


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 FY2012
ENDED 30 SEPTEMBER 2011



Corporate Profile

Established in 1828, Boustead Singapore Limited 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.

In 2008 and 2009, the Group 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. The Group is also listed on the MSCI Global Small Cap Index for Singapore and the FTSE ST Small Cap Index.

BOUSTEAD SINGAPORE LIMITED
(Company Registration No. 197501036K)

Unaudited Financial Statements and Related Announcement for the Second Quarter Ended 30 September 2011

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		
		30.9.11 \$'000	30.9.10 \$'000	Inc/(Dcr) %	30.9.11 \$'000	30.9.10 \$'000	Inc/(Dcr) %
Revenue		90,959	130,554	-30%	181,645	322,745	-44%
Cost of sales		(55,665)	(99,712)	-44%	(113,727)	(226,530)	-50%
Gross profit		35,294	30,842	14%	67,918	96,215	-29%
Other operating income	1	1,084	925	17%	2,062	1,779	16%
Selling and distribution expenses		(8,159)	(7,095)	15%	(15,956)	(14,409)	11%
Administrative expenses		(10,548)	(9,133)	15%	(20,229)	(22,243)	-9%
Other operating expenses		(3,469)	(3,150)	10%	(6,666)	(6,833)	-2%
Finance costs		(203)	(83)	145%	(404)	(194)	108%
Profit before income tax	2	13,999	12,306	14%	26,725	54,315	-51%
Income tax expense	3	(4,170)	(3,308)	26%	(7,773)	(10,359)	-25%
Profit for the period		9,829	8,998	9%	18,952	43,956	-57%
Profit attributable to:							
Owners of the company		9,103	8,078	13%	17,609	40,005	-56%
Non-controlling interests		726	920	-21%	1,343	3,951	-66%
		9,829	8,998	9%	18,952	43,956	-57%

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.

	GROUP Second quarter ended			GROUP Half year ended		
	30.9.11 \$'000	30.9.10 \$'000	Inc/(Dcr) %	30.9.11 \$'000	30.9.10 \$'000	Inc/(Dcr) %
Profit for the period	9,829	8,998	9%	18,952	43,956	-57%
Other comprehensive income (net of tax):						
Exchange differences on translation of foreign operations	763	1,407	-46%	817	(493)	NM
Investments revaluation reserve	(26)	94	NM	(16)	94	NM
Other comprehensive income/(loss) for the period, net of tax	737	1,501	-51%	801	(399)	NM
Total comprehensive income for the period	10,566	10,499	1%	19,753	43,557	-55%
Total comprehensive income attributable to:						
Owners of the company	9,956	9,327	7%	18,360	39,598	-54%
Non-controlling interests	610	1,172	-48%	1,393	3,959	-65%
	10,566	10,499	1%	19,753	43,557	-55%

