


**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 2Q FY2010  
ENDED 30 SEPTEMBER 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 emerging markets, 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 79 countries globally.

**BOUSTEAD SINGAPORE LIMITED**  
(Company Registration No. 197501036K)

**Unaudited Financial Statements And Dividend Announcement for the Second Quarter Ended 30 September 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 Second quarter ended			GROUP Half year ended		
		30.9.09 \$'000	30.9.08 \$'000	Inc/(Dcr) %	30.9.09 \$'000	30.9.08 \$'000	Inc/(Dcr) %
<b>Revenue</b>		114,283	130,959	-12.7	233,203	210,546	10.8
<b>Cost of sales</b>		(82,878)	(94,827)	-12.6	(169,169)	(144,350)	17.2
<b>Gross profit</b>		31,405	36,132	-13.1	64,034	66,196	-3.3
Other operating income	<b>1</b>	1,134	1,733	-34.6	1,948	3,281	-40.6
Selling and distribution expenses		(5,920)	(6,118)	-3.2	(11,785)	(12,779)	-7.8
Administrative expenses		(9,499)	(11,461)	-17.1	(19,094)	(22,929)	-16.7
Other operating expenses		(2,492)	(2,709)	-8.0	(5,374)	(5,217)	3.0
Finance costs		(184)	(620)	-70.3	(405)	(851)	-52.4
Share of results from associates		1,015	(158)	NM	990	(214)	NM
<b>Profit before income tax</b>	<b>2</b>	15,459	16,799	-8.0	30,314	27,487	10.3
Income tax expense	<b>3</b>	(3,595)	(5,354)	-32.9	(7,670)	(9,154)	-16.2
<b>Profit for the period</b>		11,864	11,445	3.7	22,644	18,333	23.5
Attributable to:							
Owners of the parent		10,763	9,538	12.8	20,238	15,168	33.4
Minority interests		1,101	1,907	-42.2	2,406	3,165	-24.0
		11,864	11,445	3.7	22,644	18,333	23.5

NM – not meaningful

**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.**

	Note	GROUP			GROUP		
		Second quarter ended			Half year ended		
		30.9.09	30.9.08	Inc/(Dcr)	30.9.09	30.9.08	Inc/(Dcr)
		\$'000	\$'000	%	\$'000	\$'000	%
<b>Profit for the period</b>		11,864	11,445	3.7	22,644	18,333	23.5
<b>Other comprehensive income (net of tax):</b>							
Exchange differences on translating foreign operations		(96)	(3,016)	-96.8	4,970	(2,287)	NM
Reclassification adjustment		-	-		-	(2)	-100.0
<b>Total comprehensive income for the period</b>		11,768	8,429	39.6	27,614	16,044	72.1
Attributable to:							
Owners of the parent		10,531	6,948	51.6	24,789	13,215	87.6
Minority interests		1,237	1,481	-16.5	2,825	2,829	0.1
		11,768	8,429	39.6	27,614	16,044	72.1

NM – not meaningful

	GROUP			GROUP		
	Second quarter ended			Half year ended		
	30.9.09	30.9.08	Inc/(Dcr)	30.9.09	30.9.08	Inc/(Dcr)
\$'000	\$'000	%	\$'000	\$'000	%	
<u>Note 1: Other operating income</u>						
Interest income	796	900	-11.6	1,206	1,697	-28.9
Other rental income	242	376	-35.6	478	992	-51.8
Net foreign currency exchange adjustment gain	96	213	-54.9	264	348	-24.1
Gain on disposal of an investment property	-	244	-100.0	-	244	-100.0
	1,134	1,733	-34.6	1,948	3,281	-40.6
<u>Note 2 : The profit before income tax is arrived at after (charging)/ crediting the following:</u>						
Depreciation expense	(758)	(775)	-2.2	(1,478)	(1,503)	-1.7
Amortisation expense	-	-	-	-	(6)	-100.0
Allowance for foreseeable loss	-	(59)	-100.0	-	(1,007)	-100.0
Gain/(Loss) on disposal of property, plant and equipment	59	-	100.0	59	(36)	NM
Fair value adjustment on foreign exchange contracts	91	870	-89.5	117	735	-84.1
Share option expense	(48)	-	100.0	(64)	-	100.0
Gain on disposal of available-for-sale investments	-	-	-	-	28	-100.0
<u>Note 3: Income tax</u>						
(Under)/Over provision in prior years	-	-	-	(312)	216	NM

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.

