

# Boustead Singapore Limited

FY2012 Financial Results Presentation

28 MAY 2012

A close-up profile of a woman with a warm, joyful smile, looking towards a glowing, translucent globe she is holding gently in her palm. The globe is illuminated from within, showing a faint map of the world. The background is a soft, out-of-focus landscape under a clear sky. The overall mood is optimistic and forward-looking.

**ENGINEERING THE WORLD OF THE FUTURE**

# Disclaimer

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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



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# Our Global Network

OVERVIEW



# Our Global Footprint

OVERVIEW



**Forbes**  
Asia  
**Best Under A Billion**

SINGAPORE  
INTERNATIONAL  
**100**





# Our Global Footprint

OVERVIEW

## ASIA & OCEANIA

### East Asia & Central Asia

Azerbaijan  
China\*  
Japan  
Macau  
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





# Group Financial Review

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# Group Financial Results

GROUP FINANCIAL REVIEW

	FY2012	FY2011	Chg (%)
Revenue	S\$408.7m	S\$560.6m	-27
Gross profit	S\$146.0m	S\$178.1m	-18
Gross profit margin	36%	32%	
Profit before income tax	S\$71.9m	S\$73.6m	-2
Profit before income tax margin	18%	13%	
Net profit	S\$55.6m	S\$52.2m	+6
Earnings per share	11.0cts	10.3cts	+7
Net asset value per share	50.4cts	45.3cts	+11



# Group Revenue by Segment



	FY2012 (S\$)	FY2011 (S\$)	Chg (%)
Engineering Services	299.9m	*465.3m	-36
Geo-Spatial Technology	108.2m	94.7m	+14
Investment Activities	0.6m	0.6m	+0
<b>Group Total</b>	<b>408.7m</b>	<b>*560.6m</b>	<b>-27</b>

