

# Boustead Singapore Limited

## FY2011 Financial Results Presentation

26 MAY 2011



**ENGINEERING THE WORLD OF THE FUTURE**

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# Presentation Agenda

- Overview
- Group Financial Review
- Division Financial Review
- Questions & Answers





# Overview

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# Introducing Boustead

*Engineering the world of the future*

OVERVIEW

- Established in 1828, Boustead Singapore is a progressive global infrastructure-related engineering services & geo-spatial technology group



# Introducing Boustead

*Engineering the world of the future*

OVERVIEW

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# Our Global Network

OVERVIEW



# Our Global Footprint

OVERVIEW





# Our Global Footprint

OVERVIEW

## ASIA & OCEANIA

### East Asia & Central Asia

Azerbaijan  
China\*  
Japan  
South Korea\*  
Taiwan  
Turkmenistan

### South East Asia

Brunei  
Indonesia\*  
Malaysia\*  
Myanmar  
Philippines\*  
Singapore\*  
Thailand\*  
Timor-Leste  
Vietnam\*

### South Asia

Bangladesh  
India\*  
Maldives  
Pakistan  
Sri Lanka

### South West Asia

Bahrain  
Cyprus  
Iran  
Iraq  
Jordan  
Kuwait  
Oman  
Qatar  
Saudi Arabia\*  
Syria  
Turkey\*  
UAE\*

### Australia & Oceania

Australia\*  
New Caledonia  
New Zealand  
Papua New Guinea

## EUROPE

### Eastern Europe

Hungary  
Poland  
Russia  
Slovakia  
Ukraine

### Northern Europe

England\*  
Ireland  
Isle of Man  
Lithuania  
Norway  
Scotland  
Wales

### Southern Europe

Greece  
Italy\*  
Spain\*

### Western Europe

Austria  
Belgium  
Germany  
Netherlands  
Switzerland

## AFRICA

### East Africa

Somalia  
Tanzania

### North Africa

Algeria  
Egypt  
Libya\*  
Sudan  
Tunisia

### Middle Africa

Angola  
Congo  
Equatorial Guinea

### West Africa

Cote d'Ivoire  
Ghana  
Nigeria

## THE AMERICAS

### North America

Canada\*  
USA\*

### Latin America & Caribbean

Argentina\*  
Brazil\*  
Chile  
Dominican Republic  
Mexico  
Netherlands Antilles  
Peru  
Venezuela\*



\*Regional/local offices



# Major Awards/Recognitions

OVERVIEW

- Major awards/recognitions in FY2011
  - Most Transparent Company Award 2010 (Runner-Up in Construction Category)
  - Singapore Business Superbrands2010
  - MSCI Global Small Cap Index for Singapore
  - FTSE ST Small Cap Index





# Group Financial Review

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# Group Financial Results

GROUP FINANCIAL REVIEW

	FY2011	FY2010	Chg (%)
Revenue	S\$560.6m	S\$438.4m	+28
Gross profit	S\$178.1m	S\$132.6m	+34
Gross profit margin	32%	30%	
Profit before income tax	*S\$73.6m	S\$59.0m	+25
Profit before income tax margin	13%	13%	
Net profit	*S\$52.2m	S\$43.1m	+21
Earnings per share	10.3cts	8.5cts	+21
Net asset value per share	45.3cts	42.2cts	+7



\* Includes provisions made for two projects in Libya



# Group Revenue by Segment

GROUP FINANCIAL REVIEW

	<b>FY2011 (S\$)</b>	<b>FY2010 (S\$)</b>	<b>Chg (%)</b>
Engineering Services	465.3m	360.9m	+29
Geo-Spatial Technology	94.7m	74.8m	+27
Investment Activities	0.6m	2.7m	-78
<b>Group Total</b>	<b>560.6m</b>	<b>438.4m</b>	<b>+28</b>