NM – not meaningful

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	
		30.9.09 \$'000	31.3.09 \$'000	30.9.09 \$'000	31.3.09 \$'000
<b><u>ASSETS</u></b>					
<b>Current assets:</b>					
Cash and bank balances		190,823	180,011	99,387	34,387
Trade receivables		104,218	95,943	-	-
Other receivables and prepayments		33,184	31,852	4,507	17,554
Foreign exchange contracts		-	-	388	-
Loans to subsidiaries		-	-	46,624	19,924
Inventories		7,126	7,936	-	-
Properties held for sale		43,531	37,424	-	-
Contracts work-in-progress		14,383	22,733	-	-
Total current assets		393,265	375,899	150,906	71,865
<b>Non-current assets</b>					
Property, plant and equipment		24,183	24,320	-	-
Investment properties		6,729	6,809	-	-
Goodwill		51	51	-	-
Other intangible assets		94	94	30	30
Investments in associates		5,224	39,240	5,140	25,180
Investments in subsidiaries		-	-	79,928	85,230
Available-for-sale investments		4,420	4,420	-	-
Deferred tax assets		2,353	1,979	-	-
Total non-current assets		43,054	76,913	85,098	110,440
<b>Total assets</b>		<b>436,319</b>	<b>452,812</b>	<b>236,004</b>	<b>182,305</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current liabilities</b>					
Bank loans and overdrafts	1(b)(ii)	4,146	4,496	-	-
Trade and other payables		147,622	158,986	1,237	996
Foreign exchange contracts		758	786	-	786
Loans from subsidiaries		-	-	140,479	91,107
Contracts work-in-progress		18,198	27,780	-	-
Income tax payable		24,404	26,528	-	-
Total current liabilities		195,128	218,576	141,716	92,889
<b>Non-current liabilities</b>					
Long-term bank loans	1(b)(ii)	23,265	24,960	-	-
Pension liability		403	396	-	-
Deferred tax liabilities		273	110	-	-
Total non-current liabilities		23,941	25,466	-	-
<b>Equity attributable to owners of the parent</b>					
Share capital	1(d)(i)	72,791	72,791	72,791	72,791
Treasury shares		(4,762)	(1,012)	(4,762)	(1,012)
Accumulated profits		142,296	134,529	26,195	17,637
Other reserves	1(d)(i)	(10,039)	(11,979)	64	-
Equity attributable to owners of the parent		200,286	194,329	94,288	89,416
<b>Minority interests</b>					
		16,964	14,441	-	-
Total equity		217,250	208,770	94,288	89,416
<b>Total liabilities and equity</b>		<b>436,319</b>	<b>452,812</b>	<b>236,004</b>	<b>182,305</b>

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

Amount repayable in one year or less, or on demand

<b>As at 30.9.09 \$'000</b>		<b>As at 31.3.09 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
4,048	98	4,394	102

Amount repayable after one year

<b>As at 30.9.09 \$'000</b>		<b>As at 31.3.09 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
23,265	-	24,960	-

An amount of \$1,910,000 (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 \$11,185,000 (31.3.09: \$11,675,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 12 and 16 Changi North Way, Singapore.

An amount of \$938,000 (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 Gombong Kec. Lemah Abang, Bekasi 17750, Indonesia.