\* Includes S\$67.8m sale of industrial leasehold property

# Group Revenue Mix by Division

**Geo-Spatial  
Technology**  
**26%**

FY'11: 17%

**Energy-Related  
Engineering**  
**31%**

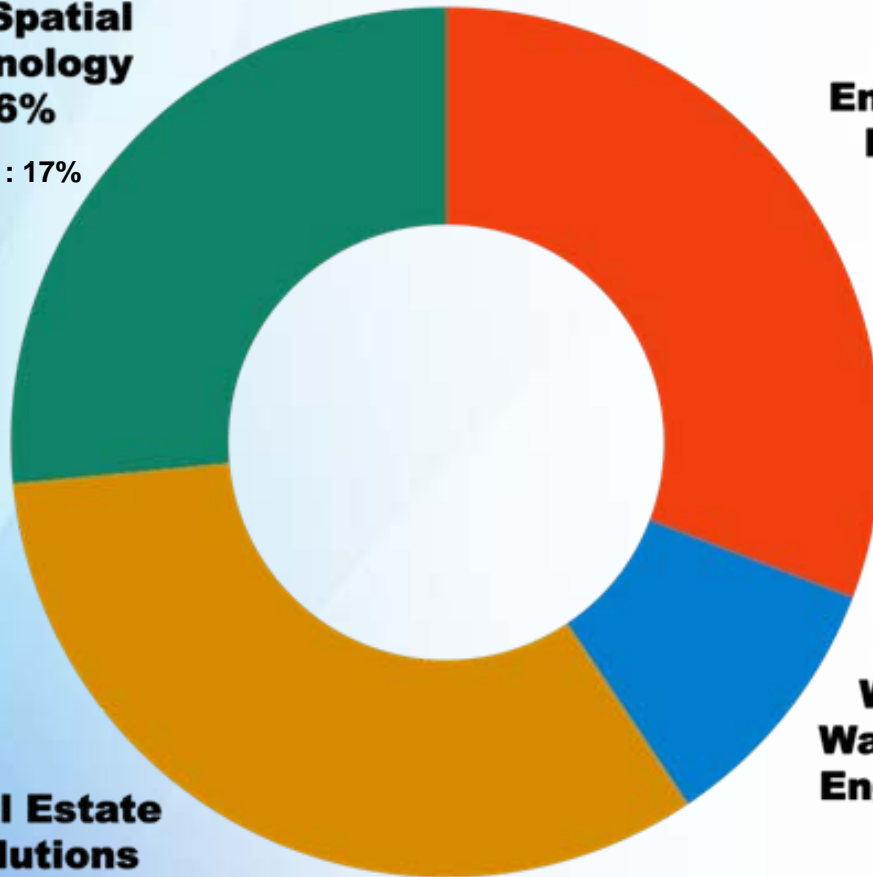
FY'11: 25%

**Real Estate  
Solutions**  
**33%**

FY'11: 53%

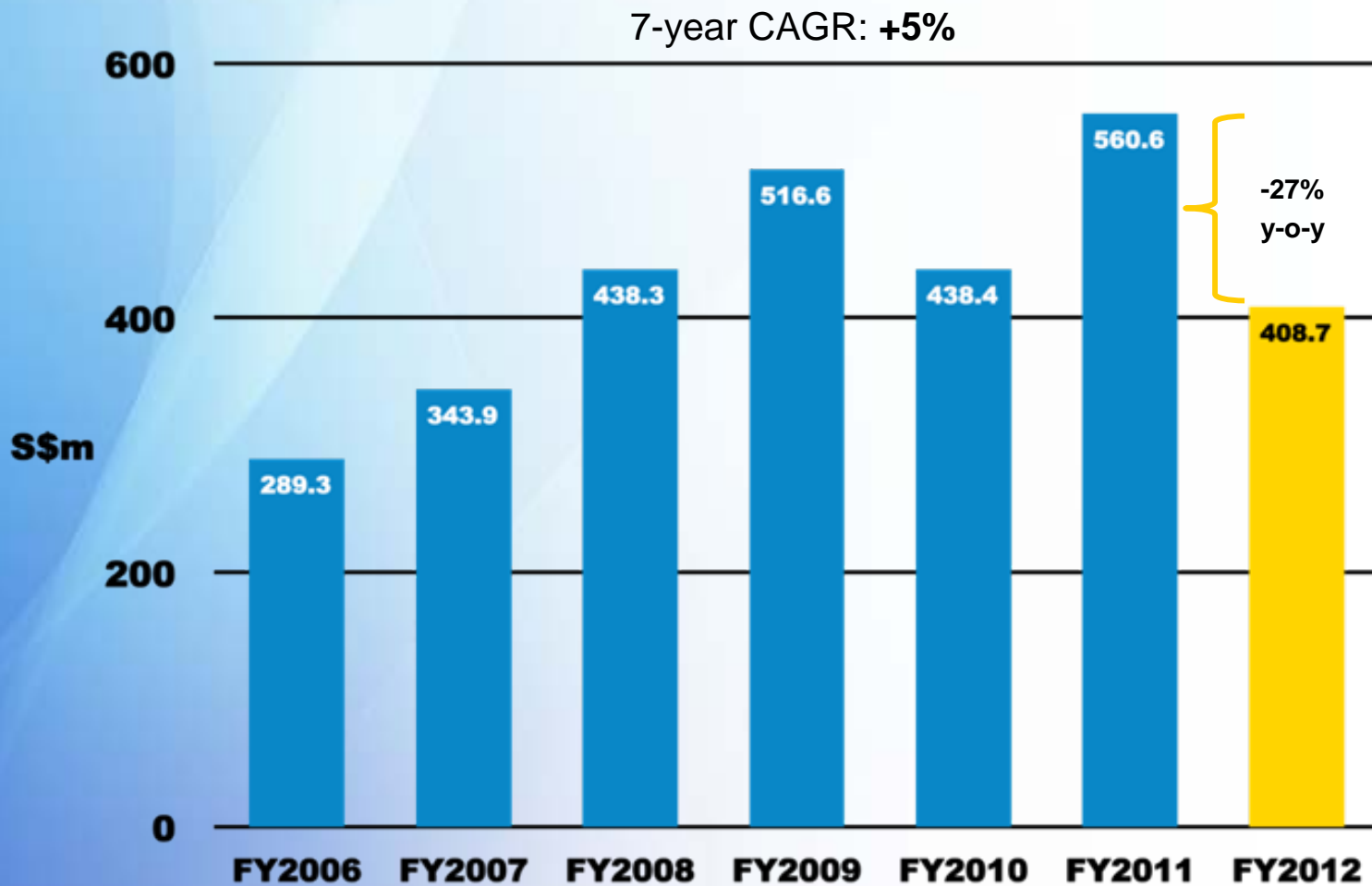
**Water &  
Wastewater  
Engineering**  
**10%**