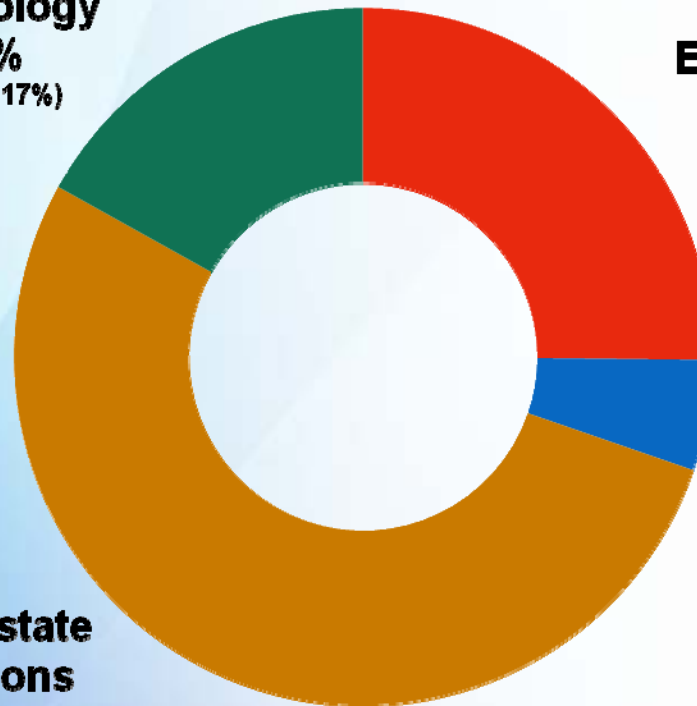
# Group Revenue Mix by Division

**Geo-Spatial  
Technology**  
**17%**  
(FY'10: 17%)

**Energy-  
Related  
Engineering**  
**25%**  
(FY'10: 28%)

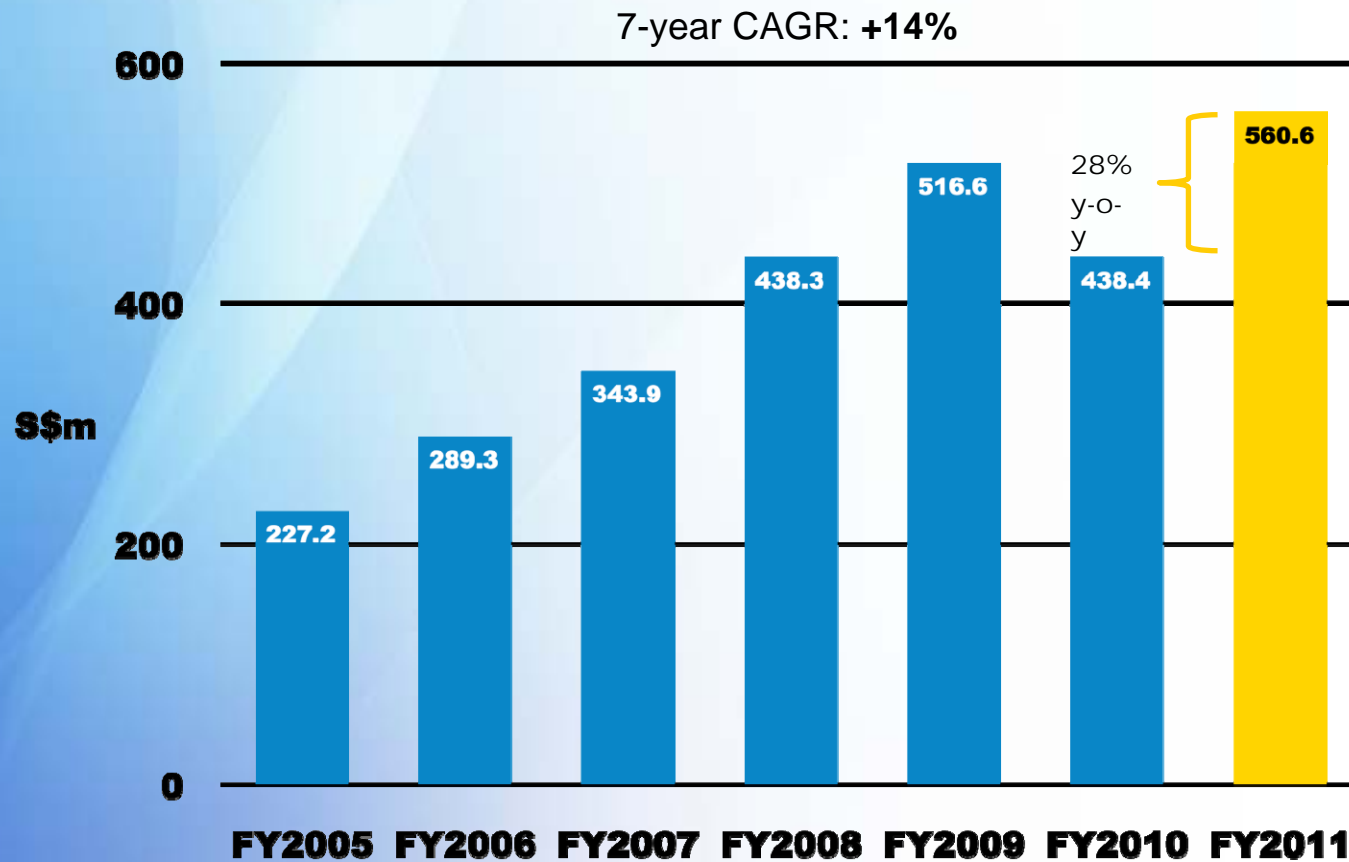
**Water &  
Wastewater  
Engineering**  
**5%**  
(FY'10: 13%)

