


BOUSTEAD SINGAPORE LIMITED
AND ITS SUBSIDIARIES



ENGINEERING THE WORLD OF THE FUTURE

ENERGY-RELATED ENGINEERING • WATER & WASTEWATER ENGINEERING • REAL ESTATE SOLUTIONS • GEO-SPATIAL TECHNOLOGY

SGXNET ANNOUNCEMENT
UNAUDITED RESULTS FOR 1Q FY2010
ENDED 30 JUNE 2009



Corporate Profile

Established in 1828, the Group is a progressive global service provider of infrastructure-related engineering services and geo-spatial solutions. Focusing on the engineering and development of key infrastructure to support economic growth in the public and private sectors of developing nations, the Group's strong suite of Engineering Services comprises:

- Energy-Related Engineering;
- Water & Wastewater Engineering; and
- Real Estate Solutions.

The Group's Geo-Spatial Technology arm provides professional services and exclusively distributes ESRI geo-spatial technology – the world's leading geographic information systems and location intelligence solutions – to major markets across Australia and South East Asia. These solutions are essential to the effective planning, deployment and management of key infrastructure and resources in countries.

To date, the Group has undertaken infrastructure-related projects in 75 countries globally.

BOUSTEAD SINGAPORE LIMITED
(Company Registration No. 197501036K)

Unaudited Financial Statements Announcement for the First Quarter Ended 30 June 2009

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL-YEAR RESULTS

1(a)(i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	GROUP		Inc/(Dcr) %
		First quarter ended 30.6.09 \$'000	30.6.08 \$'000	
Revenue		118,920	79,587	49.4
Cost of sales		(86,291)	(49,523)	74.2
Gross profit		32,629	30,064	8.5
Other operating income	1	814	1,548	(47.4)
Selling and distribution expenses		(5,865)	(6,661)	(12.0)
Administrative expenses		(9,595)	(11,468)	(16.3)
Other operating expenses		(2,882)	(2,508)	14.9
Finance costs		(221)	(231)	(4.3)
Share of results from associates		(25)	(56)	(55.4)
Profit before income tax	2	14,855	10,688	39.0
Income tax expense	3	(4,075)	(3,800)	7.2
Profit for the period		10,780	6,888	56.5
Attributable to:				
Owners of the parent		9,475	5,630	68.3
Minority interests		1,305	1,258	3.7
		10,780	6,888	56.5

1(a)(ii) A comprehensive income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP		Inc/(Dcr) %
	First quarter ended 30.6.09 \$'000	30.6.08 \$'000	
Profit for the period	10,780	6,888	56.5
Other comprehensive income (net of tax):			
Exchange differences on translating foreign operations	5,066	729	594.9
Reclassification adjustment	-	(2)	(100.0)
Total comprehensive income for the period	15,846	7,615	108.1
Attributable to:			
Owners of the parent	14,258	6,267	127.5
Minority interests	1,588	1,348	17.8
	15,846	7,615	108.1

	GROUP	
	First quarter ended 30.6.09 \$'000	30.6.08 \$'000
<u>Note 1: Other operating income</u>		
Interest income	410	797
Other rental income	236	616
Net foreign currency exchange adjustment gain	168	135
	814	1,548
<u>Note 2 : The profit before income tax is arrived at after (charging)/ crediting the following:</u>		
Depreciation expense	(720)	(728)
Amortisation expense	-	(6)
Allowance for foreseeable loss	-	(948)
Loss on disposal of property, plant and equipment	-	(36)
Fair value adjustment on foreign exchange contracts	26	(135)
Gain on disposal of available-for-sale investments	-	28
Share option expense	(16)	-
<u>Note 3: Income tax</u>		
(Under)/Over provision in prior years	(312)	216

The provision for income tax is made after taking into account non-deductible expenses and temporary differences and based on the statutory tax rates of the respective countries. For the current period, the Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% mainly due to certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are subject to higher tax rates.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Balance Sheets

