million)

Backlog by geography:

- UAE: 41%; AED 893 million (Q1 2015: 27%; AED 531 million)
- Asia: 27%; AED 593 million (Q1 2015: 31%; AED 613 million)
- Europe: 18%; AED 393 million (Q1 2015: 15%; AED 298 million)
- MENA (ex-UAE): 12%; AED 248 million (Q1 2015: 24%; AED 461 million) Others: 2%; AED 33 million (Q1 2015: 3%; AED 52 million)



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Hamish Tyrwhitt, Group Chief Executive Officer of Depa, added: *“Depa Limited’s financial performance in the first three months of 2016 was satisfactory and reflective of the restructuring that is required to position the Group on a solid foundation. As we work to make the Group more efficient and better equipped to increase its share of the addressable market, we have been able to increase our backlog, most notably in our core UAE market, while strengthening our cash position relative to the same quarter of last year. Our focus over the coming months is to leverage the many synergies within the Group and reduce our cost base to ensure we remain competitive and focused on our core business.”*

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