An amount of \$8,350,000 (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 \$4,930,000 (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		Group	
	Second quarter ended 30.9.09 \$'000	30.9.08 \$'000	Half year ended 30.9.09 \$'000	30.9.08 \$'000
<b>Operating activities</b>				
Profit before income tax	15,459	16,799	30,314	27,487
Adjustments for:				
Depreciation expense	758	775	1,478	1,503
Amortisation expense	-	-	-	6
Share option expense	48	-	64	-
Allowance for foreseeable loss	-	59	-	1,007
(Gain)/Loss on disposal of property, plant and equipment	(59)	-	(59)	36
Gain on disposal of an investment property	-	(244)	-	(244)
Gain on disposal of available-for-sale investments	-	-	-	(28)
Unrealised profit on construction of properties for an associate	-	3,286	-	5,123
Share of results from associates	(1,015)	158	(990)	214
Fair value adjustment on foreign exchange contracts	(91)	(870)	(117)	(735)
Interest expense	184	620	405	851
Interest income	(796)	(900)	(1,206)	(1,697)
Operating cash flows before changes in working capital	14,488	19,683	29,889	33,523
Increase in receivables	(8,316)	(4,121)	(15,607)	(13,847)
Decrease/(Increase) in inventories and contracts work-in-progress	2,001	(9,974)	854	(18,253)
Increase in properties held for sale	(4,946)	(6,258)	(6,107)	(7,442)
(Decrease)/Increase in payables	(5,410)	26,101	(12,516)	21,260
Cash (used in)/generated from operations	(2,183)	25,431	(3,487)	15,241
Interest income received	796	900	1,206	1,697
Interest expense paid	(184)	(620)	(405)	(851)
Income tax paid	(6,790)	(7,840)	(10,005)	(9,491)
<b>Net cash (used in)/generated from operating activities</b>	<b>(8,361)</b>	<b>17,871</b>	<b>(12,691)</b>	<b>6,596</b>
<b>Investing activities</b>				
Proceeds from disposal of property, plant and equipment	146	583	173	675
Purchase of property, plant and equipment	(913)	(7,053)	(1,154)	(8,707)
Acquisition of minority interests	(80)	(327)	(880)	(747)
Repayment of loan by an associate	20,040	-	20,040	-
Dividends from an associate	20,966	-	20,966	-
Acquisition of interests in associates	-	(750)	-	(3,394)
Additional loan to an associate	-	-	-	(6,296)
Proceeds from disposal of available-for-sale investments	-	-	-	33
<b>Net cash generated from/(used in) investing activities</b>	<b>40,159</b>	<b>(7,547)</b>	<b>39,145</b>	<b>(18,436)</b>
<b>Financing activities</b>				
Net proceeds from issue of shares of the company	-	154	-	666
(Decrease)/increase in short-term bank loans	98	(582)	(4)	(1,447)
Repurchase of shares	(544)	-	(3,750)	-
Proceeds from long-term bank loans	(10)	-	252	-
Repayment of long-term bank loans	(855)	(820)	(1,708)	(1,044)
Payment of dividends to minority interests	(622)	(447)	(753)	(2,144)
Dividends paid	(12,656)	(18,051)	(12,656)	(18,051)
<b>Net cash used in financing activities</b>	<b>(14,589)</b>	<b>(19,746)</b>	<b>(18,619)</b>	<b>(22,020)</b>
Net increase/(decrease) in cash and cash equivalents	17,209	(9,422)	7,835	(33,860)
Cash and cash equivalents at beginning of period	172,588	139,402	178,605	163,066
Effect of foreign exchange rate changes	206	(2,570)	3,563	(1,796)
Cash and cash equivalents at end of period	190,003	127,410	190,003	127,410

Note (a)



**Notes to the consolidated cash flow statement:**

	<b>Group</b>		<b>Group</b>	
	<b>Second quarter ended</b>	<b>Second quarter ended</b>	<b>Half year ended</b>	<b>Half year ended</b>
	<b>30.9.09</b>	<b>30.9.08</b>	<b>30.9.09</b>	<b>30.9.08</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Cash and cash equivalents</b>				
Cash at bank	53,748	38,625	53,748	38,625
Short-term deposits	137,076	91,235	137,076	91,235
Bank overdrafts	(821)	(2,450)	(821)	(2,450)
Cash and cash equivalents at end of period	190,003	127,410	190,003	127,410