	Note	Group		Company	
		30.6.09 \$'000	31.3.09 \$'000	30.6.09 \$'000	31.3.09 \$'000
ASSETS					
Current assets:					
Cash and bank balances		173,128	180,011	71,958	34,387
Trade receivables		96,504	95,943	-	-
Other receivables and prepayments		38,582	31,852	13,921	17,554
Foreign exchange contracts		216	-	216	-
Loans to subsidiaries		-	-	34,451	19,924
Inventories		8,734	7,936	-	-
Properties held for sale		38,585	37,424	-	-
Contracts work-in-progress		16,341	22,733	-	-
Total current assets		372,090	375,899	120,546	71,865
Non-current assets					
Property, plant and equipment		25,013	24,320	-	-
Investment properties		6,770	6,809	-	-
Goodwill		51	51	-	-
Other intangible assets		94	94	30	30
Investments in associates		39,213	39,240	25,180	25,180
Investments in subsidiaries		-	-	79,695	85,230
Available-for-sale investments		4,420	4,420	-	-
Deferred tax assets		2,207	1,979	-	-
Total non-current assets		77,768	76,913	104,905	110,440
Total assets		449,858	452,812	225,451	182,305
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans and overdrafts	1(b)(ii)	3,783	4,496	-	-
Trade and other payables		153,662	158,986	2,280	996
Foreign exchange contracts		1,037	786	-	786
Loans from subsidiaries		-	-	130,741	91,107
Contracts work-in-progress		20,426	27,780	-	-
Income tax payable		27,486	26,528	-	-
Total current liabilities		206,394	218,576	133,021	92,889
Non-current liabilities					
Long-term bank loans	1(b)(ii)	24,115	24,960	-	-
Pension liability		427	396	-	-
Deferred tax liabilities		240	110	-	-
Total non-current liabilities		24,782	25,466	-	-
Equity attributable to owners of the parent					
Share capital	1(d)(i)	72,791	72,791	72,791	72,791
Treasury shares		(4,218)	(1,012)	(4,218)	(1,012)
Accumulated profits		144,004	134,529	23,841	17,637
Other reserves	1(d)(i)	(9,622)	(11,979)	16	-
Equity attributable to owners of the parent		202,955	194,329	92,430	89,416
Minority interests					
		15,727	14,441	-	-
Total equity		218,682	208,770	92,430	89,416
Total liabilities and equity		449,858	452,812	225,451	182,305

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30.6.09 \$'000		As at 31.3.09 \$'000	
Secured	Unsecured	Secured	Unsecured
3,783	-	4,394	102

Amount repayable after one year

As at 30.6.09 \$'000		As at 31.3.09 \$'000	
Secured	Unsecured	Secured	Unsecured
24,115	-	24,960	-

An amount of \$2,025,000 (31.3.09: \$2,138,000) is secured by way of a legal mortgage on an investment property of a subsidiary at 63 Ubi Ave 1, 6th and 7th floor (excluding unit #07-06 and #07-03) of Boustead House, Singapore.

An amount of \$11,550,000 (31.3.09: \$11,675,000) is secured by way of a legal mortgage on leasehold properties of a subsidiary at 12 and 16 Changi North Way, Singapore.

An amount of \$668,000 (31.3.09: \$1,511,000) is secured by way of a legal mortgage on a freehold and leasehold land and building of a subsidiary at Kompleks Kawasan, Sarana Terpadu, Jalan Raya Cikarang Desa, Pasir Gombang Kec. Lemah Abang, Bekasi 17750, Indonesia.

An amount of \$8,600,000 (31.3.09: \$8,850,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 85 Tuas South Avenue 1, Singapore.

An amount of \$5,055,000 (31.3.09: \$5,180,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 25 Changi North Rise, Singapore.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

