

Company Announcement



Boustead Singapore Limited
(Co. Reg. No. 197501036K)

67 Ubi Avenue 1, #02-01
StarHub Green
Singapore 408942

BOUSTEAD SUBSIDIARY AWARDED S\$21M CONTRACT FOR FIRST NEW WATER RECYCLING PLANT IN UAE

Singapore, 29 June 2010

Boustead Singapore Limited ("Boustead") is pleased to announce that its wholly-owned subsidiary, Boustead Salcon Water Solutions Pte Ltd ("Salcon") – a leading global specialist in water and wastewater engineering – has been awarded a AED55 million (approximately S\$21 million) contract to design, engineer and construct a new water recycling plant for the enhanced treatment of treated sewage effluent ("TSE") in Abu Dhabi, the United Arab Emirates.

The contract for Al Wathba Enhanced Treated Sewage Effluent Treatment Plant (the "TSE Plant") was awarded to Salcon by Abu Dhabi Sewerage Services Company ("ADSSC"). The contract will be administered and the TSE Plant will be operated by ADSSC and the Environment Agency-Abu Dhabi respectively.

The TSE Plant will have a treatment capacity of 6 million gallons per day (approximately 27,712 cubic metres per day) and will comprise processes including strainer, ultra-filtration treatment and ultra-violet light disinfection. Upon completion, the TSE Plant will be able to recycle and recover as much as 95% of the TSE supplied, producing high quality TSE water for agricultural irrigation and horticultural landscaping. The TSE Plant will be the first of its kind in the United Arab Emirates and will provide a sustainable supply of water for the emirate's horticultural requirements. By increasing water efficiency through the recycling process, the TSE Plant will also help to minimise the environmental impact of TSE.

The contract includes a five-year operations and maintenance agreement. Plant operations will be managed by an advanced integrated control system and SCADA (supervisory control and data acquisition) system to ensure operating efficiency, reliability and safety of the integrated operations.

For the design, engineering and construction of the TSE Plant, Salcon will draw on its expertise and experience gained from its turnkey EPC role in the 55,000 cubic metres per day Phase II Extension of Bedok NEWater Factory, owned and operated by PUB, the national water agency of Singapore. The Phase II Extension of Bedok NEWater Factory is a world-class showcase for PUB and Singapore, and is the first plant in the world to utilise commercial 16-inch reverse osmosis membranes.

Mr Tan Kwee Kok, Chief Executive Officer of Salcon said, "We are delighted that ADSSC selected Boustead Salcon Water Solutions to deliver the landmark Al Wathba Enhanced TSE Treatment Plant, the first of its kind in the UAE. ADSSC is one of the most forward-looking water agencies in the Middle East and this project confirms its intentions to retain its position by deploying the latest technologies in water recycling. This is an important step in water conservation and sustainability in one of the most water stressed regions of the world. We are also pleased to highlight this project during this year's Singapore International Water Week. Singapore continues to be a global leader in

water and wastewater management practices, and the technologies that will be deployed at the Al Wathba Enhanced TSE Treatment Plant are already in use by PUB at its NEWater Factories.”

Mr Tan added, “We are very grateful to IE Singapore and PUB for the continuous support that they have provided to us. These government agencies have paved the way for our penetration into the Middle East, which we view as a long-term strategic market. IE Singapore has also been instrumental in helping us to strengthen our international presence.”

Mr Lim Ban Hoe, Group Director for Middle East and Africa at International Enterprise Singapore said, “As a country who has managed to address water scarcity issues, Singapore is well-placed to help address water resource issues in the Middle East. We are proud of Boustead Salcon Water Solutions’ achievement and contribution of water management capabilities to the Middle East. This is certainly a testament of Singapore companies and their capability to address global requirements of their business partners on an international level.”

Mr Ng Han Tong, Director of Industry Development at PUB said, “PUB is delighted that Boustead Salcon Water Solutions is able to leverage on its proven track record with PUB to secure this project in Abu Dhabi, the UAE.”