FY'11: 5%



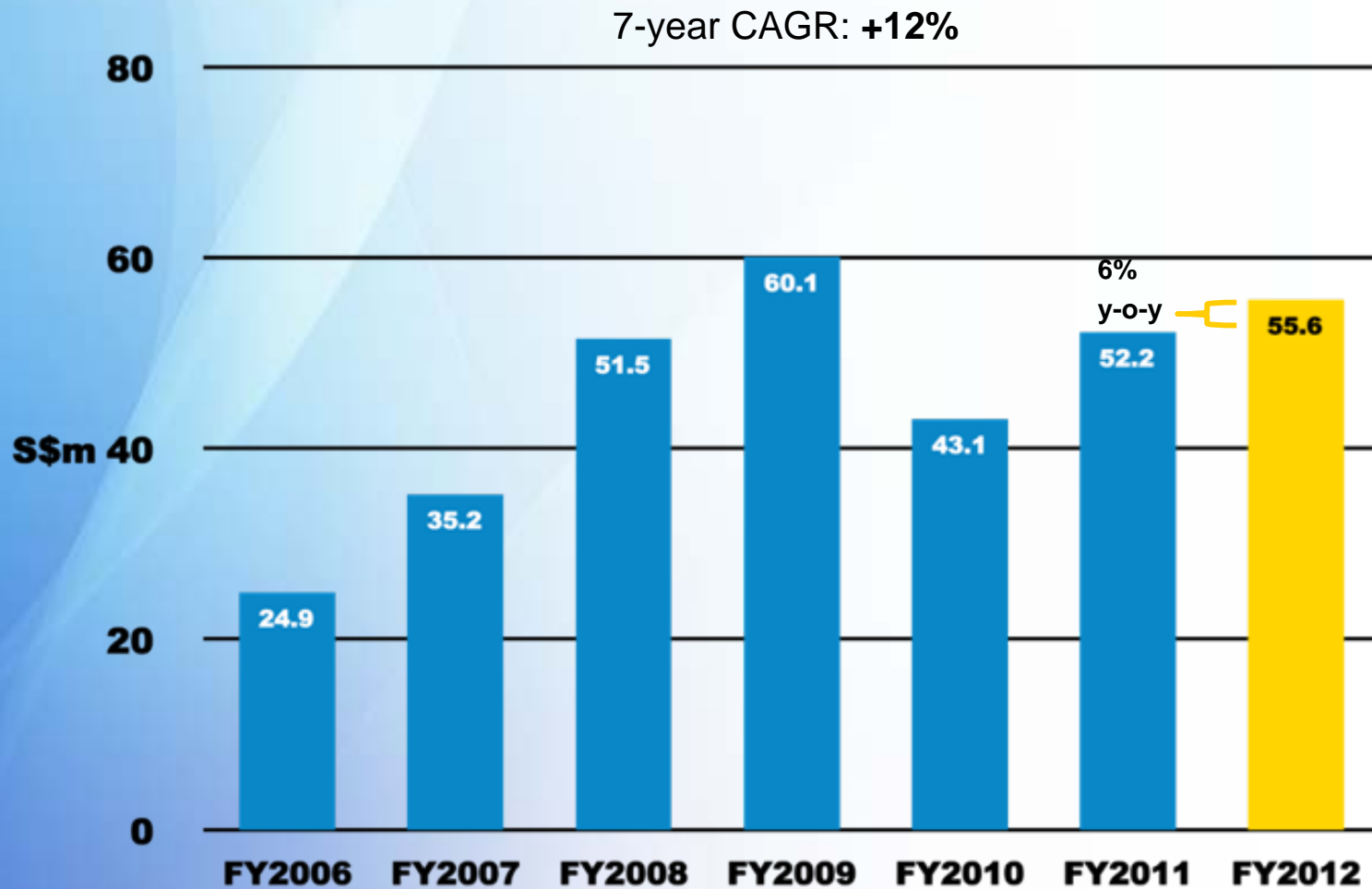
# Group Revenue

- No comparative sale of industrial leasehold property
- S\$66m inter-company revenues