NM - not meaningful

	GROUP			GROUP		
	Second quarter ended			Half year ended		
	30.9.11	30.9.10	Inc/(Dcr)	30.9.11	30.9.10	Inc/(Dcr)
\$'000	\$'000	%	\$'000	\$'000	%	
<u>Note 1: Other operating income</u>						
Interest income	832	680	22%	1,557	1,290	21%
Other rental income	252	245	3%	505	489	3%
	1,084	925	17%	2,062	1,779	16%
<u>Note 2 : The profit before income tax is arrived at after (charging)/crediting the following:</u>						
Depreciation expense	(934)	(843)	11%	(1,770)	(1,654)	7%
Amortisation expense	(60)	(54)	11%	(119)	(130)	-8%
Gain/(Loss) on disposal of equipment	(27)	51	NM	55	51	8%
Gain on disposal of assets held for sale	-	-		-	618	-100%
Net foreign currency exchange adjustment loss	(573)	(681)	-16%	(903)	(3,621)	-75%
Fair value adjustment on foreign exchange contracts and held-for-trading investments	(826)	915	NM	(1,144)	(9)	12611%
Share option expense	-	-		-	(62)	-100%
<u>Note 3: Income tax</u>						
Over/(Under) provision in prior years	-	(3)	-100%	37	(3)	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 statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Note	GROUP		COMPANY	
		30.9.11 \$'000	31.3.11 \$'000	30.9.11 \$'000	31.3.11 \$'000
<u>ASSETS</u>					
Current assets:					
Cash and bank balances		192,652	209,788	69,943	90,500
Trade receivables		66,378	96,810	-	-
Other receivables and prepayments		24,818	15,931	12,988	7,164
Held-for-trading investments		9,755	6,282	9,755	6,282
Foreign exchange contracts		-	66	-	66
Loans to subsidiaries		-	-	20,494	25,080
Inventories		4,998	3,233	-	-
Properties held for sale		57,306	55,683	-	-
Contracts work-in-progress		49,690	47,325	-	-
		405,597	435,118	113,180	129,092
Assets held for sale		746	746	1,497	1,497
Total current assets		406,343	435,864	114,677	130,589
Non-current assets					
Property, plant and equipment		15,055	15,775	-	-
Investment properties		41,358	13,463	-	-
Goodwill		1,520	1,536	-	-
Other intangible assets		1,737	1,875	30	30
Investments in associates		4,551	5,192	3,299	3,940
Investments in subsidiaries		-	-	132,928	133,038
Available-for-sale investments		22,120	9,684	16,570	4,134
Deferred tax assets		2,848	2,889	-	-
Total non-current assets		89,189	50,414	152,827	141,142
Total assets		495,532	486,278	267,504	271,731
<u>LIABILITIES AND EQUITY</u>					
Current liabilities					
Bank loans and overdrafts	1(b)(ii)	3,560	3,531	-	-
Foreign exchange contracts		639	-	1,283	-
Trade and other payables		209,954	187,869	5,070	5,271
Loans from subsidiaries		-	-	180,529	169,582
Contracts work-in-progress		5,682	9,926	-	-
Income tax payable		20,732	21,667	-	-
Total current liabilities		240,567	222,993	186,882	174,853
Non-current liabilities					
Long-term bank loans	1(b)(ii)	20,669	21,623	-	-
Pension liability		1,830	1,824	-	-
Deferred tax liabilities		2,352	2,369	-	-
Total non-current liabilities		24,851	25,816	-	-
Capital, reserves and non-controlling interests					
Share capital	1(d)(i)	73,861	73,861	73,861	73,861
Treasury shares		(6,633)	(5,403)	(6,633)	(5,403)
Accumulated profits		169,662	177,365	13,357	28,367
Other reserves	1(d)(i)	(15,656)	(16,407)	37	53
Equity attributable to owners of the company		221,234	229,416	80,622	96,878
Non-controlling interests		8,880	8,053	-	-
Total equity		230,114	237,469	80,622	96,878
Total liabilities and equity		495,532	486,278	267,504	271,731

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

Amount repayable in one year or less, or on demand

As at 30.9.11 \$'000		As at 31.3.11 \$'000	
Secured	Unsecured	Secured	Unsecured
3,560	-	3,531	-

Amount repayable after one year

As at 30.9.11 \$'000		As at 31.3.11 \$'000	
Secured	Unsecured	Secured	Unsecured
20,669	-	21,623	-

An amount of \$4,625,000 (31.3.11: \$4,875,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 12 Changi North Way, Singapore.

An amount of \$3,640,000 (31.3.11: \$4,120,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 16 Changi North Way, Singapore.

An amount of \$6,350,000 (31.3.11: \$6,850,000) 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 \$3,930,000 (31.3.11: \$4,180,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 25 Changi North Rise, Singapore.

An amount of \$5,684,000 (31.3.11: \$5,129,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 2 Xinmao Street, Tongzhou District, People's Republic of China.