**Real Estate  
Solutions**  
**53%**  
(FY'10: 42%)



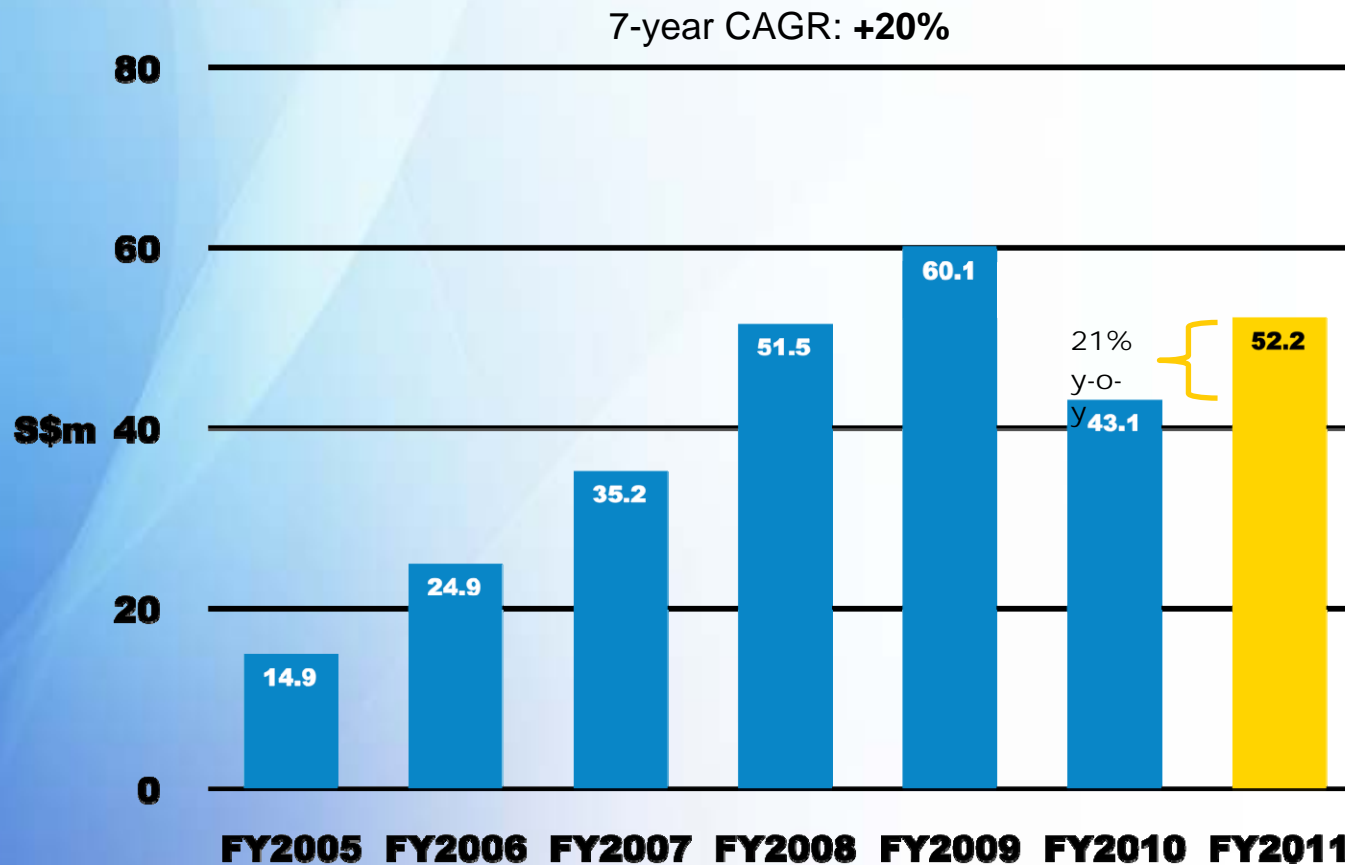
# Group Revenue

- Record revenue



# Group Net Profit

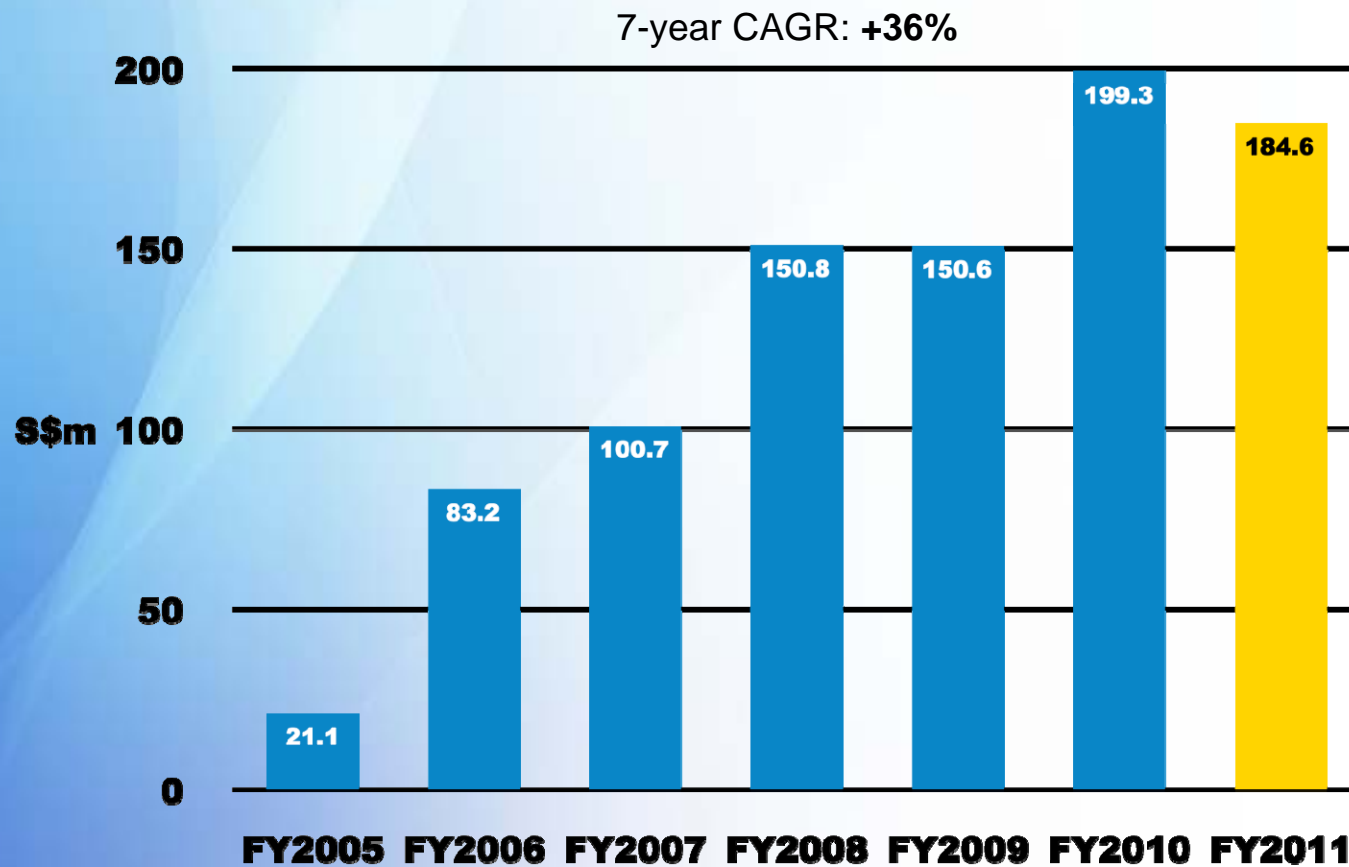
- Increasing net profit in spite of provisions made for two projects in Libya