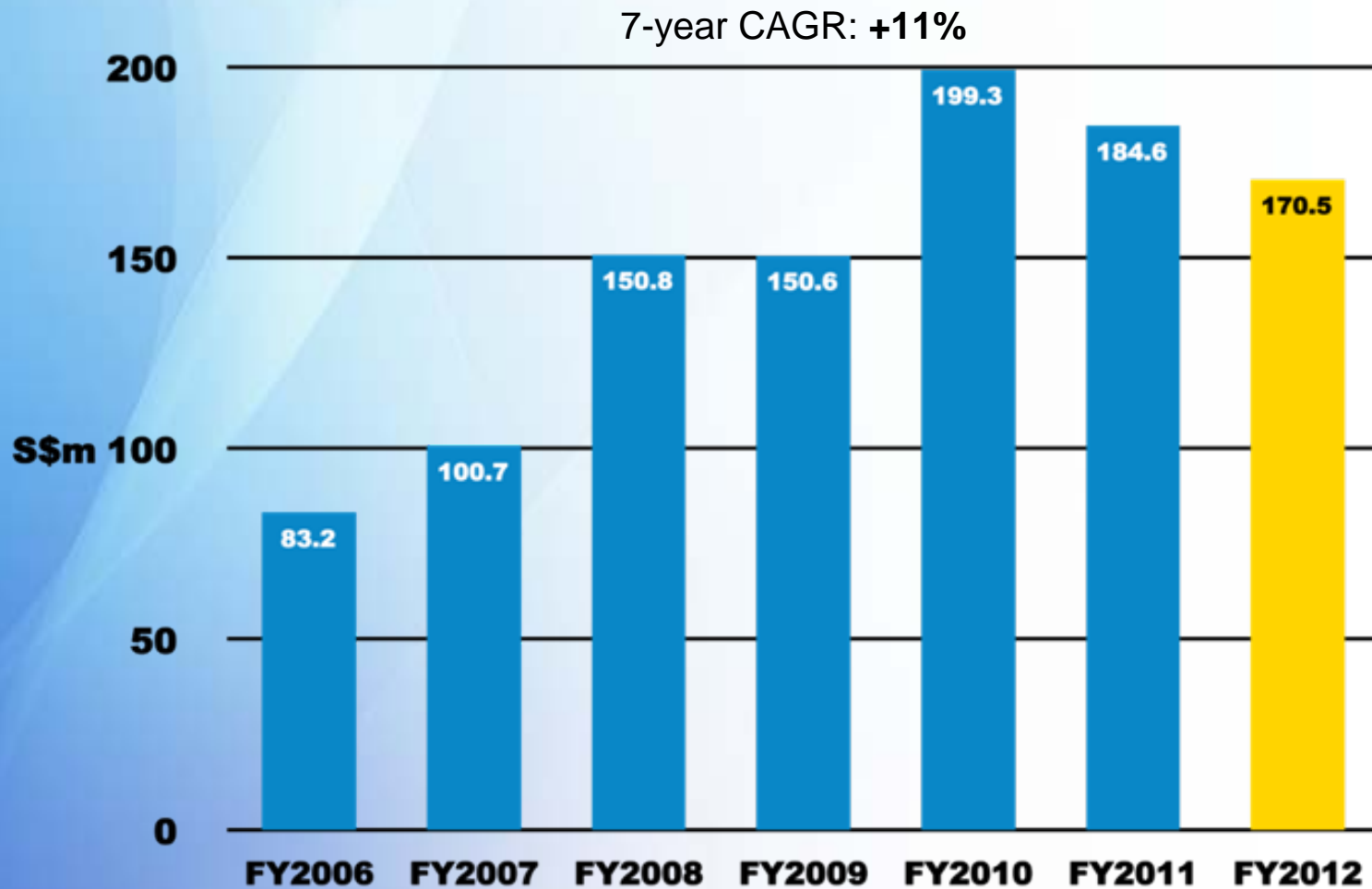
# Group Net Profit

- Second highest level of net profit achieved despite decrease in revenue



# Group Net Cash Position

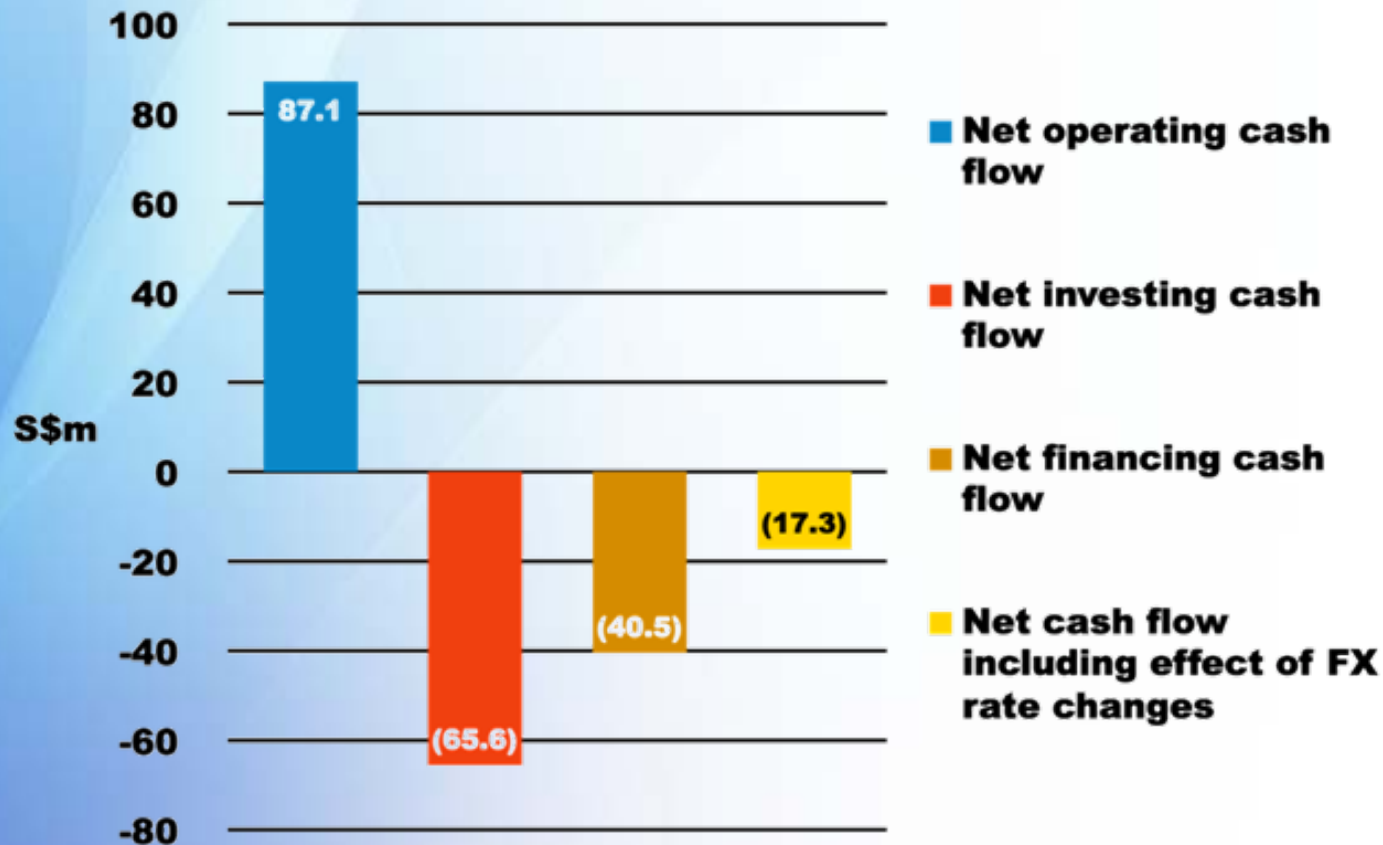
