



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

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

FINANCIAL EXPOSURE IN LIBYA

Singapore, 28 February 2011

Following the announcements made by Boustead Singapore Limited (the "Company") on 21 February 2011 and 25 February 2011 regarding the Company's successful evacuation from Libya of its 31 non-Libyan staff, the Board of Directors of the Company (the "Board") wishes to provide an update on the Company's financial exposure in Libya.

Since the outbreak of political unrest in Libya, the Board and the Company's Management have closely monitored developments and, in view of the rising tide of violence, the Company has suspended all of its projects in Libya. As a result of this development, the Company's Management has assessed the possible financial consequences to the Company, if the present turmoil in Libya is not resolved satisfactorily and the Company is unable to complete its projects.

At the present time, the Company's Management has determined that the financial exposure of the Company to all of its projects in Libya is between S\$15.5 million and S\$39.6 million. This range takes into account all receivables and loans due from the Libyan joint venture ("JV") company and its clients, all contingent liabilities and cash balances in Libyan bank accounts ("Bank Balances").

The construction agreement (the "Agreement") for the Al Marj township project includes a provision for force majeure termination ("Force Majeure"). Given the present circumstances, it would be too early to invoke this provision. Generally, the client of the JV must be given ample opportunity to remedy the situation (usually within 90 days) failing which the Company must work closely with its Libyan JV partner to negotiate with the client with a view of terminating the Agreement on grounds of Force Majeure caused by the grave political unrest. Under the Force Majeure provision, the Libyan JV company can seek for compensation and recover debts due from the client. On the same grounds, the Company can seek protection to mitigate its contingent liabilities. In the likely event that the Libyan JV company succeeds in invoking the Force Majeure of the Agreement, the maximum exposure of the Boustead Group would be reduced by about S\$24.1 million. If the Company treats Bank Balances as recoverable, the maximum exposure would be reduced by a further S\$2.4 million.

The Company will continue to monitor the situation in Libya and to take appropriate steps to minimise its exposure but the Board considers it necessary to keep shareholders informed of the possible losses arising from this unexpected development.

Notwithstanding the potential exposure, the Company will continue to be profitable in the current financial year and maintain a strong balance sheet given the strong performance in all of its other businesses. Since the beginning of 2011, the Company has been awarded a variety of projects totaling S\$55 million and its order book now stands at S\$246 million. The Company is also expected to maintain its normal dividend payouts as compared to the last financial year.

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.

Visit us at www.boustead.sg.

Contact Information

For media and investor enquiries related to Boustead Singapore Limited, 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
E-mail: keith.chu@boustead.sg

Ms Athena Kang
Corporate Marketing Executive

Tel: +65 6747 0016 ext 109
Fax: +65 6741 8689
E-mail: athena.kang@boustead.sg