		Group	
		First quarter ended	30.6.08
		30.6.09	30.6.08
		\$'000	\$'000
Operating activities			
Profit before income tax		14,855	10,688
Adjustments for:			
Depreciation expense		720	728
Amortisation expense		-	6
Share option expense		16	-
Allowance for foreseeable loss		-	948
Loss on disposal of property, plant and equipment		-	36
Gain on disposal of available-for-sale investments		-	(28)
Unrealised profit on construction of properties for an associate		-	1,837
Share of results from associates		25	56
Fair value adjustment on foreign exchange contracts		(26)	135
Interest expense		221	231
Interest income		(410)	(797)
Operating cash flows before changes in working capital		15,401	13,840
Increase in receivables		(7,291)	(9,726)
Increase in inventories and contracts work-in-progress		(1,147)	(8,279)
Increase in properties held for sale		(1,161)	(1,184)
Decrease in payables		(7,106)	(4,327)
Cash used in operations		(1,304)	(9,676)
Interest income received		410	797
Interest expense paid		(221)	(231)
Income tax paid		(3,215)	(1,651)
Net cash used in operating activities		(4,330)	(10,761)
Investing activities			
Proceeds from disposal of property, plant and equipment		27	92
Purchase of property, plant and equipment		(241)	(1,654)
Acquisition of minority interests		(800)	(420)
Acquisition of interests in associates		-	(2,644)
Additional loan to an associate		-	(6,810)
Proceeds from disposal of available-for-sale investments		-	33
Net cash used in investing activities		(1,014)	(11,403)
Financing activities			
Net proceeds from issue of shares of the company		-	512
Repayment of short-term bank loans		(102)	(865)
Repurchase of shares		(3,206)	-
Proceeds from long-term bank loans		262	-
Repayment of long-term bank loans		(853)	(224)
Payment of dividends to minority interests		(131)	(1,697)
Net cash used in financing activities		(4,030)	(2,274)
Net decrease in cash and cash equivalents		(9,374)	(24,438)
Cash and cash equivalents at beginning of period	Note (a)	178,605	163,066
Effect of foreign exchange rate changes		3,357	774
Cash and cash equivalents at end of period	Note (a)	172,588	139,402

Notes to the consolidated cash flow statement:

(a) **Cash and cash equivalents**

Cash at bank

Short-term deposits

Bank overdrafts

Cash and cash equivalents at end of period

Group	
First quarter ended	
30.6.09	30.6.08
\$'000	\$'000
63,610	46,685
109,518	95,242
(540)	(2,525)
172,588	139,402

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	(-----Other reserves-----)									
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Capital reserve \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Equity attributable to owners of the parent \$'000	Minority interests \$'000	Total \$'000
GROUP										
Balance at 1 April 2009	72,791	(1,012)	134,529	(3,581)	-	(8,398)	(11,979)	194,329	14,441	208,770
Acquisition of minority interests	-	-	-	(2,442)	-	-	(2,442)	(2,442)	(302)	(2,744)
Total comprehensive income for the period	-	-	9,475	-	-	4,783	4,783	14,258	1,588	15,846
Share option expense	-	-	-	-	16	-	16	16	-	16
Repurchase of shares	-	(3,206)	-	-	-	-	-	(3,206)	-	(3,206)
Balance at 30 June 2009	72,791	(4,218)	144,004	(6,023)	16	(3,615)	(9,622)	202,955	15,727	218,682

1(d)(i) Statement of changes in equity (cont'd)

	(-----Other reserves-----)					Subtotal \$'000	Equity attributable to owners of the parent \$'000	Minority interests \$'000	Total \$'000
	Share capital \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000				
GROUP									
Balance at 1 April 2008	72,125	99,952	2	(1,862)	(5,439)	(7,299)	164,778	12,434	177,212
Acquisition of minority interests	-	-	-	(119)	-	(119)	(119)	(301)	(420)
Total comprehensive income for the period		5,630	(2)	-	639	637	6,267	1,348	7,615
Issue of shares	512	-	-	-	-	-	512	-	512
Balance at 30 June 2008	72,637	105,582	-	(1,981)	(4,800)	(6,781)	171,438	13,481	184,919

1(d)(i) Statement of changes in equity (cont'd)

	(-----Other reserves-----)					
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Share option reserve \$'000	Subtotal \$'000	Total \$'000
COMPANY						
Balance at 1 April 2009	72,791	(1,012)	17,637	-	-	89,416
Total comprehensive income for the period	-	-	6,204	-	-	6,204
Share option expense	-	-	-	16	16	16
Repurchase of shares	-	(3,206)	-	-	-	(3,206)
Balance at 30 June 2009	72,791	(4,218)	23,841	16	16	92,430

	(-----Other reserves-----)					
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Subtotal \$'000	Total \$'000
COMPANY						
Balance at 1 April 2008	72,125	-	20,924	2	2	93,051
Total comprehensive income for the period			(310)	(2)	(2)	(312)
Issue of shares	512	-	-	-	-	512
Balance at 30 June 2008	72,637	-	20,614	-	-	93,251

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the period, the issued and paid-up capital of the Company (excluding treasury shares) decreased from 514,245,524 ordinary shares to 506,245,524 ordinary shares. This resulted from the repurchase of a total of 8,000,000 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 30 July 2008. The shares were repurchased by way of market acquisitions and were held as treasury shares. As at 30 June 2009, there were a total of 9,500,000 treasury shares.