- Healthy net cash position





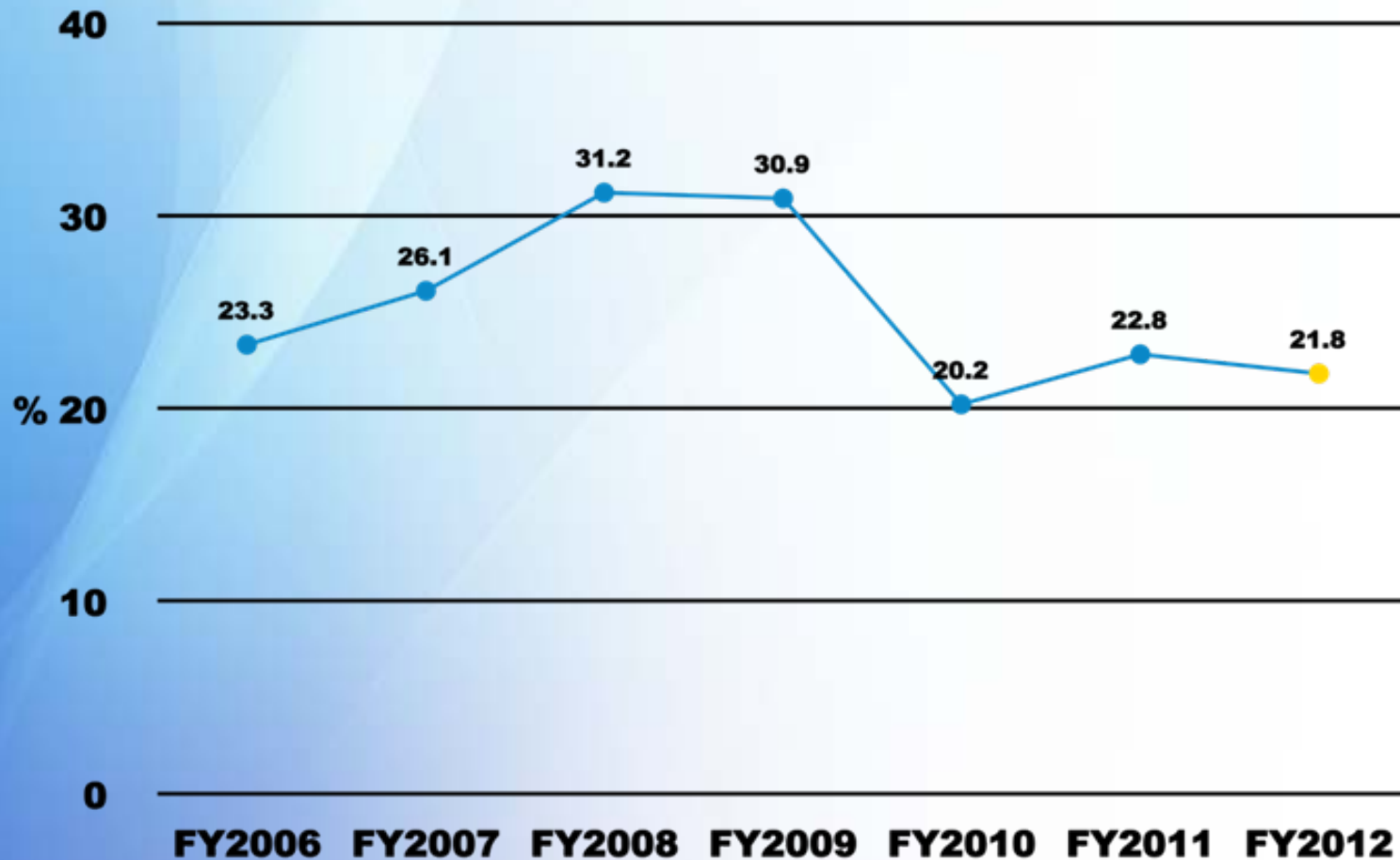
# Group Cash Flow

- Increases in properties held for sale, investment properties and available-for-sale investments
- S\$35.4m in dividends paid