As a Founding Sponsor of the Singapore International Water Week (“SIWW”) in 2008, Salcon is currently featured at the ongoing SIWW 2010, which runs from 28 June to 2 July 2010. The SIWW is a global platform for industry leaders, practitioners and policy makers to showcase their latest water technologies, exchange enriching insights on industry trends and offer partnership opportunities in the key emerging water markets.

The above contract is not expected to have a material impact on the profitability, earnings per share and net asset value per share of Boustead in the current financial year ending 31 March 2011.

None of the Directors or controlling shareholders of Boustead has any interest, direct or indirect, in the above contract.

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 79 countries globally.

In 2008 and 2009, Boustead was recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific’s 200 best public-listed corporations under US\$1 billion in revenue. Boustead is also listed on the MSCI Global Small Cap Index for Singapore.

Visit us at www.boustead.sg.

About Boustead Salcon Water Solutions Pte Ltd

Established in 1980, Boustead Salcon Water Solutions Pte Ltd (“Boustead Salcon”) is a leading international water and wastewater engineering specialist from Asia. With three decades of experience, Boustead Salcon has designed, engineered and constructed more than 800 industrial and municipal water and wastewater treatment plants in 58 countries globally. Boustead Salcon’s global clients come from a variety of industries including oil & gas, petrochemicals, power, agro-industry, electronics, semiconductors, chemicals, steel, food & beverage, tourism and municipal authorities.

Boustead Salcon has the outstanding distinction of being one of an exclusive group of Asian specialists outside of Japan to be a pre-qualified vendor to several of the world’s largest EPC (Engineering, Procurement and Construction) corporations including Alstom, Bechtel, Foster Wheeler, Hitachi Plant Engineering, Hitachi Zosen, Hyundai Engineering, JGC, Lurgi, Marubeni, Mitsubishi Heavy Industries, Mitsui Engineering, Samsung and Toshiba.

Visit Boustead Salcon at www.bousteadsalcon.com.

About Abu Dhabi Sewerage Services Company

Abu Dhabi Sewerage Services Company (“ADSSC”) was previously operated and maintained by the Municipalities of Abu Dhabi and Al Ain. The company was established in June 2005 as a public organisation wholly-owned by the Abu Dhabi government and part of Abu Dhabi Water & Electricity Authority (“ADWEA”). In September 2009, ADSSC was re-established as an independent company and was separated from ADWEA. ADSSC’s operating license stipulates protecting the environment, public health and customer interests by regulating the activities of wastewater collection, treatment and the safe and sustainable disposal of end products.

Visit ADSSC at www.adssc.ae.

About International Enterprise Singapore

International Enterprise (“IE”) Singapore is an agency under the Ministry of Trade & Industry spearheading the development of Singapore’s external economic wing.

IE Singapore’s mission is to promote the overseas growth of Singapore-based enterprises and international trade. With a global network in over 30 locations and its 3C framework of assistance – Connections, Competency, Capital, IE Singapore offer services to help enterprises export, develop business capabilities, find

overseas partners and enter new markets. At the same time, it works to position Singapore as a base for foreign businesses to expand into the region in partnership with Singapore-based companies.

Visit IE Singapore at www.iesingapore.com.

About PUB

PUB is a statutory board under the Ministry of the Environment & Water Resources. It is the water agency that manages Singapore's water supply, water catchment and used water in an integrated way. PUB won the 2007 Stockholm Industry Water Award and was named Water Agency of the Year at the Global Water Awards 2006.

Visit PUB at www.pub.gov.sg.

Contact Information

For media and investor enquiries related to Boustead, please contact:

Mr Keith Chu
Vice President – Corporate Marketing & Investor Relations
Tel: +65 6747 0016 ext 112
DID: +65 6242 9362
Fax: +65 6741 8689
Email: keith.chu@boustead.sg