As at 30 June 2009, there were unexercised options of 3,400,584 (30.06.08: 2,790,584, after adjustment for the share split of each ordinary share into two ordinary shares effected on 21 August 2008) of unissued ordinary shares under the Boustead Share Option Scheme 2001.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 30.6.09	As at 31.3.09
Total number of issued shares (excluding treasury shares)	506,245,524	514,245,524

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation as in the most recently audited annual financial statements have been applied.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

None.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	First quarter ended 30.6.09	30.6.08 #
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on weighted average number of ordinary shares in issue (¢)	1.87	1.10
(ii) On a fully diluted basis (¢)	1.87	1.09
Weighted average number of ordinary shares in issue:		
Basic (*)	506,245,524	513,955,524
Fully diluted basis (**)	507,730,446	516,304,608

* The basic earnings per share is computed based on the weighted average number of ordinary shares in issue.

** The fully diluted earnings per share is computed based on the weighted average number of ordinary shares in issue adjusted for the effects of all potential dilutive ordinary shares.

Comparative figures have been adjusted for the share split of each ordinary share into two ordinary shares effected on 21 August 2008.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.

	Group		Company	
	30.6.09	31.3.09	30.6.09	31.3.09
Net asset value per ordinary share based on issued share capital as at the end of the period reported on (¢)	40.1	37.8	18.3	17.4
Number of issued shares as at the end of the period reported on	506,245,524	514,245,524	506,245,524	514,245,524

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Overview

Reporting financial results on a quarterly basis may not accurately reflect the performance of the Group's project oriented businesses whose revenue and profit are recorded according to stages of project completion. Full-year to full-year comparisons are more appropriate for analytical purposes.

For 1Q FY2010 ended 30 June 2009, the Group achieved revenue of \$118.9 million and net profit attributable to owners of the parent of \$9.5 million, an increase of 49.4% and 68.3% respectively over 1Q FY2009.

Segment Revenue

Segment	1Q FY2010	1Q FY2009	Change
	\$m	\$m	%
Engineering Services	99.2	56.9	+74.3
Geo-Spatial Technology	19.0	21.6	-12.0
Investment Activities	0.7	1.1	-36.4
Group Total	118.9	79.6	+49.4

Revenue from Engineering Services underpinned the Group's overall revenue growth and was \$99.2 million, up by 74.3%. Geo-Spatial Technology registered revenue of \$19.0 million, a decrease of 12.0%.

Engineering Services Revenue

Division	1Q FY2010	1Q FY2009	Change
	\$m	\$m	%
Energy-Related Engineering	25.9	30.8	-15.9
Water & Wastewater Engineering	2.2	5.3	-58.5
Real Estate Solutions	71.1	20.8	+241.8
Engineering Total	99.2	56.9	+74.3

The Energy-Related Engineering Division posted revenue of \$25.9 million, a decline of 15.9%. This was largely due to the decline in the exchange rate for the Pound Sterling in 1Q FY2010 compared to 1Q FY2009. Had Boustead International Heaters (UK)'s revenue this quarter been reported at 1Q FY2009's exchange rate, the decline would only have been just over 4%. In addition, the solid waste energy recovery business unit (i.e. Boustead Maxitherm) continued its restructuring efforts, resulting in limited revenue contribution to the division.

The Water & Wastewater Engineering Division (i.e. Boustead Salcon) had an extremely slow 1Q FY2010, with revenue of \$2.2 million, down by 58.5%. This was due to the fact that the division's major water projects are only in their early stages of commencement.

The Real Estate Solutions Division recorded a strong performance in 1Q FY2010, achieving revenue of \$71.1 million, an increase of 241.8%. This was due to rapid progress made on several landmark projects including the Green Mark Platinum award-winning integrated semiconductor equipment manufacturing, warehouse and office facility for a global Fortune 500 Company and The Singapore FreePort, among other projects. Despite continuing delays in the Libya 1,164-villa project, more than 20% of the construction has been completed.