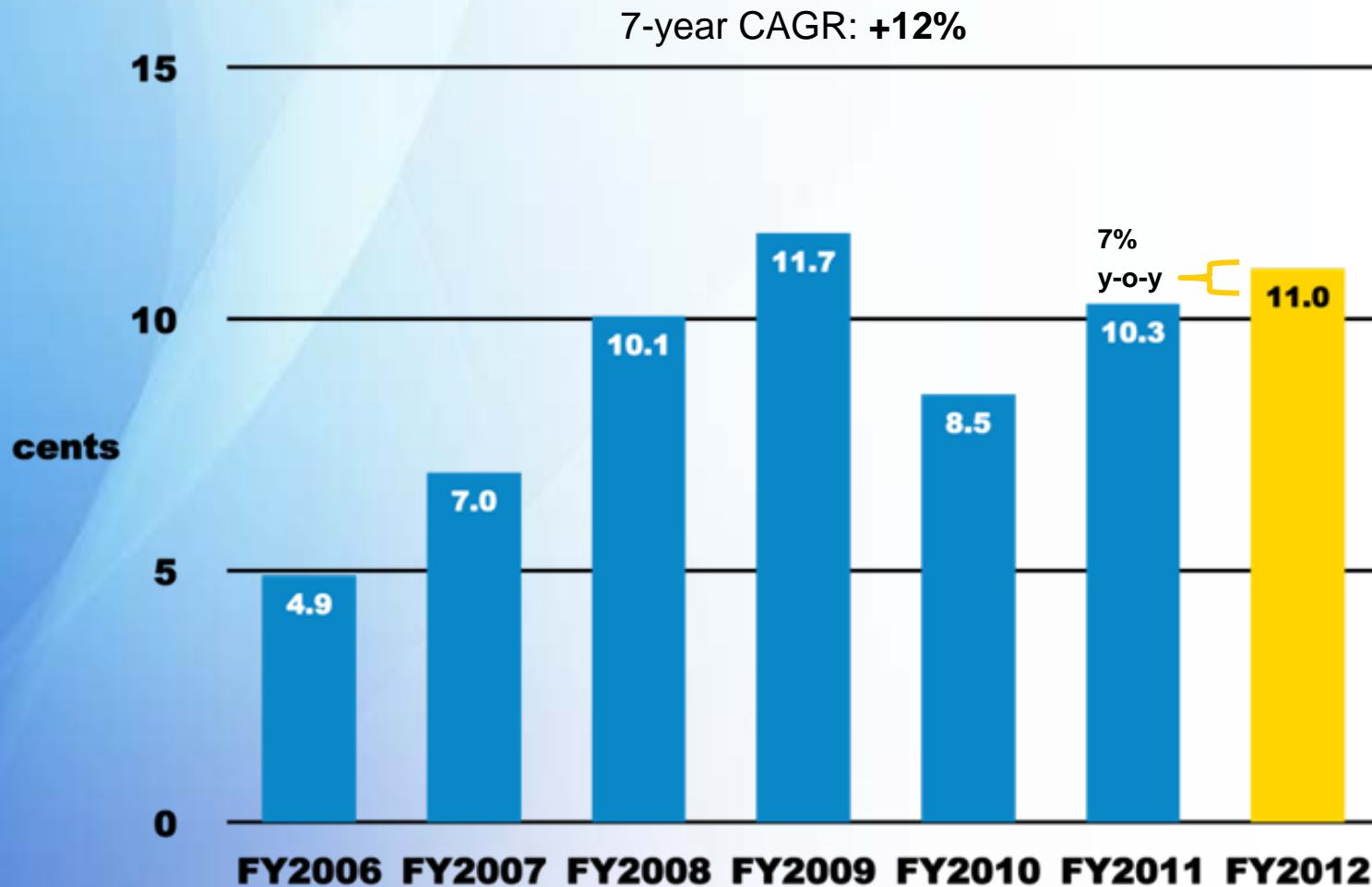
# Return on Shareholders' Equity

- Respectable ROE



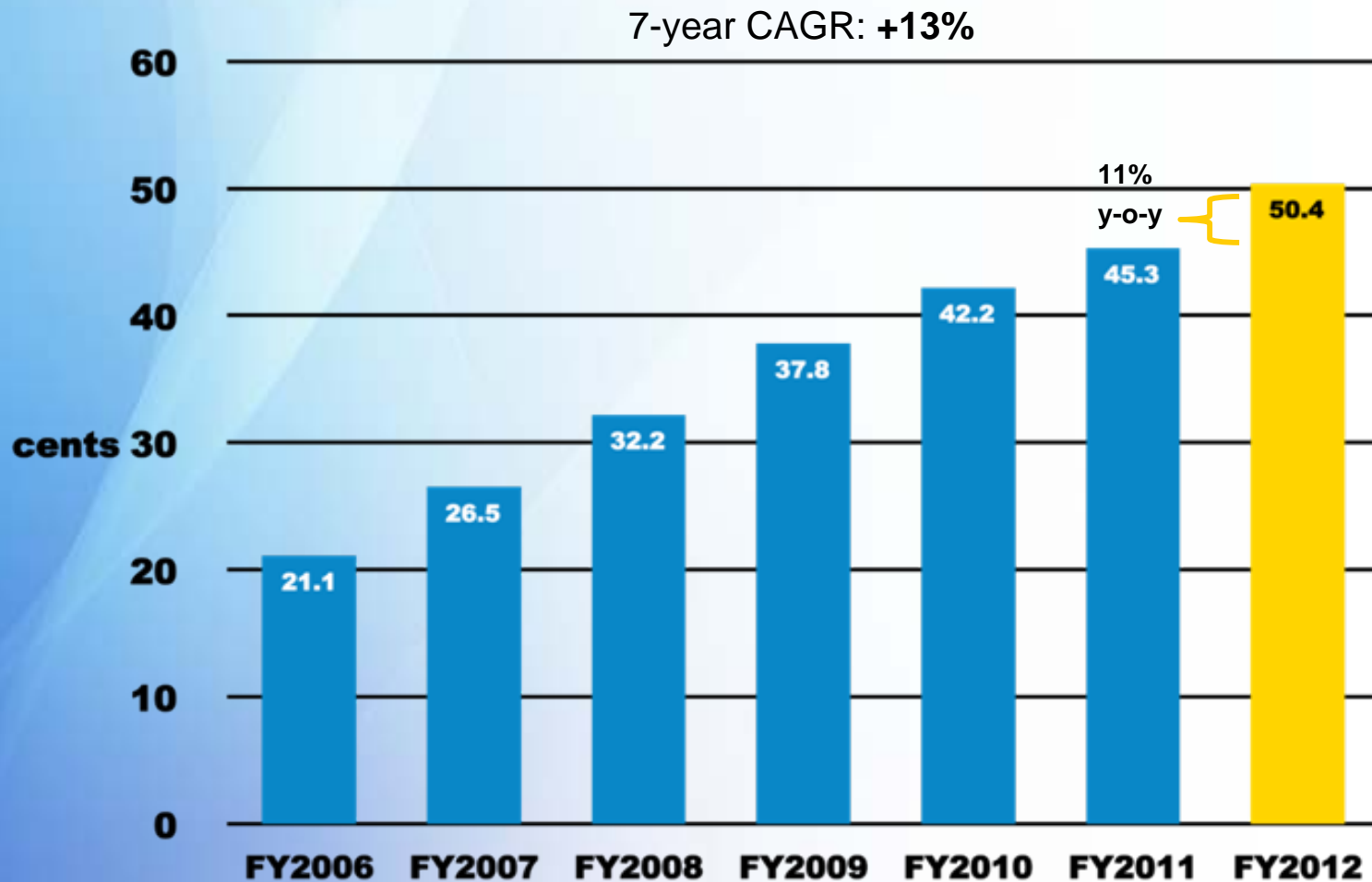
# Earnings per Share

- Increasing EPS



# Net Asset Value per Share

- Strengthening financial position



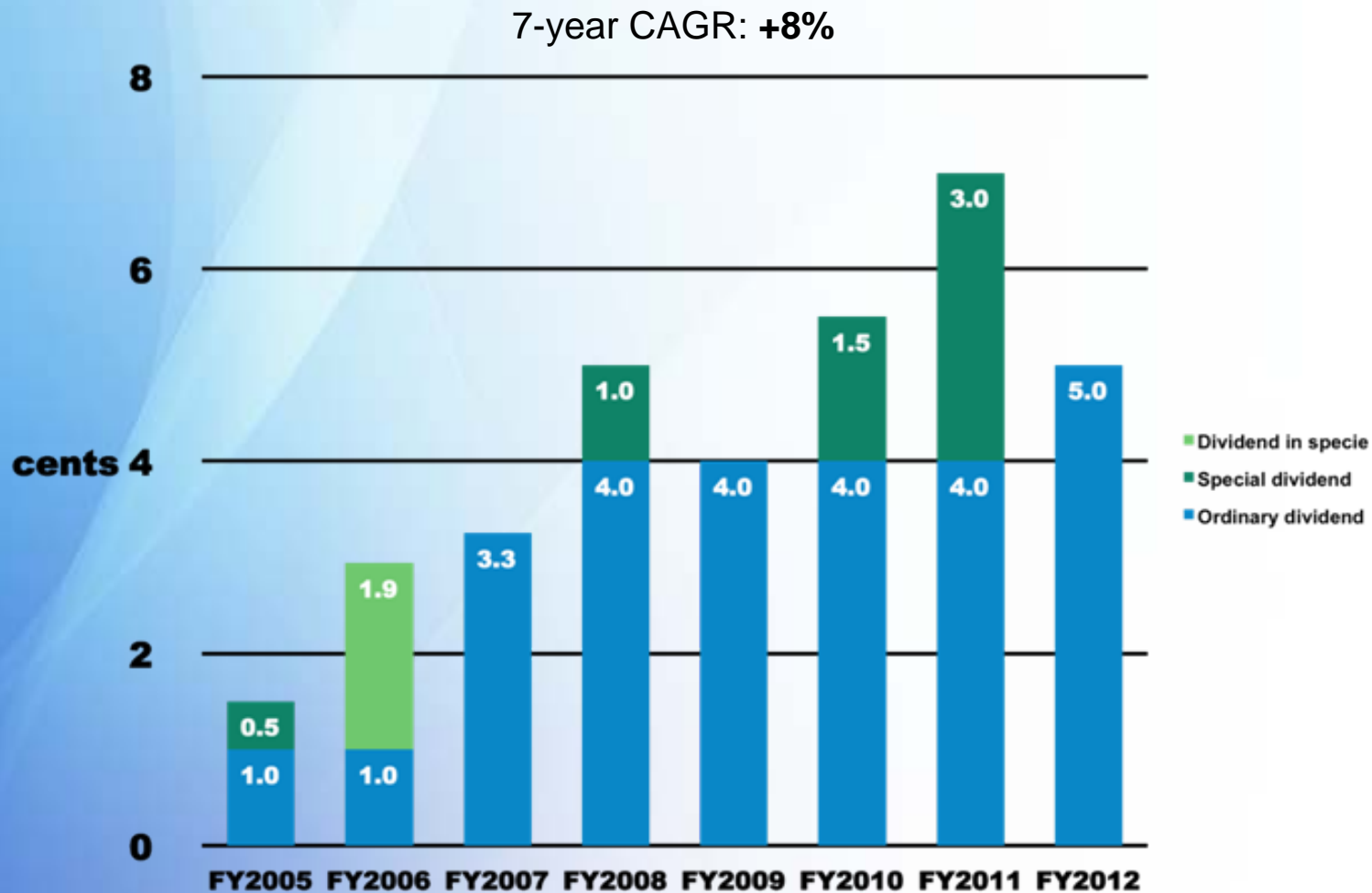
# Group Dividend

	FY2012	FY2011	Chg (%)
Interim dividend (paid)	2.0cts	2.0cts	+0
