



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR 2Q FY2011 ENDED 30 SEPTEMBER 2010

1H FY2011 revenue +38%, net profit +98%

	2Q FY2011	2Q FY2010	Change	1H FY2011	1H FY2010	Change
Revenue	S\$130.6m	S\$114.3m	+14%	S\$322.7m	S\$233.2m	+38%
Gross profit	S\$30.8m	S\$31.4m	-2%	S\$96.2m	S\$64.0m	+50%
Profit before income tax	S\$12.3m	S\$15.4m	-20%	S\$54.3m	S\$30.3m	+79%
Net profit attributable to owners of company	S\$8.1m	S\$10.8m	-25%	S\$40.0m	S\$20.2m	+98%
- Earnings per share	1.6cts	2.1cts	-24%	7.9cts	4.0cts	+98%
- Net asset value per share				45.6cts	39.6cts	+15%

1H FY2011 Highlights:

- 2Q FY2011 revenue of S\$130.6 million, +14%; 1H FY2011 revenue of S\$322.7 million, +38%.
- All four core operating divisions delivered profitability in 2Q FY2011.
- 2Q FY2011 net profit attributable to owners of the company decreased by 25% due to lower gross margins on one sizeable project secured amidst a highly competitive environment in calendar year 2009 and expenses for the expansion of two new overseas offices.
- 2Q FY2011 net profit of S\$8.1 million, -25%; 1H FY2011 net profit of S\$40.0 million, +98%.
- 2Q FY2011 revenue by core operating division:
 - Energy-related engineering revenue of S\$38.0 million, +34%, strong performance of downstream oil & gas business;
 - Water & wastewater engineering revenue of S\$5.8 million, +2%, completing installation and commissioning operations at largest industrial seawater desalination plant for Toshiba Corporation;
 - Real estate solutions revenue of S\$65.8 million, +6%, contributions of two major projects at Seletar Aerospace Park; and
 - Geo-spatial technology revenue of S\$20.8 million, +18%, demand driven mainly by software sales and after-sales maintenance services to government agencies.
- The Group's financial position remains healthy with a net cash position of S\$183.9 million as at the end of 2Q FY2011.
- The Group expects to continue to perform well in 2H FY2011.
- The Board has declared an interim cash dividend of 2.0 cents per ordinary share for 2Q FY2011, which is 33% higher than the interim cash dividend declared and paid for 2Q FY2010.

Singapore, 9 November 2010 – Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global infrastructure-related engineering services and geo-spatial technology group today announced its unaudited financial results for the second quarter ended 30 September 2010.

For 2Q FY2011 and 1H FY2011, the Group achieved revenue of S\$130.6 million and S\$322.7 million respectively. Net profit attributable to owners of the company were S\$8.1 million and S\$40.0 million for the respective periods stated above.

2Q FY2011 net profit attributable to owners of the company decreased by 25% due to lower gross margins on one sizeable project secured amidst a highly competitive environment in 2009 and expenses for the expansion of two new overseas offices.

The Board declared an interim cash dividend of 2.0 cents per ordinary share for 2Q FY2011, which is 33% higher than the interim cash dividend of 1.5 cents per ordinary share declared and paid for 2Q FY2010.

The Energy-Related Engineering Division achieved revenue of S\$38.0 million, growing 34%. Revenue growth was driven primarily by the strong performance of the downstream oil & gas business, which continued to progress with momentum on its major projects globally. The upstream oil & gas business and solid waste energy recovery business experienced a relatively slow quarter. With global crude oil prices stabilising above US\$80 per barrel, negotiations by the division for small to medium-sized contracts are expected to be facilitated. The division was recently awarded S\$9 million in contracts for waste heat recovery units – a green technology that enhances the energy efficiency of new and existing oil & gas processes – in Brazil and Chile.

The Water & Wastewater Engineering Division registered revenue of S\$5.8 million, up 2%. The division is in the process of completing installation and commissioning operations at its largest industrial seawater desalination plant for Toshiba Corporation at the Tanjung Jati B Power Plant in Indonesia. Having successfully turned around, the division has been actively rebuilding its order book and was recently awarded a multi-million dollar water treatment and return condensate treatment plant at the Tuas Power Tembusu Multi-Utilities Complex in Singapore, strengthening its track record in the power industry.

Revenue of the Real Estate Solutions Division was S\$65.8 million, increasing 6%. Revenue growth came mainly from the industrial real estate solutions business, especially from the contributions of two major projects located at the Seletar Aerospace Park. The division expects continued challenges, with the average enquiry value for the design-and-build of industrial facilities having declined although the number of enquiries has risen. The focus will be on securing design-and-build and design-build-and-lease contracts in the face of an anticipated slowdown in this sector, with special emphasis being placed on opportunities in niche growth industries and for expanding the Group’s recurring income base.

In Libya, the new township project continues to meet challenges which affected progress in 2Q FY2011. The Group’s management is negotiating new terms for the joint venture which are aimed at speeding up the completion of the project and mitigating the Group’s risks. This is expected to be completed in 3Q FY2011.

Geo-Spatial Technology achieved revenue of S\$20.8 million, rising 18%. Demand was driven mainly by software sales and after-sales maintenance services to government agencies in Australia and South East Asia. Sustained demand is expected to continue from government agencies, although the growth for the remainder of FY2011 is expected to slow.

All four core operating divisions continued to register a profit before income tax. However, the profitability of the Energy-Related Engineering Division and the Real Estate Solutions Division was affected by the restructuring of the Boustead Maxitherm business in Australia and lower project margins respectively.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, "We delivered strong results in the first half and believe our businesses will continue to do well in the second half of FY2011." Mr Wong added, "We have a sizeable net cash balance of S\$183.9 million and this shall be deployed to fund strategic acquisitions and investments – some of which are currently undergoing due diligence as previously announced."

-- End of media release --

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, Water & Wastewater Engineering and Real Estate Solutions.

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 and the FTSE ST Small Cap Index.

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Financial Results Archive

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