

Company Announcement



Boustead Singapore Limited
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CLARIFICATION IN RELATION TO ARTICLE PUBLISHED IN THE BUSINESS TIMES ON 8 SEPTEMBER 2009

Singapore, 9 September 2009

Boustead Singapore Limited ("Boustead" or the "Company") wishes to clarify specific statements made in an article "Boustead sees 10% growth slowdown" published by The Business Times on 8 September 2009.

The contents of the article were written based on an interview between Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead, and Thomson Reuters on 7 September 2009.

Specific statements made in the article require further clarification.

The Company wishes to highlight the following specific statements (in bold below) from the Article which require further clarification:

- 1. "BOUSTEAD Singapore said yesterday that it expects revenue growth this fiscal year to slow to around 10 per cent as the economic downturn slowed orders and weakened the market for industrial properties."**

During the interview, Mr Wong was asked about the growth prospects of Boustead. Following the statement made above, Mr Wong also mentioned that despite the expectation of revenue growth, Boustead would not likely repeat its record net profit in FY2009. This is consistent with the Company's previous announcements including the 1Q FY2010 Financial Results Announcement dated 13 August 2009 (see section 10). Regrettably, Mr Wong's complete statement was not reported. If Mr Wong's complete statement was reported, this statement would then be consistent with the Company's previous announcements.

- 2. "We're expecting some relatively big projects in the near term, including this month" and "We're very bullish actually," he continued, adding that the value of enquiries received by the engineering arm was "easily in excess of \$500 million."**

Mr Wong was merely explaining the usual cycle of business of the Group. His comments were made with reference to the expectation of enquiries for some large projects. At any point of time, the Group is routinely involved in bidding for, submitting proposals or responding to enquiries for a whole range of projects. However, until such projects have been successfully secured by the Group, such projects do not form a part of the Group's order book. The Group may or may not be successful in securing these projects. If the Group has successfully secured these projects, the Company will then consider whether it is necessary to make the appropriate announcement via SGXNET.

3. "Mr Wong also said it was close to completing a US\$5 million purchase of a US-based waste gas treatment firm that will help its water and wastewater engineering arm diversify into solid waste and gas treatment."

The Group's broad approach to new acquisitions had been previously mentioned in the Company's announcements including the FY2009 Financial Results Announcement dated 28 May 2009. During the interview, Mr Wong mentioned that the Group is in the process of reviewing a potential acquisition target. When prompted for the size of the acquisition and the anticipated timeframe for evaluation and completion of the review, Mr Wong mentioned that the value of the acquisition is in the region of US\$5 million and it could take two to three months to complete the review. The Board of Directors of the Company (the "Board") would like to clarify that the potential acquisition is not close to completion and is still at a preliminary discussion stage. Accordingly, the Board is of the view that the potential acquisition is not at a sufficiently advanced stage in the acquisition to warrant disclosure by the Company. The Board also wishes to further emphasise that it should not be assumed that the acquisition will definitely be completed as there are still a significant number of steps in the acquisition process to be achieved before the deal can be consummated.

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited is a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group listed on the Singapore Exchange. Focusing on the engineering and development of key infrastructure supporting economic growth in the public and private sectors of emerging markets, our strong suite of Engineering Services comprises:

- Energy-Related Engineering;
 - Oil & Gas/Petrochemicals;
 - Solid Waste Energy Recovery;
- Water & Wastewater Engineering;
- Real Estate Solutions;
 - Industrial Real Estate Solutions; and
 - New Township.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute ESRI geo-spatial technology – the world’s leading geographic information systems and location intelligence solutions – to major markets across Australia and South East Asia. Our location intelligence solutions are essential to effectively plan, deploy and manage key infrastructure and resources in countries.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, Boustead has undertaken infrastructure-related projects in 75 countries globally.

Visit us at www.boustead.sg.

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