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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR FULL-YEAR FY2004

Strong Demand For Engineering Services & Geo-Spatial Technology Boosts Growth

*** Successful Restructuring Lifts Net Profit
by 55% to \$13.3m ***

	FY2004	FY2003	% Change
Revenue	\$227.0m	\$197.5m	+15
Gross Profit	\$83.7m	\$78.8m	+6
Operating Profit	\$29.9m	\$20.4m	+46
Pre-tax Profit	\$28.3m	\$20.0m	+42
Net Profit	\$13.3m	\$8.6m	+55
- Net margin	5.9%	4.3%	
- Earnings per share	5.80 cents	4.10 cents	+41
- Net asset value per share	33.00 cents	29.00 cents	+14

Highlights:

- ▶ Revenue grew 15% on strong performance by core engineering and geo-spatial technology businesses;
- ▶ Salcon began its first full-year contribution with growing order book: water & environmental engineering and power generation revenue rose 55%;
- ▶ Heat transfer engineering revenue doubled on continuing strong demand from buoyant oil, gas and petrochemical industries;
- ▶ Net profit up 55% on improved margin;
- ▶ Group will continue to focus on growing core engineering and geo-spatial technology businesses by expanding global customer base and portfolio of services;
- ▶ New projects and successful restructuring efforts will continue to benefit Group in FY2005.

Singapore, 26 May 2004 - Mainboard listed Boustead Singapore Limited, a progressive global engineering services and geo-spatial technology group, today announced a strong set of results for the twelve months ended 31 March 2004.

In FY2004, the Group achieved strong revenue and profit growth due to successful restructuring efforts undertaken in prior years to divest non-core businesses and expand profitable core operations. Group revenue grew 15% to S\$227.0 million on strong performance by core engineering and geo-spatial technology businesses. With the initial benefits from restructuring, group net profit jumped 55% to S\$13.3 million. The sharper focus on core activities helped to lift net profit margin from 4.3% in FY2003 to 5.9% in FY2004. The Board of Directors has proposed a first and final dividend of 1.5 cents, same as in the previous year.

Revenue from the engineering segment rose 17% to S\$176.2 million, while the geo-spatial technology segment improved 22% to S\$44.4 million in FY2004. In FY2004, Salcon began its first full-year contribution after delivering a strong maiden contribution in 2H FY2003. Boosted by Salcon's growing order book, revenue from the Group's water & environmental engineering and power generation & distribution businesses rose 55% in FY2004. Heat transfer engineering revenue doubled to S\$40 million on strong demand from the buoyant oil, gas and petrochemical industries. The Group's geo-spatial technology segment continued to enjoy growing demand from governments, public institutions and private corporations in Australia and Asia.

Mr Wong Fong Fui, the Chairman & Group Chief Executive Officer said, "We are pleased with our record performance in FY2004, a success due to our restructuring efforts and our focus on core businesses. We will continue to focus on growing our core businesses through an expansion of our global customer base and a broadening of our portfolio of engineering and geo-spatial technology services. The buoyant oil, gas and petrochemical industries have presented many opportunities for us around the world. For instance, our recently clinched contracts totalling S\$16 million by Boustead International Heaters will add to group revenue in FY2005."

Mr Wong added, "The full potential of Salcon has yet to be realised, although much of the groundwork was laid in FY2004. The restructuring of unprofitable operations and the ongoing business expansion will contribute to FY2005 and beyond. Significant opportunities also exist for Salcon in the areas of water and wastewater treatment in China and the Middle East, where Salcon has already established a successful track record."

A strong and growing pipeline of new projects has contributed to the current order book of approximately S\$190 million. The Group is optimistic of business prospects in the current financial year. Barring unforeseen circumstances, the Group expects profitability in FY2005 to be comparable to FY2004.

About Boustead Singapore Limited

Boustead Singapore Limited is a progressive global Engineering Services and Geo-Spatial Technology Group. Engineering Services, which cater to a broad range of international customers with a focus on the oil, gas and petrochemical industries, comprise Water & Environmental Engineering, Heat Transfer & Combustion Engineering, Power Generation & Distribution, Turnkey Design & Build of Industrial Facilities, Industrial & Agro-Industrial Engineering and Process Controls & Instrumentation. Geo-Spatial Technology is focused on providing geo-spatial solutions based on world-leading ESRI geographic information systems and LEICA/ERDAS mapping technologies to the public sector and private enterprises across the Asia Pacific.