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 30.9.11 \$'000	30.9.10 \$'000	Half year ended 30.9.11 \$'000	30.9.10 \$'000
Operating activities				
Profit before income tax	13,999	12,306	26,725	54,315
Adjustments for:				
Depreciation expense	934	843	1,770	1,654
Amortisation expense	60	54	119	130
Share option expense	-	-	-	62
Gain on disposal of assets held for sale	-	-	-	(618)
(Gain)/Loss on disposal of equipment	27	(51)	(55)	(51)
Fair value adjustment on foreign exchange contracts and held-for-trading investments	826	(915)	1,144	9
Interest expense	203	83	404	194
Interest income	(832)	(680)	(1,557)	(1,290)
Operating cash flows before changes in working capital	15,217	11,640	28,550	54,405
Decrease in receivables	4,520	11,568	22,186	9,205
Increase in inventories and contracts work-in-progress	(8,747)	(22,687)	(8,374)	(33,235)
(Increase)/Decrease in properties held for sale	(1,325)	(4,928)	(1,623)	15,891
Decrease in assets held for sale	-	492	-	492
Increase/(Decrease) in payables	15,500	19,557	21,480	(26,088)
Cash generated from operations	25,165	15,642	62,219	20,670
Interest income received	832	680	1,557	1,290
Interest expense paid	(203)	(83)	(404)	(194)
Income tax paid	(5,594)	(6,458)	(8,683)	(10,362)
Net cash from operating activities	20,200	9,781	54,689	11,404
Investing activities				
Proceeds from disposal of equipment	16	158	134	158
Purchase of equipment	(351)	(994)	(870)	(1,761)
Purchase of available-for-sale investments	(6,041)	(494)	(12,452)	(2,572)
Purchase of held-for-trading investments	(3,912)	-	(3,912)	-
Increase in investment properties	(15,603)	-	(28,196)	-
Net cash inflow on disposal of assets held for sale	-	-	-	835
Net cash used in investing activities	(25,891)	(1,330)	(45,296)	(3,340)
Financing activities				
Net proceeds from issue of shares of the company	-	528	-	648
Repayment of short-term bank loans	-	(4,601)	-	-
Proceeds from long-term bank loans	364	-	555	-
Repayment of long-term bank loans	(740)	(740)	(1,480)	(1,480)
Payment of dividends to non-controlling interests	-	(952)	-	(1,013)
Acquisition of non-controlling interests	-	(448)	-	(3,065)
Repurchase of shares	(1,230)	-	(1,230)	-
Dividends paid	(25,312)	(20,258)	(25,312)	(20,258)
Net cash used in financing activities	(26,918)	(26,471)	(27,467)	(25,168)
Net decrease in cash and cash equivalents	(32,609)	(18,020)	(18,074)	(17,104)
Cash and cash equivalents at beginning of the period	224,491	222,382	209,788	222,410
Effect of foreign exchange rate changes	770	1,003	938	59
Cash and cash equivalents at end of the period	192,652	205,365	192,652	205,365

Notes to the consolidated cash flow statement:

	GROUP		GROUP	
	Second quarter ended 30.9.11 \$'000	30.9.10 \$'000	Half year ended 30.9.11 \$'000	30.9.10 \$'000
(a) Disposal of assets held for sale				
Assets held for sale	-	-	-	4,440
Liabilities associated with assets held for sale	-	-	-	(4,104)
Net assets disposed	-	-	-	336
Gain on disposal	-	-	-	618
Total consideration	-	-	-	954
Net cash and bank balances disposed	-	-	-	(119)
Net cash inflow on disposal of assets held for sale	-	-	-	835
(b) Cash and cash equivalents				
Cash at bank	90,925	125,939	90,925	125,939
Short-term deposits	101,727	81,918	101,727	81,918
	192,652	207,857	192,652	207,857
Bank overdrafts	-	(2,492)	-	(2,492)
Cash and cash equivalents at end of the period	192,652	205,365	192,652	205,365

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-----)										
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Capital reserve \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Equity attributable to owners of the company \$'000	Non-controlling interests \$'000	Total \$'000
GROUP											
Balance at 1 April 2011	73,861	(5,403)	177,365	24	(10,710)	29	(5,750)	(16,407)	229,416	8,053	237,469
Total comprehensive income for the period	-	-	8,506	10	-	-	(112)	(102)	8,404	783	9,187
Balance at 30 June 2011	73,861	(5,403)	185,871	34	(10,710)	29	(5,862)	(16,509)	237,820	8,836	246,656
Total comprehensive income for the period	-	-	9,103	(26)	-	-	879	853	9,956	610	10,566
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(566)	(566)
Dividends	-	-	(25,312)	-	-	-	-	-	(25,312)	-	(25,312)
Repurchase of shares	-	(1,230)	-	-	-	-	-	-	(1,230)	-	(1,230)
Balance at 30 September 2011	73,861	(6,633)	169,662	8	(10,710)	29	(4,983)	(15,656)	221,234	8,880	230,114