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 -----)							Equity attributable to shareholders of the company \$'000	Minority interests \$'000	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Capital reserve \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000			
<b>GROUP</b>										
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	-	-	185	(2,675)	-	-	(2,675)	(2,490)	(302)	(2,792)
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)	144,189	(6,256)	16	(3,615)	(9,855)	202,907	15,727	218,634
Total comprehensive income for the period	-	-	10,763	-	-	(232)	(232)	10,531	1,237	11,768
Dividends	-	-	(12,656)	-	-	-	-	(12,656)	-	(12,656)
Share option expense	-	-	-	-	48	-	48	48	-	48
Repurchase of shares	-	(544)	-	-	-	-	-	(544)	-	(544)
Balance at 30 September 2009	72,791	(4,762)	142,296	(6,256)	64	(3,847)	(10,039)	200,286	16,964	217,250

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

	(----- Other reserves -----)					Subtotal \$'000	Equity attributable to shareholders of the company \$'000	Minority interests \$'000	Total \$'000
	Share capital \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Capital reserve \$'000	Foreign currency translation reserve \$'000				
<b>GROUP</b>									
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
Acquisition of minority interests	-	-	-	-	-	-	-	(327)	(327)
Total comprehensive income for the period	-	9,538	-	-	(2,590)	(2,590)	6,948	1,481	8,429
Minority share of net dividends from subsidiaries	-	-	-	-	-	-	-	(790)	(790)
Dividends	-	(18,051)	-	-	-	-	(18,051)	-	(18,051)
Issue of shares	154	-	-	-	-	-	154	-	154
Balance at 30 September 2008	72,791	97,069	-	(1,981)	(7,390)	(9,371)	160,489	13,845	174,334

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

	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	(----- Other reserves -----) Share option reserve \$'000	Subtotal \$'000	Total \$'000
<b>COMPANY</b>						
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
Total comprehensive income	-	-	15,010	-	-	15,010
Dividends	-	-	(12,656)	-	-	(12,656)
Share option expense	-	-	-	48	48	48
Repurchase of shares	-	(544)	-	-	-	(544)
Balance at 30 September 2009	72,791	(4,762)	26,195	64	64	94,288

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

	Share capital \$'000	Accumulated profits \$'000	(----- Other reserves -----) Investments revaluation reserve \$'000	Subtotal \$'000	Total \$'000
<b>COMPANY</b>					
Balance at 1 April 2008	72,125	20,924	2	2	93,051
Total comprehensive income	-	(310)	(2)	(2)	(312)
Issue of shares	512	-	-	-	512
Balance at 30 June 2008	72,637	20,614	-	-	93,251
Total comprehensive income	-	8,051	-	-	8,051
Dividends	-	(18,051)	-	-	(18,051)
Issue of shares	154	-	-	-	154
Balance at 30 September 2008	72,791	10,614	-	-	83,405

**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 506,245,524 ordinary shares to 505,511,524 ordinary shares. This resulted from the repurchase of a total of 734,000 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 28 July 2009. The shares were repurchased by way of market acquisitions and were held as treasury shares. As at 30 September 2009, there were a total of 10,234,000 treasury shares.

As at 30 September 2009, there were unexercised options of 3,400,584 (30.09.08: 2,000,584) 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.**

	<b>As at 30.9.09</b>	<b>As at 31.3.09</b>
Total number of issued shares (excluding treasury shares)	505,511,524	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		GROUP	
	Second quarter ended 30.9.09	30.9.08	Half year ended 30.9.09	30.9.08
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 (¢)	2.1	1.8	4.0	2.9
(ii) On a fully diluted basis (¢)	2.1	1.8	4.0	2.9
Weighted average number of ordinary shares in issue:				
Basic (*)	506,000,857	515,745,524	506,123,191	514,850,524
Fully diluted basis (**)	507,835,052	516,941,449	507,957,385	516,046,449

\* 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.

**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 (a) current financial period reported on and (b) immediately preceding financial year.**

	Group		Company	
	30.9.09	31.3.09	30.9.09	31.3.09
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the year reported on (¢)	39.6	37.8	18.7	17.4
Number of issued shares (excluding treasury shares) as at the end of the period reported on	505,511,524	514,245,524	505,511,524	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

For 2Q FY2010 ended 30 September 2009, the Group achieved revenue of \$114.3 million, a decrease of 12.7%. Net profit attributable to owners of the parent was \$10.8 million, an increase of 12.8%.