# Group Net Cash Position

- Healthy net cash position



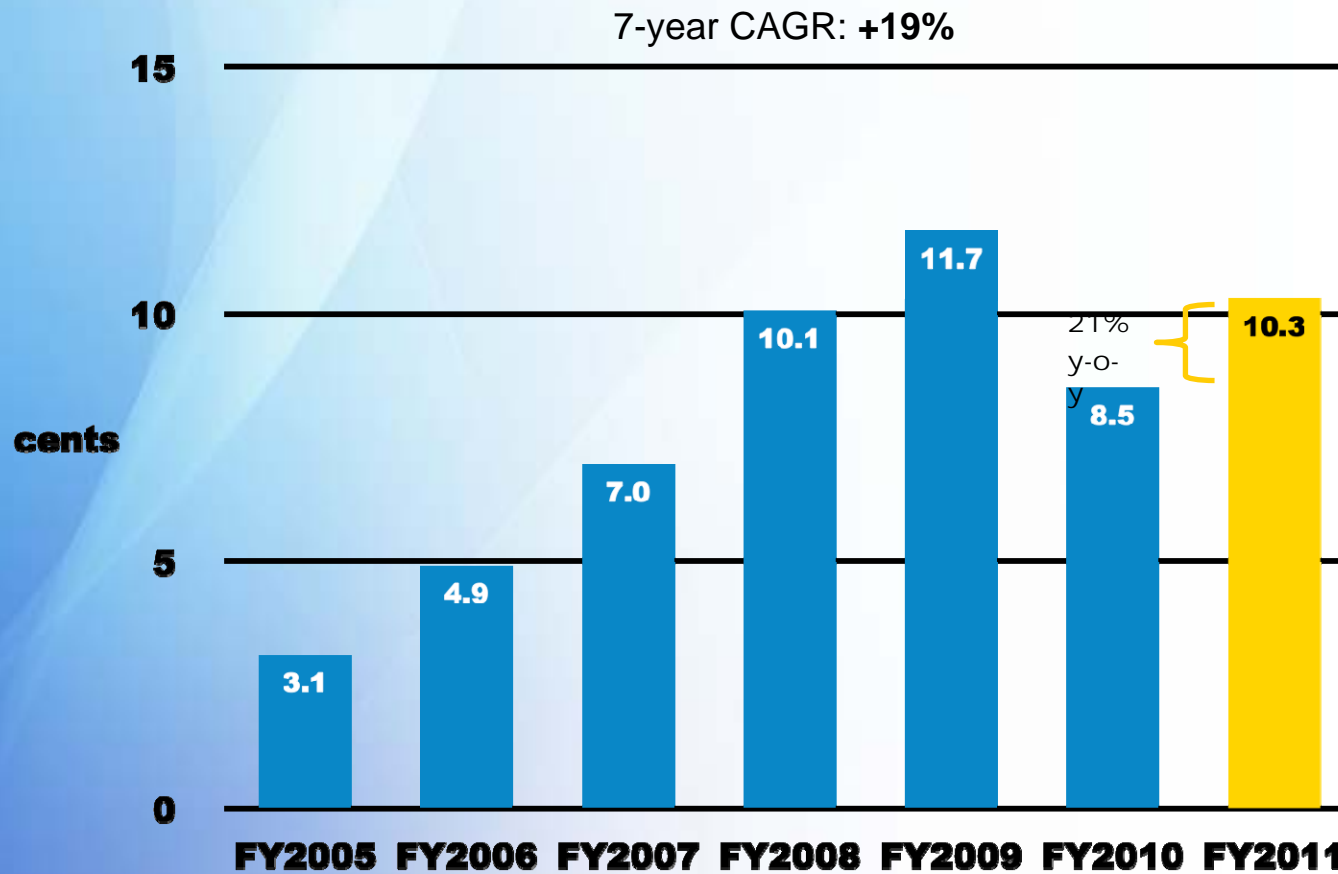
# Return on Shareholders' Equity

- Respectable ROE



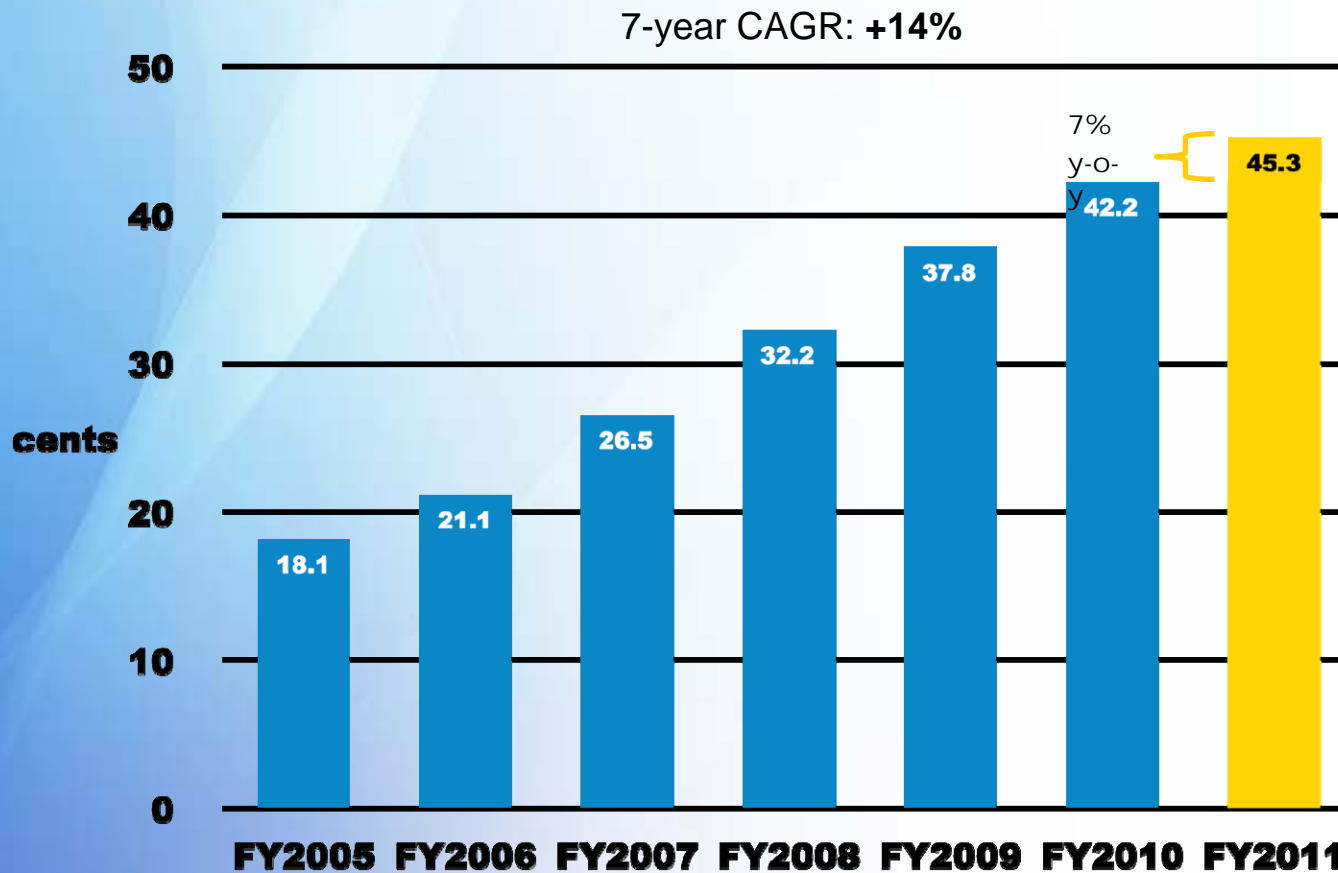
# Earnings per Share

- Increasing EPS



# Net Asset Value per Share

- Strengthening financial position



# Group Dividend

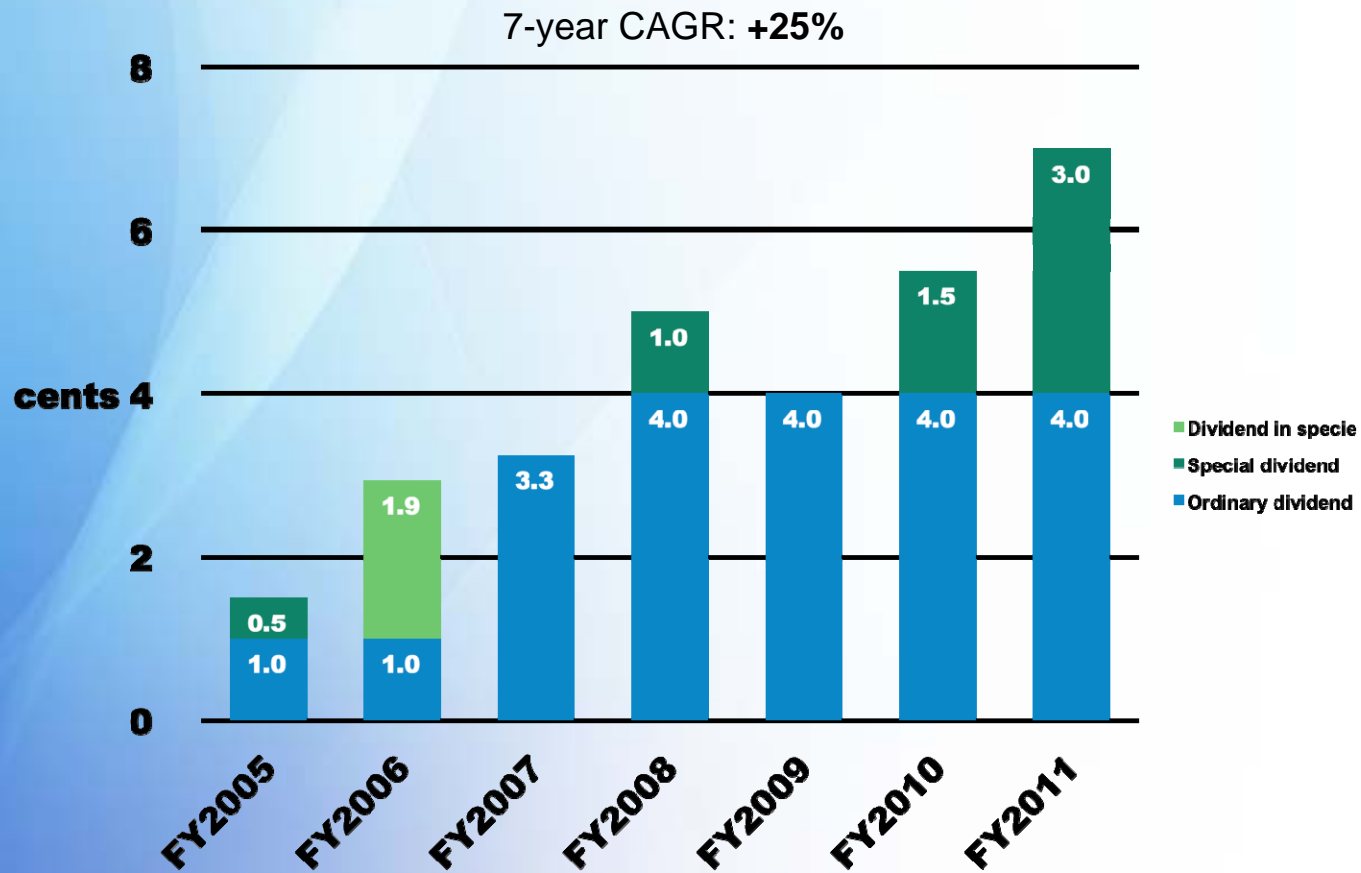
GROUP FINANCIAL REVIEW

	FY2011	FY2010	Chg (%)
Special dividend (proposed)	3.0cts	1.5cts	
Final dividend (proposed)	2.0cts	2.5cts	