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

	(-----Other reserves-----)										
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Capital reserve \$'000	Share option reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Equity attributable to owners of the company \$'000	Non-controlling interests \$'000	Total \$'000
GROUP											
Balance at 1 April 2010	72,853	(4,983)	155,474	-	(5,986)	310	(4,361)	(10,037)	213,307	17,264	230,571
Total comprehensive income for the period	-	-	31,927	-	-	-	(1,656)	(1,656)	30,271	2,787	33,058
Acquisition of non-controlling interests	-	-	-	-	(2,308)	-	-	(2,308)	(2,308)	(309)	(2,617)
Share option expense	-	-	-	-	-	62	-	62	62	-	62
Issue of shares	120	-	-	-	-	-	-	-	120	-	120
Balance at 30 June 2010	72,973	(4,983)	187,401	-	(8,294)	372	(6,017)	(13,939)	241,452	19,742	261,194
Total comprehensive income for the period	-	-	8,078	94	-	-	1,155	1,249	9,327	1,172	10,499
Acquisition of non-controlling interests	-	-	-	-	(162)	-	-	(162)	(162)	(286)	(448)
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(992)	(992)
Dividends	-	-	(20,258)	-	-	-	-	-	(20,258)	-	(20,258)
Issue of shares	528	-	-	-	-	-	-	-	528	-	528
Balance at 30 September 2010	73,501	(4,983)	175,221	94	(8,456)	372	(4,862)	(12,852)	230,887	19,636	250,523

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

	(-----Other reserves-----)						Total \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Share option reserve \$'000	Subtotal \$'000	
COMPANY							
Balance at 1 April 2011	73,861	(5,403)	28,367	24	29	53	96,878
Total comprehensive income for the period	-	-	122	10	-	10	132
Balance at 30 June 2011	73,861	(5,403)	28,489	34	29	63	97,010
Total comprehensive income for the period	-	-	10,180	(26)	-	(26)	10,154
Dividends	-	-	(25,312)	-	-	-	(25,312)
Repurchase of shares	-	(1,230)	-	-	-	-	(1,230)
Balance at 30 September 2011	73,861	(6,633)	13,357	8	29	37	80,622

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

	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	(-----Other reserves-----)		Subtotal \$'000	Total \$'000
				Investments revaluation reserve \$'000	Share option reserve \$'000		
COMPANY							
Balance at 1 April 2010	72,853	(4,983)	29,514	-	310	310	97,694
Total comprehensive loss for the period	-	-	(418)	-	-	-	(418)
Share option expense	-	-	-	-	62	62	62
Issue of shares	120	-	-	-	-	-	120
Balance at 30 June 2010	72,973	(4,983)	29,096	-	372	372	97,458
Total comprehensive income	-	-	847	94	-	94	941
Dividends	-	-	(20,258)	-	-	-	(20,258)
Issue of shares	528	-	-	-	-	-	528
Balance at 30 September 2010	73,501	(4,983)	9,685	94	372	466	78,669

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 506,248,524 ordinary shares to 504,808,524 ordinary shares. This resulted from the repurchase of a total of 1,440,000 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 29 July 2011. The shares were repurchased by way of market acquisitions and were held as treasury shares. As at 30 September 2011, there were a total of 12,427,000 (30.9.10: 10,539,000) treasury shares.

As at 30 September 2011, there were unexercised options of 960,000 (30.9.10: 1,490,000) 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.

	As at 30.9.11	As at 31.3.11
Total number of issued shares (excluding treasury shares)	504,808,524	506,248,524

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 Second quarter ended		GROUP Half year ended	
	30.9.11	30.9.10	30.9.11	30.9.10
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 (¢)	1.8	1.6	3.5	7.9
(ii) On a fully diluted basis (¢)	1.8	1.6	3.5	7.9
Weighted average number of ordinary shares in issue:				
Basic (*)	505,425,191	506,326,524	505,836,857	505,899,857
Fully diluted basis (**)	506,042,799	507,743,342	506,470,094	507,316,676

* 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 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 current financial period reported on and immediately preceding financial year.

	GROUP		COMPANY	
	30.9.11	31.3.11	30.9.11	31.3.11
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	43.8	45.3	16.0	19.1
Number of issued shares (excluding treasury shares) as at the end of the period reported on	504,808,524	506,248,524	504,808,524	506,248,524

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

As previously highlighted, the Group's revenue is derived largely from project-oriented businesses and as such, quarterly results would not accurately reflect the full-year's performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

For 2Q FY2012 ended 30 September 2011, the Group achieved revenue of \$91.0 million and net profit attributable to owners of the company of \$9.1 million, a decrease of 30% and increase of 13% respectively compared to the same period last year.