The 2Q FY2010 financial results lifted revenue to \$233.2 million and net profit attributable to owners of the parent to \$20.2 million for 1H FY2010, an increase of 10.8% and 33.4% respectively over 1H FY2009.

### Segment Revenue

Segment	Revenue			Revenue		
	2Q	2Q	Change	1H	1H	Change
	FY2010	FY2009		FY2010	FY2009	
	\$m	\$m	%	\$m	\$m	%
Engineering Services	95.9	111.4	-13.9	195.1	168.3	+15.9
Geo-Spatial Technology	17.6	18.7	-5.9	36.6	40.3	-9.2
Investment Activities	0.8	0.8	0.0	1.5	1.9	-21.1
Group Total	114.3	130.9	-12.7	233.2	210.5	+10.8

For 2Q FY2010, revenue from the Group's two core segments, Engineering Services and Geo-Spatial Technology, declined by 13.9% and 5.9% respectively.

### Engineering Services Revenue

Division	Revenue			Revenue		
	2Q	2Q	Change	1H	1H	Change
	FY2010	FY2009		FY2010	FY2009	
	\$m	\$m	%	\$m	\$m	%
Energy-Related Engineering	28.4	42.4	-33.0	54.3	73.2	-25.8
Water & Wastewater Engineering	5.7	11.6	-50.9	7.9	16.9	-53.3
Real Estate Solutions	61.8	57.4	+7.7	132.9	78.2	+69.9
Engineering Total	95.9	111.4	-13.9	195.1	168.3	+15.9



The Energy-Related Engineering Division registered revenue of \$28.4 million in 2Q FY2010, declining 33.0%. Revenue continued to be negatively impacted by the decline in the exchange rate for the Pound Sterling in 2Q FY2010 compared to 2Q FY2009. The oil & gas business units (i.e. Boustead International Heaters and Boustead Controls & Electrics) performed according to expectation. Ongoing restructuring efforts at the solid waste energy recovery business (i.e. Boustead Maxitherm) continued to limit its revenue contribution.

Revenue for the Water & Wastewater Engineering Division (i.e. Boustead Salcon) was \$5.7 million in 2Q FY2010, falling 50.9%. Revenue recognition on existing projects remained slow although it has progressively improved since the start of FY2010. In Libya, the water infrastructure project has not commenced because of major issues with the client's consultant. Currently, the division is in negotiations with the client and unless these issues are satisfactorily resolved, the division may not proceed with the project. The outcome, however, will have no impact on the results for FY2010.

Building on its strong start to FY2010, the Real Estate Solutions Division achieved revenue of \$61.8 million in 2Q FY2010, growing 7.7%. The division's strong performance was underpinned by the steady progress of the industrial real estate solutions business (i.e. Boustead Projects), as well as improving revenue contribution from the new township business (i.e. Boustead Infrastructures) in Libya. Despite the advances that have been made in constructing the 1,164-villa township, progress has been slower than planned. To date, about one-third of the villas have been completed.

### **Geo-Spatial Technology Revenue**

Revenue from Geo-Spatial Technology decreased by 5.9% to \$17.6 million. The fall in revenue is due almost entirely to the decline in the exchange rate for the Australian Dollar in 2Q FY2010 compared to 2Q FY2009.

### **Group Profitability**

For 2Q FY2010, the Group's gross profit decreased by 13.1% to \$31.4 million. The gross profit margin remained almost consistent at 27.5% in 2Q FY2010 compared to 2Q FY2009.

Overhead expenses fell by 11.7% to \$17.9 million. This was partly due to cost-cutting measures and the above mentioned exchange rate impact.

Profit before income tax was \$15.4 million, declining 8.0%. A breakdown of the profit before income tax by core operating divisions is provided.