Interim dividend (paid)	2.0cts	1.5cts	
<b>Total dividend</b>	<b>7.0cts</b>	<b>5.5cts</b>	<b>+27</b>



# Group Dividend

- Respectable dividend yield: ~7%





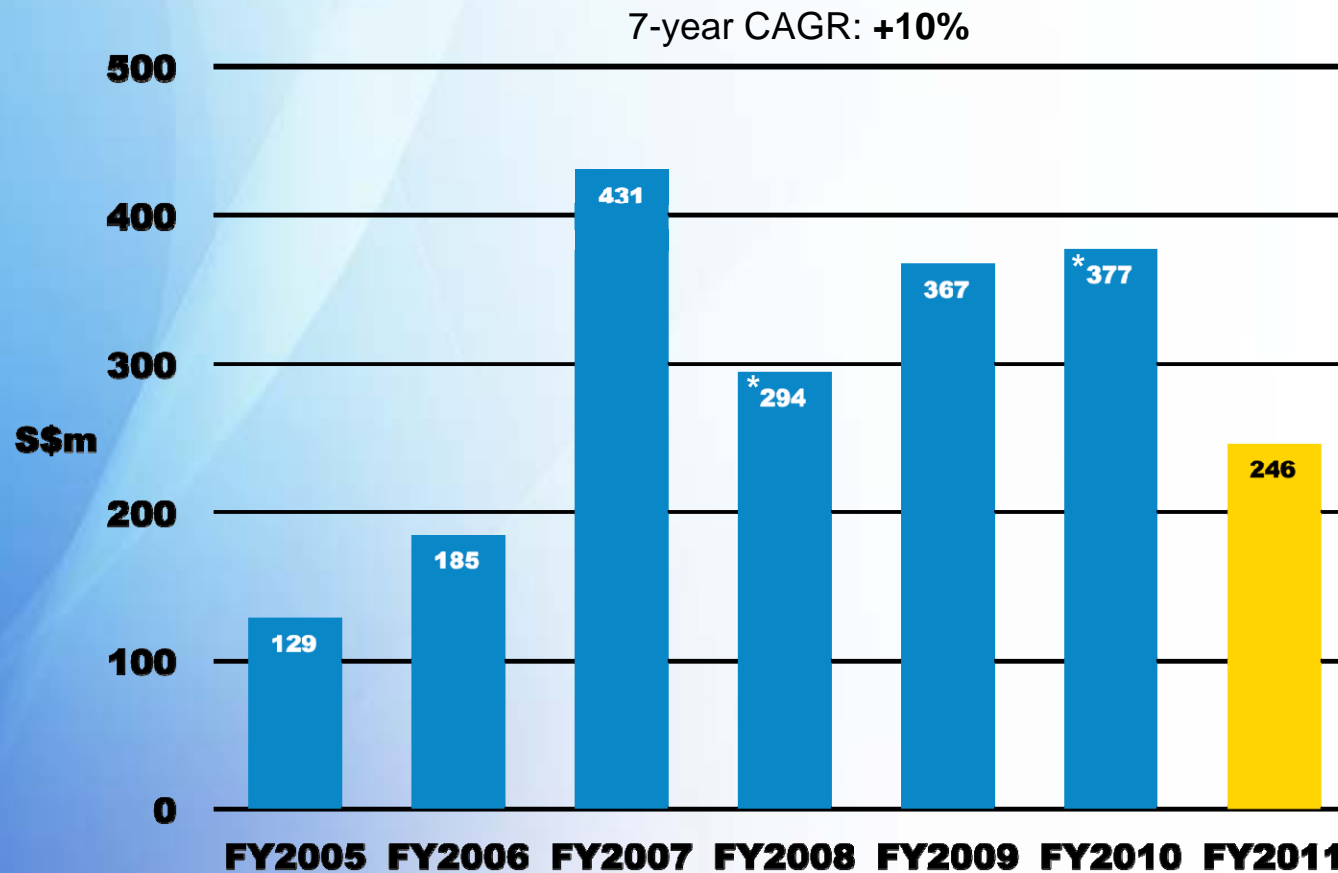
# Division Financial Review

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# Group Orders Secured

- Decline in orders secured although sharp improvement in 4Q FY2011



\* Adjusted to remove new township project in Libya after restructuring of joint venture