The 2Q FY2012 financial results lifted revenue to \$181.6 million and net profit attributable to owners of the company of \$17.6 million for 1H FY2012, a decrease of 44% and 56% respectively.

While the Group derived revenue and profit in 1H FY2011 from the \$67.8 million sale of an industrial leasehold property, there was an absence of a comparable property sale in 1H FY2012. Adjusting for the exclusion of the property sale in 1H FY2011, revenue and net profit attributable to owners of the company for 1H FY2012 would have decreased by considerably smaller margins of 29% and 5% respectively.

Segment Revenue

Segment	Revenue			Revenue		
	2Q FY2012	2Q FY2011	Change	1H FY2012	1H FY2011	Change
	\$m	\$m	%	\$m	\$m	%
Engineering Services	64.3	109.6	-41	128.5	*276.2	-53
Geo-Spatial Technology	26.5	20.8	+27	52.8	46.2	+14
Investment Activities	0.2	0.2	+0	0.3	0.3	+0
Group Total	91.0	130.6	-30	181.6	*322.7	-44

* Includes \$67.8 million sale of industrial leasehold property

For 2Q FY2012, revenue from Engineering Services fell by 41% to \$64.3 million, due mainly to slower revenue recognition on major projects and the strategic shift in business model in favour of more design-build-and-lease projects. Revenue from Geo-Spatial Technology grew by 27% to \$26.5 million as stronger demand was experienced across key markets in Australia and South East Asia.

Engineering Services Revenue

Division	Revenue			Revenue		
	2Q FY2012	2Q FY2011	Change	1H FY2012	1H FY2011	Change
	\$m	\$m	%	\$m	\$m	%
Energy-Related Engineering	35.0	38.0	-8	62.6	75.3	-17
Water & Wastewater Engineering	6.6	5.8	+14	15.0	13.1	+15
Real Estate Solutions	22.7	65.8	-66	50.9	*187.8	-73
Engineering Total	64.3	109.6	-41	128.5	*276.2	-53

* Includes \$67.8 million sale of industrial leasehold property

The Energy-Related Engineering Division registered revenue of \$35.0 million in 2Q FY2012, declining 8%. A higher proportion of revenue recognition is expected to occur in subsequent quarters as major projects progress beyond the initial stages of execution.

The Water & Wastewater Engineering Division (i.e. Boustead Salcon Water Solutions) achieved revenue of \$6.6 million in 2Q FY2012, an increase of 14%. The division continued to make steady progress at its two major projects at Al Wathba in the UAE and Tuas Power Tembusu Multi-Utilities Complex in Singapore.

The Real Estate Solutions Division attained revenue of \$22.7 million in 2Q FY2012, down 66%. The decrease was due mainly to slower revenue recognition on major projects under the industrial real estate solutions business (i.e. Boustead Projects) as compared to the corresponding period last year when rapid progress was being made on two sizeable contracts. In addition, during 2Q FY2012, revenue was affected by the shift towards more design-build-and-lease projects which will strengthen future recurring income.

Geo-Spatial Technology Revenue

Revenue from Geo-Spatial Technology grew by 27% to \$26.5 million, underpinned by stronger demand for software and professional services across key markets in Australia and South East Asia.

Group Profitability

Despite the 30% decline in the Group's revenue for 2Q FY2012, the Group's gross profit increased by 14% to \$35.3 million as a result of a significant improvement in gross margin from 24% to 39%. This was due to a greater proportional contribution from Geo-Spatial Technology, as well as the achievement of better gross margins across several major projects under the industrial real estate solutions business.

Overhead expenses increased by 14% to \$22.2 million. This was due mainly to an increase in staffing in Geo-Spatial Technology in Singapore and foreign exchange translation of Australian Dollar-denominated selling and distribution expenses, with the strengthening of the Australian Dollar against the Singapore Dollar in 2Q FY2012 as compared to 2Q FY2011.

Profit before income tax grew by 14% to \$14.0 million. A breakdown of the profit before income tax by core operating divisions is provided.