Segment/ Division	PBT			PBT		
	2Q FY2010	2Q FY2009	Change	1H FY2010	1H FY2009	Change
	\$m	\$m	%	\$m	\$m	%
Engineering Services						
- Energy-Related Engineering	5.4	4.7	+14.9	8.3	8.7	-4.6
- Water & Wastewater Engineering	(0.8)	0.3	NM	(1.6)	(1.2)	-33.3
- Real Estate Solutions	6.8	8.9	-23.6	15.0	11.1	+35.1
	11.4	13.9	-18.0	21.7	18.6	+16.7
Geo-Spatial Technology	3.9	4.8	-18.8	9.1	11.5	-20.9
Investment Activities	0.1	(1.9)	NM	(0.5)	(2.6)	+80.8
Group Total	15.4	16.8	-8.0	30.3	27.5	+10.3

Due to significantly lower income tax expense based on the geographical segmentation of profit, the Group achieved net profit attributable to owners of the parent of \$10.8 million, an increase of 12.8%.

The Directors have declared an interim cash dividend of 1.5 cents per ordinary share for 2Q FY2010. This matches the interim cash dividend declared and paid for 2Q FY2009.

### Cash Flow Statement

During 2Q FY2010, cash and cash equivalents increased by \$17.4 million (after the effect of foreign exchange rate changes) to \$190.0 million. The net cash outflows from operating activities of \$8.4 million and financing activities of \$14.6 million, were offset by the net cash inflow from investing activities of \$40.2 million, largely through the repayment of loan and payment of dividends by an associate.

### Balance Sheet

The Group's balance sheet remained healthy with \$190.8 million in cash and bank balances, and \$436.3 million in total assets.

The significant reduction in investments in associates is due mainly to the repayment of loan and payment of dividends by an associate.

The decrease in trade and other payables is due mainly to the payment of bonuses and other costs accrued in FY2009.

The net asset value per share was \$0.396 as at the end of 2Q FY2010.

The Group's net cash position (i.e. net of all bank borrowings) improved to \$163.4 million, after the Group received its share of the remaining payment for the sale of a development property by an associate. The net cash per share was \$0.323 as at the end of 2Q FY2010.

**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 emerging signs of a global economic recovery, the Group remains cautious on the challenges and difficulties of the global operating environment for the remainder of FY2010.

There has been a significant increase in the level of enquiries over recent months. However, negotiations for large contracts are expected to remain relatively prolonged. In addition, the global economic recovery is anticipated to be slow, with the pace of contract awards potentially increasing closer to the end of FY2010.

The Group has a healthy balance sheet with a net cash position of \$163.4 million. The order book backlog is in excess of \$450 million.

The Energy-Related Engineering Division is expecting further developments in negotiations for small to medium-sized contracts although negotiations may be extended in length.

Although the Water & Wastewater Engineering Division was in a loss position in 1H FY2010, it is expected to turnaround by the end of FY2010. Revenue will increase according to the progressive completion of the division's existing projects.

Despite a strong 1H FY2010, the Real Estate Solutions Division expects to face continued challenges as outlined in previous announcements. The division's business development efforts are ongoing and are expected to produce some success in securing design-and-build and design-build-and-lease contracts. In Libya, the division is working towards attaining the planned peak construction rate 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 the record net profit that it achieved in FY2009.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount (per ordinary share)	1.5 cents
Tax Rate	Tax Exempt (1-tier)

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes.

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount (per ordinary share)	1.5 cents
Tax Rate	Tax Exempt (1-tier)

**(c) Date payable**

18 December 2009.

**(d) Books closure date**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 4 December 2009 for the purpose of determining shareholders' entitlements to the final dividend to be paid on 18 December 2009.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 3 Church Street, #08-01 Samsung Hub, Singapore 049483 up to 5.00 p.m. on 3 December 2009 will be registered before entitlements to the dividend are determined.

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

Not applicable.

**13. Confirmation by the Board**

We, Wong Fong Fui and Loh Kai Keong, being two of the 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 2Q FY2010 financial results to be false or misleading.

On behalf of the board of directors

WONG FONG FUI  
Chairman

LOH KAI KEONG  
Director

12 November 2009