# Division Financial Review

## Energy-Related Engineering

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# Energy-Related Engineering

## Division Revenue & Profit before Income Tax

	FY2011 (S\$)	FY2010 (S\$)	Chg (%)
Revenue	140.9m	122.3m	+15
Profit before income tax	17.0m	19.9m	-15

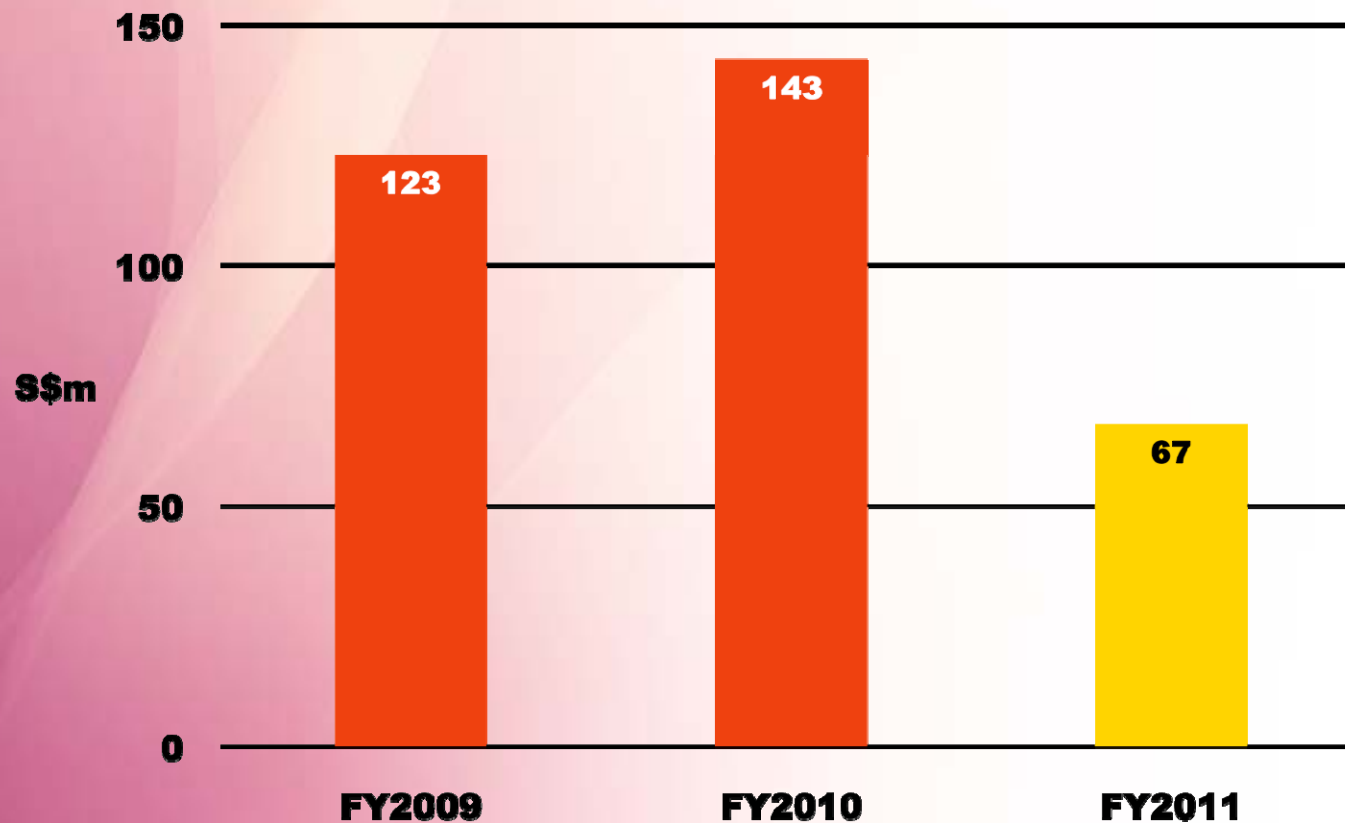
- Increase in revenue
  - Strong performance of downstream oil & gas business
  - Revenue recovery of upstream oil & gas business and solid waste energy recovery business at tail end of FY2011
- Decrease in PBT
  - More competitive business environment



# Energy-Related Engineering

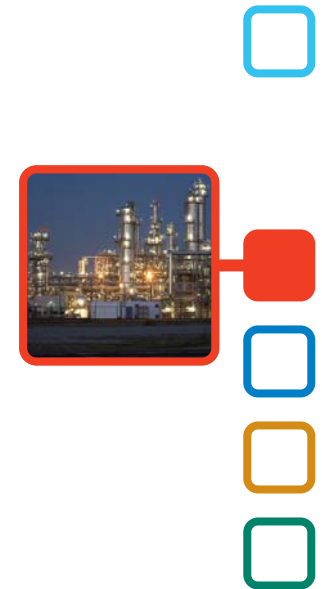
## Orders Secured

- Delay in client commitments with pace picking up in 4Q FY2011



# Energy-Related Engineering Prospects

- Riding on global oil price recovery
  - Current order book backlog: >S\$90m
  - Good contract momentum with S\$43m in contracts secured since January 2011
  - Oil & gas outlook
    - Global oil prices at above US\$100 per barrel
    - Expecting slow recovery of margins in spite of competitive business environment
    - Healthy enquiry pipeline
  - Solid waste energy recovery outlook
    - Mini-power plant opportunities in Indonesia





# Division Financial Review

## Water & Wastewater Engineering

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# Water & Wastewater Engineering

## Division Revenue & Profit before Income Tax

DIVISION FINANCIAL REVIEW

	<b>FY2011 (S\$)</b>	<b>FY2010 (S\$)</b>	<b>Chg (%)</b>
Revenue	28.7m	54.9m	-48
Profit before income tax	(1.7m)	7.8m	NM