Geo-Spatial Technology Revenue

Geo-Spatial Technology registered revenue of \$19.0 million, a decrease of 12.0%. The business continues to do well and the decrease was due almost entirely to the decline in the exchange rate for the Australian Dollar in 1Q FY2010 compared to 1Q FY2009.

Group Profitability

Gross profit for the Group increased by 8.5% to \$32.6 million in 1Q FY2010. The gross profit margin declined from 37.8% in 1Q FY2009 to 27.4% in 1Q FY2010 due partly to competitive pressures caused by the global economic downturn and to unfavourable exchange rates in 1Q FY2010 in major geographical business areas. However, the gross profit margin for 1Q FY2010 remained comparable to that for the whole of FY2009.

Overhead expenses decreased by 11.1% to \$18.3 million in 1Q FY2010. This was partly due to the above mentioned exchange rate impact and cost-cutting measures.

As a result of the above, profit before income tax at \$14.9 million increased by 39.0% over 1Q FY2009. A breakdown of the profit before income tax by core operating divisions is provided below.

Segment/Division	1Q FY2010 \$m	1Q FY2009 \$m	Change %
Engineering Services			
- Energy-Related Engineering	2.9	4.0	-27.5
- Water & Wastewater Engineering	(0.8)	(1.5)	+46.7
- Real Estate Solutions	8.2	2.2	+272.7
	10.3	4.7	+119.1
Geo-Spatial Technology	5.2	6.7	-22.4
Investment Activities	(0.6)	(0.7)	+14.3
Group Total	14.9	10.7	+39.0

For 1Q FY2010, the Group achieved net profit attributable to owners of the parent of \$9.5 million, an increase of 68.3%.

Cash Flow Statement

During 1Q FY2010, cash and cash equivalents decreased by \$6.0 million (after the effect of foreign exchange rate changes) to \$172.6 million. The decrease is mainly attributed to a net cash outflow from operating activities of \$4.3 million, a \$0.8 million acquisition of minority interests and a \$3.2 million repurchase of shares made under the Share Buy-Back Mandate.

Balance Sheet

The balance sheet of the Group remained healthy with \$173.1 million in cash and bank balances, and \$449.9 million in total assets. The net asset value per share rose to \$0.401 as at the end of 1Q FY2010.

The net cash position (i.e. net of all bank borrowings) dipped slightly to \$145.2 million as at the end of 1Q FY2010, translating to net cash per share of \$0.287. This is expected to increase before the end of FY2010 when the Group receives its share of the remaining payment (amounting to over \$40 million) for the sale of a development property by an associate.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

None.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Despite growing optimism of a global economic recovery, the Group remains cautious on the challenges and difficulties of the global operating environment for the remainder of FY2010.

The Group's healthy net cash position of \$145.2 million, coupled with an order book backlog of \$525 million, has placed the Group in a reasonably positive position. Within the last month, the Group has been awarded S\$42 million in contracts. The recent contracts may be reflective of the beginning of a slow recovery.

With global oil prices climbing during 1Q FY2010, the Energy-Related Engineering Division secured \$27 million in contracts last month. The division expects further developments in contract negotiations as long as global oil prices remain at or exceed the current levels.

The Water & Wastewater Engineering Division anticipates increased revenue contribution from its major projects in the remaining quarters of FY2010.

Despite a strong start to FY2010, the Real Estate Solutions Division expects to face continued challenges as outlined in previous announcements. The division maintains its focus on building its portfolio of industrial leasehold facilities secured under design, build and lease arrangements. This will provide the Group with a stronger recurring income base for future years. In Libya, although progress has been made in its township project, the division continues to work under challenging conditions.

Geo-Spatial Technology is expected to maintain its leading position with government agencies in Australia and South East Asia.

The Group will continue to deliver good financial results in FY2010 although it is not likely to repeat its record net profit in FY2009.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect.

No dividend has been declared/recommendeded for this period.

13. Confirmation by the Board

We, Wong Fong Fui and Loh Kai Keong, being two directors of Boustead Singapore Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the 1Q FY2010 financial results to be false or misleading.

On behalf of the board of directors

WONG FONG FUI
Chairman

LOH KAI KEONG
Director

13 August 2009