Segment/ Division	PBT			PBT		
	2Q FY2012 \$m	2Q FY2011 \$m	Change %	1H FY2012 \$m	1H FY2011 \$m	Change %
Engineering Services						
- Energy-Related Engineering	3.3	3.0	+10	4.6	8.8	-48
- Water & Wastewater Engineering	0.1	0.5	-80	(0.1)	0.7	NM
- Real Estate Solutions	5.6	4.5	+24	11.5	*35.2	-67
	9.0	8.0	+13	16.0	*44.7	-64
Geo-Spatial Technology	7.1	4.3	+65	13.5	11.1	+22
Investment Activities	(2.1)	0.0	NM	(2.8)	(1.5)	+87
Group Total	14.0	12.3	+14	26.7	*54.3	-51

NM – not meaningful

* Includes gain on sale of industrial leasehold property

All four core operating divisions registered profits in 2Q FY2012.

For 2Q FY2012, the Group achieved net profit attributable to owners of the company of \$9.1 million, increasing 13%. There was also a higher effective income tax rate due to the geographic contribution of taxable profit.

Dividends

The Board has declared an interim cash dividend of 2 cents per ordinary share. This matches the interim dividend of 2 cents per ordinary share declared and paid in the previous corresponding period of FY2011.

Cash Flow Statement

During 2Q FY2012, cash and cash equivalents (after taking into account the effect of foreign exchange rate changes) declined to \$192.7 million. Net cash inflow from operating activities amounted to \$20.2 million. This was offset by net cash outflows from investing activities and financing activities of \$25.9 million and \$26.9 million respectively. Net cash outflows included an increase in investment properties (under the industrial leasehold property portfolio) by \$15.6 million, purchase of \$10.0 million in held-for-trading and available-for-sale investments, and dividend payment of \$25.3 million.

Statement of Financial Position

At the end of 2Q FY2012, the Group's financial position remained healthy. Cash and bank balances declined to \$192.7 million, for reasons explained earlier.

Trade receivables decreased significantly to \$66.4 million on collections made by the various businesses. Other receivables and prepayments increased to \$24.8 million due largely to prepaid maintenance costs related to Geo-Spatial Technology. Investment properties increased by more than three-fold to \$41.4 million with the ongoing development of several design-build-and-lease projects. Held-for-trading and available-for-sale investments continued to increase as the Group made further investments under the Group's cash management programme.

The Group's net asset value per share dropped to \$0.438 as at the end of 2Q FY2012, following the dividend payment of \$0.05 per share.

The Group's net cash position (i.e. net of all bank borrowings) was \$168.4 million as at the end of 2Q FY2012, translating to a net cash per share position of \$0.334.

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 significant efforts by governments across Europe and the US to address ongoing economic and financial issues in their respective economic zones, the global economic outlook remains uncertain. Following the cessation of hostilities in Libya, the Group is reviewing the legal status of its projects. The Group remains committed to its long-term strategy to focus its resources and business development efforts in the Asia Pacific, where the best economic prospects exist and where the bulk of its operations are located.

The Group continues to enjoy a steady recovery in new contract awards, having secured \$272 million in turnkey contracts since the start of FY2012, surpassing the total for the whole of FY2011. In addition, the Group signed sale agreements for a \$55 million logistics facility and \$38 million strata divided building, which are expected to be completed in FY2013 and FY2014 respectively. Enquiry pipelines across all four core operating divisions remain healthy and the Group expects 2H FY2012 performance to be stronger than 1H FY2012.

The Group will continue to pursue business development activities, and acquisition and investment opportunities across the Asia Pacific and has the capability to do so with its strong net cash position of \$168.4 million.

The current order book backlog stands at approximately \$335 million (as at the end of 2Q FY2012 plus new orders since then). This amount does not include \$93 million in deferred industrial property sales or the recurring rental income that is derived from the Group's industrial leasehold portfolio of nine properties (both completed and under construction) with a gross floor area of over 90,000 square metres. Going forward in FY2012, the Group is cautiously confident as it seeks to continue its momentum in securing more contracts, barring a potential global economic fallout caused by events in Europe, the US and MENA.

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)	2.0 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)	2.0 cents
Tax Rate	Tax Exempt (1-tier)

(c) Date payable

16 December 2011.

(d) Books closure date

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 2 December 2011 for the purpose of determining shareholders' entitlements to the interim dividend to be paid on 16 December 2011.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 1 December 2011 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. Interested person transactions

The Company has not obtained a general mandate from shareholders for interested person transactions.

14. 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 FY2012 financial results to be false or misleading.

On behalf of the board of directors

WONG FONG FUI
Chairman

LOH KAI KEONG
Director

BY ORDER OF THE BOARD

Alvin Kok
Company Secretary
14 November 2011