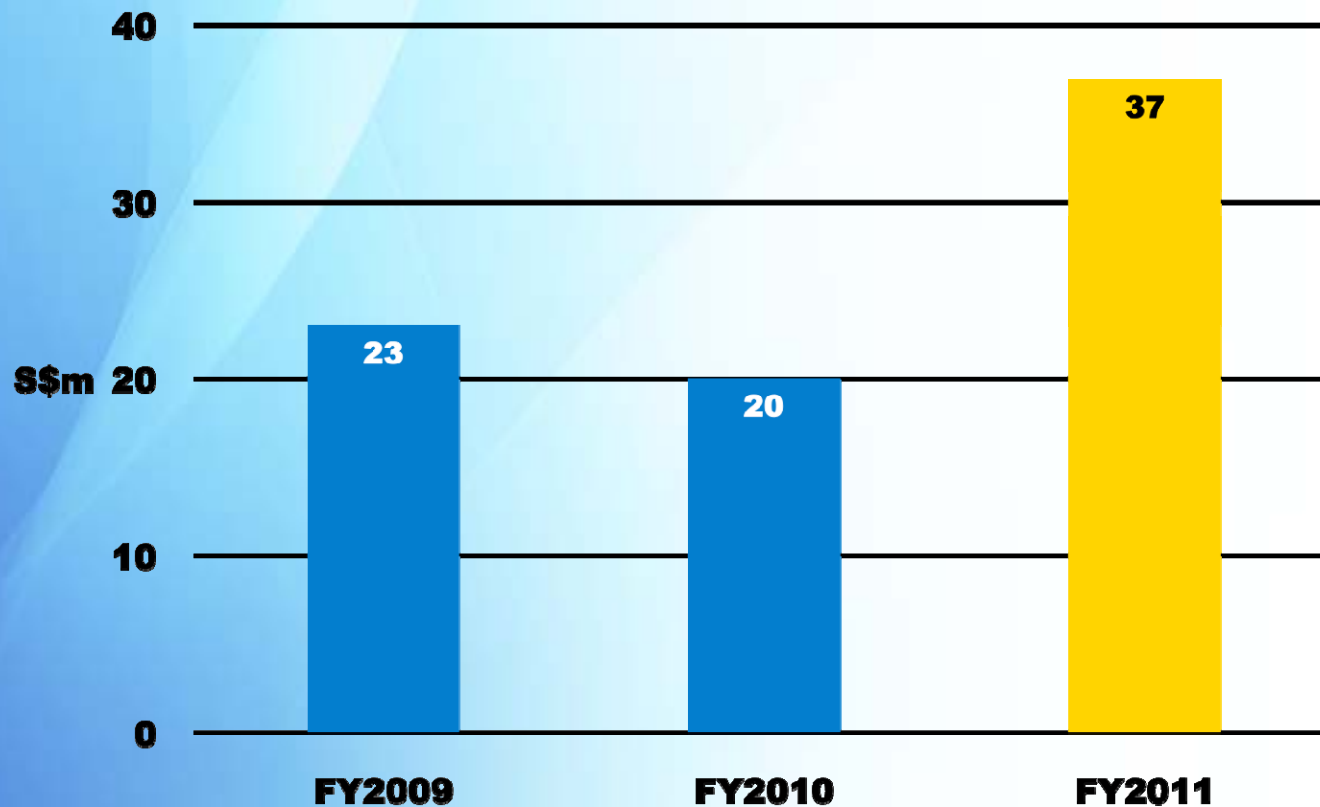
- **Decrease in revenue**
  - Slower recognition from major projects
- **Loss before income tax**
  - Solely due to provision made for project in Libya
  - Without provision, PBT would have been S\$3m



# Water & Wastewater Engineering

## Orders Secured

- Secured two major projects



# Water & Wastewater Engineering

## Prospects

- Riding on growing power industry in Asia
  - Current order book backlog: >S\$35m
  - Focusing on industrial water and wastewater projects in South East Asia, particularly in medium-sized seawater desalination projects and demineralisation projects







# Division Financial Review

## Real Estate Solutions

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# Real Estate Solutions

## Division Revenue & Profit before Income Tax

DIVISION FINANCIAL REVIEW

	<b>FY2011 (S\$)</b>	<b>FY2010 (S\$)</b>	<b>Chg (%)</b>
Revenue	295.7m	183.7m	+61
Profit before income tax	37.8m	16.8m	+125

- Top revenue contributor
  - Industrial real estate solutions
    - Completed S\$67.8m sale of IBM Singapore Technology Park
    - Substantially completed two major projects for Rolls-Royce at Seletar Aerospace Park
    - Eight industrial leasehold facilities in portfolio including new clients: Continental Automotive, Hawker Pacific and Hankyu Hanshin
  - New township
    - Indefinite suspension of project in Libya

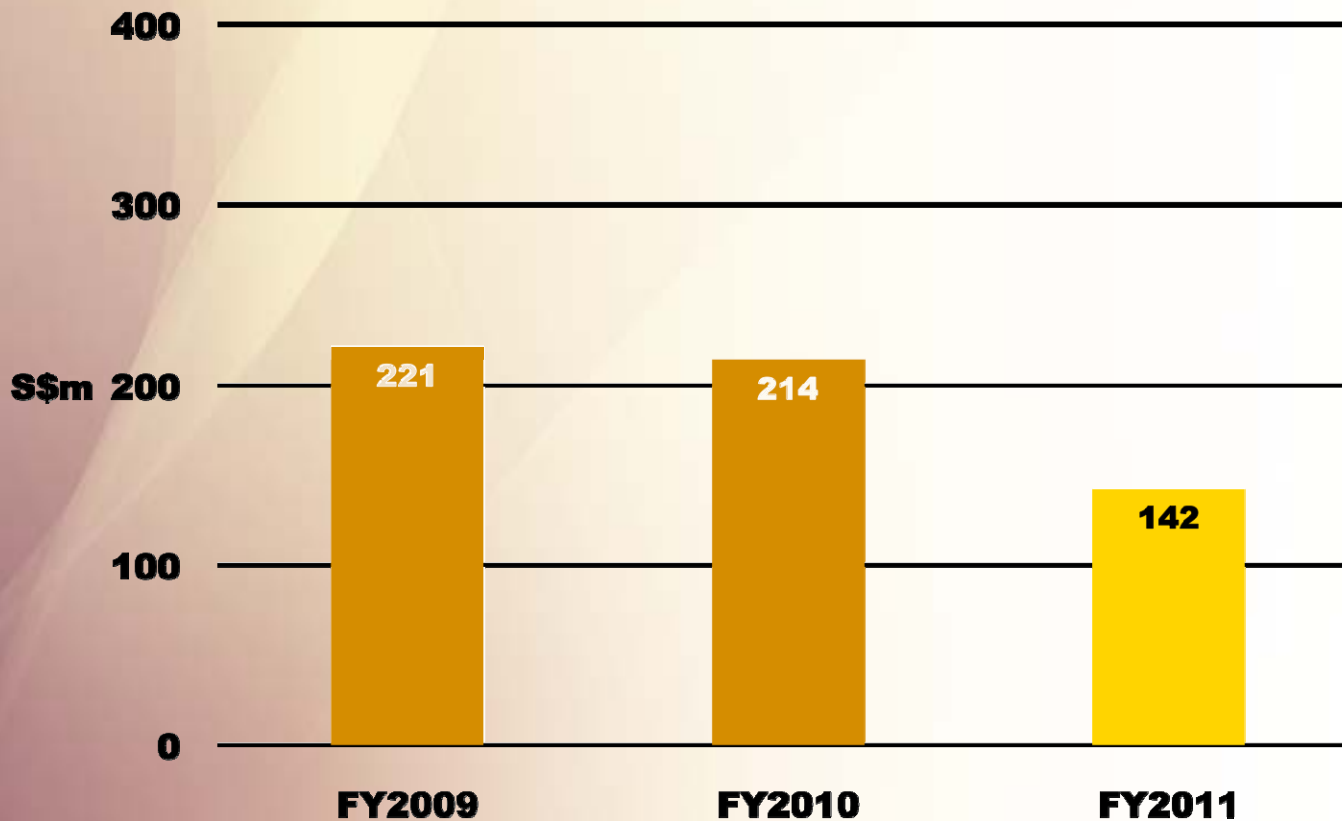


# Real Estate Solutions

## Orders Secured

DIVISION FINANCIAL REVIEW

- Smaller contract values although quantity of contracts remained similar to FY2010

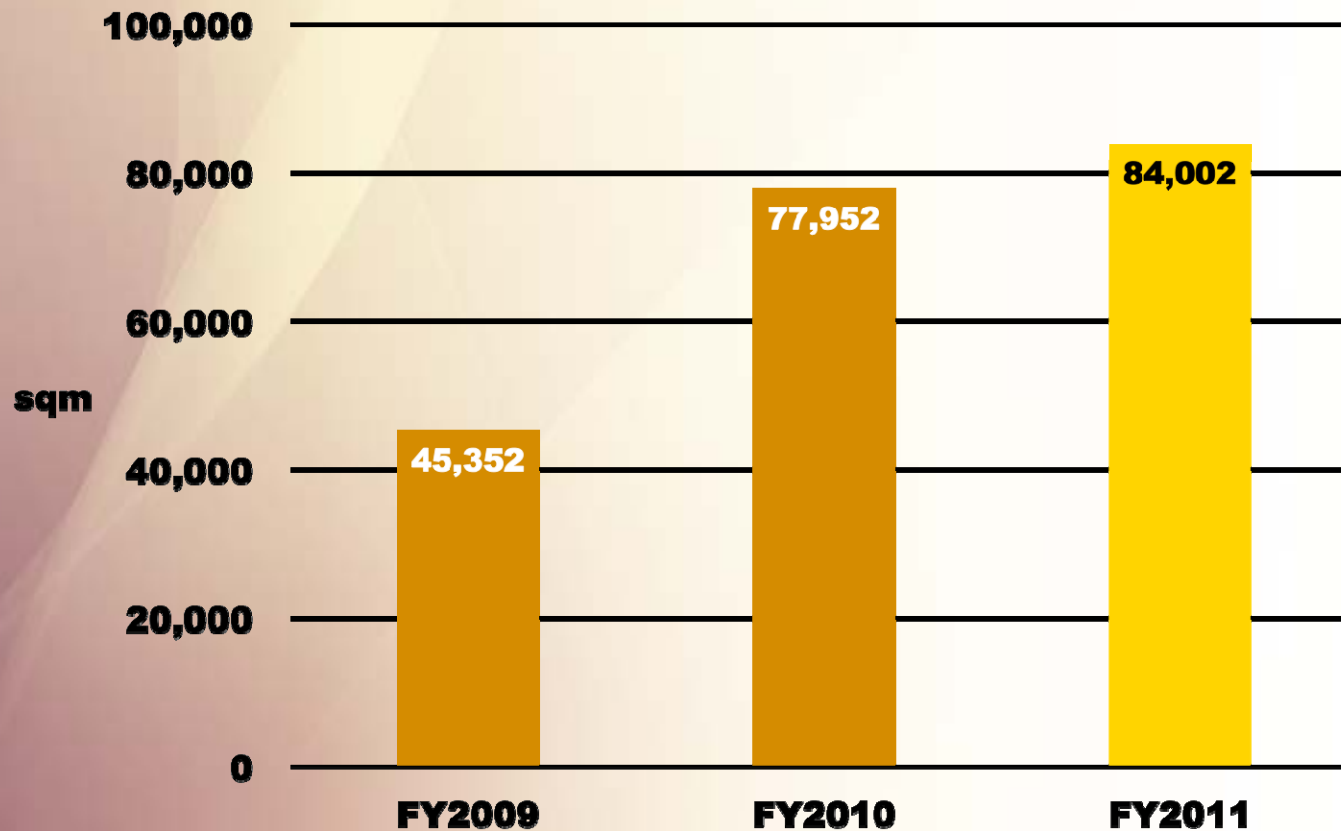


# Real Estate Solutions

## Industrial Leasehold Portfolio

DIVISION FINANCIAL REVIEW

- Aggressive growth of industrial leasehold portfolio



# Real Estate Solutions

## Prospects

- Focusing on niche growth industries
  - Current order book backlog: >S\$100m
  - S\$55m contract for SDV Logistics not included in order book backlog but contributing to profit in FY2013
  - Good contract momentum with six contracts secured since January 2011
  - Industrial real estate outlook:
    - Design-and-build contracts in niche growth industries
    - Design-build-and-lease contracts to grow portfolio for recurring income
    - Expanding international operations
    - Healthy enquiry pipeline





# Division Financial Review

## Geo-Spatial Technology

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# Geo-Spatial Technology

## Division Revenue & Profit before Income Tax

DIVISION FINANCIAL REVIEW

	<b>FY2011 (S\$)</b>	<b>FY2010 (S\$)</b>	<b>Chg (%)</b>
Revenue	94.7m	74.8m	+27
Profit before income tax	23.8m	18.7m	+27

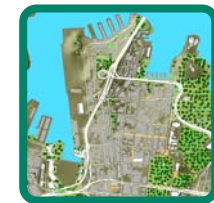
- Record revenue performance
  - Maiden full-year contribution of MapData Services
  - Strong demand for software and services from government agencies



# Geo-Spatial Technology

## Prospects

- **Steady prospects**
  - Sustained demand from government agencies
  - Growth of professional services category will result in expansion of workforce







Thank You

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# Questions & Answers

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