Final dividend (proposed)	3.0cts	2.0cts	+50
<b>Total ordinary dividend</b>	<b>5.0cts</b>	<b>4.0cts</b>	<b>+25</b>
Special dividend (proposed)	0.0cts	3.0cts	
<b>Total dividend</b>	<b>5.0cts</b>	<b>7.0cts</b>	



# Group Dividend

- Respectable dividend yield: >5%



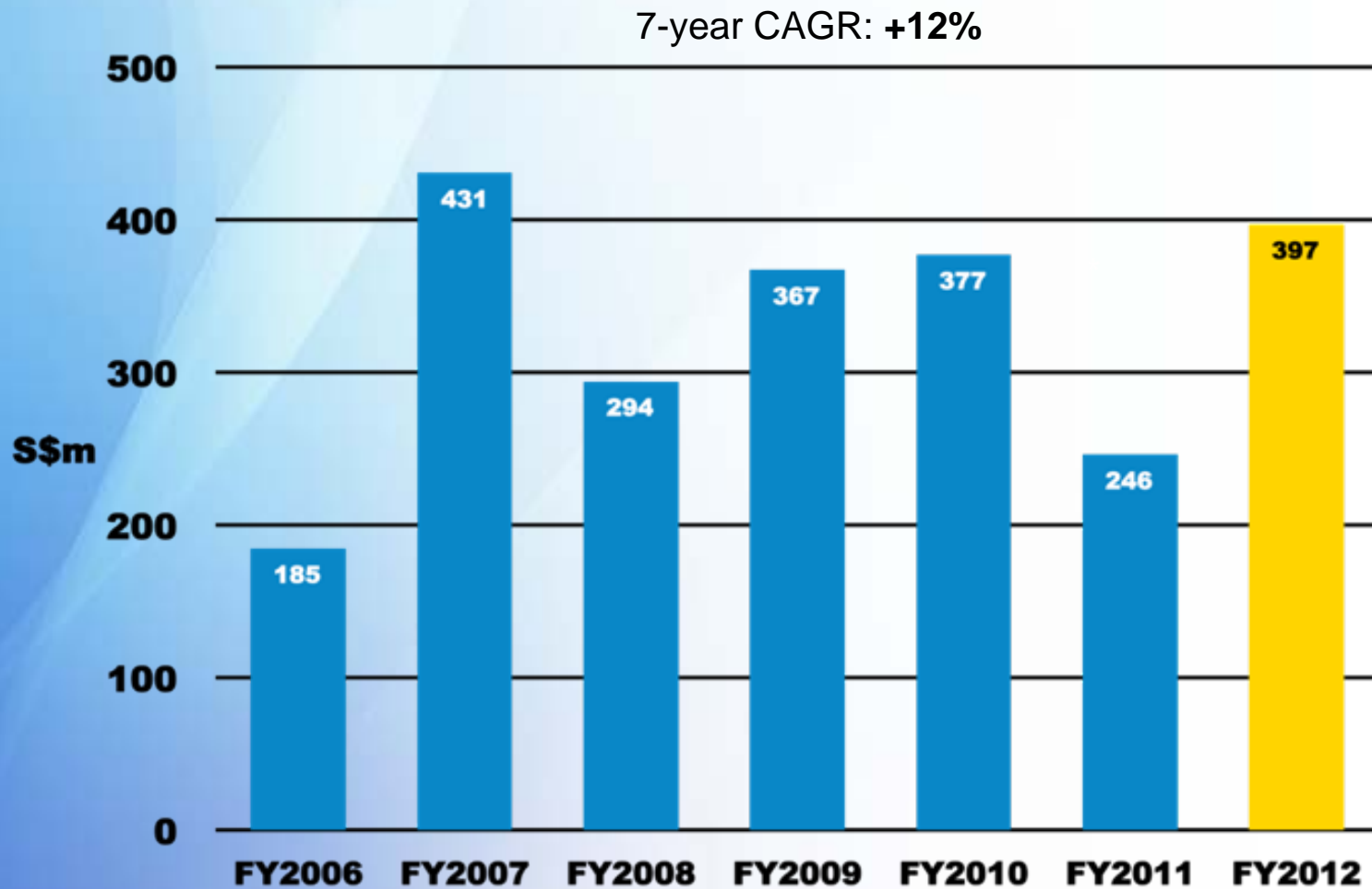


# Division Financial Review

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# Group Orders Secured

- Second highest level of orders secured in past seven years







# Division Financial Review

## Energy-Related Engineering

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# Energy-Related Engineering

## Division Revenue & Profit before Income Tax

	FY2012 (S\$)	FY2011 (S\$)	Chg (%)
Revenue	125.7m	140.9m	-11
Profit before income tax	13.4m	17.0m	-21

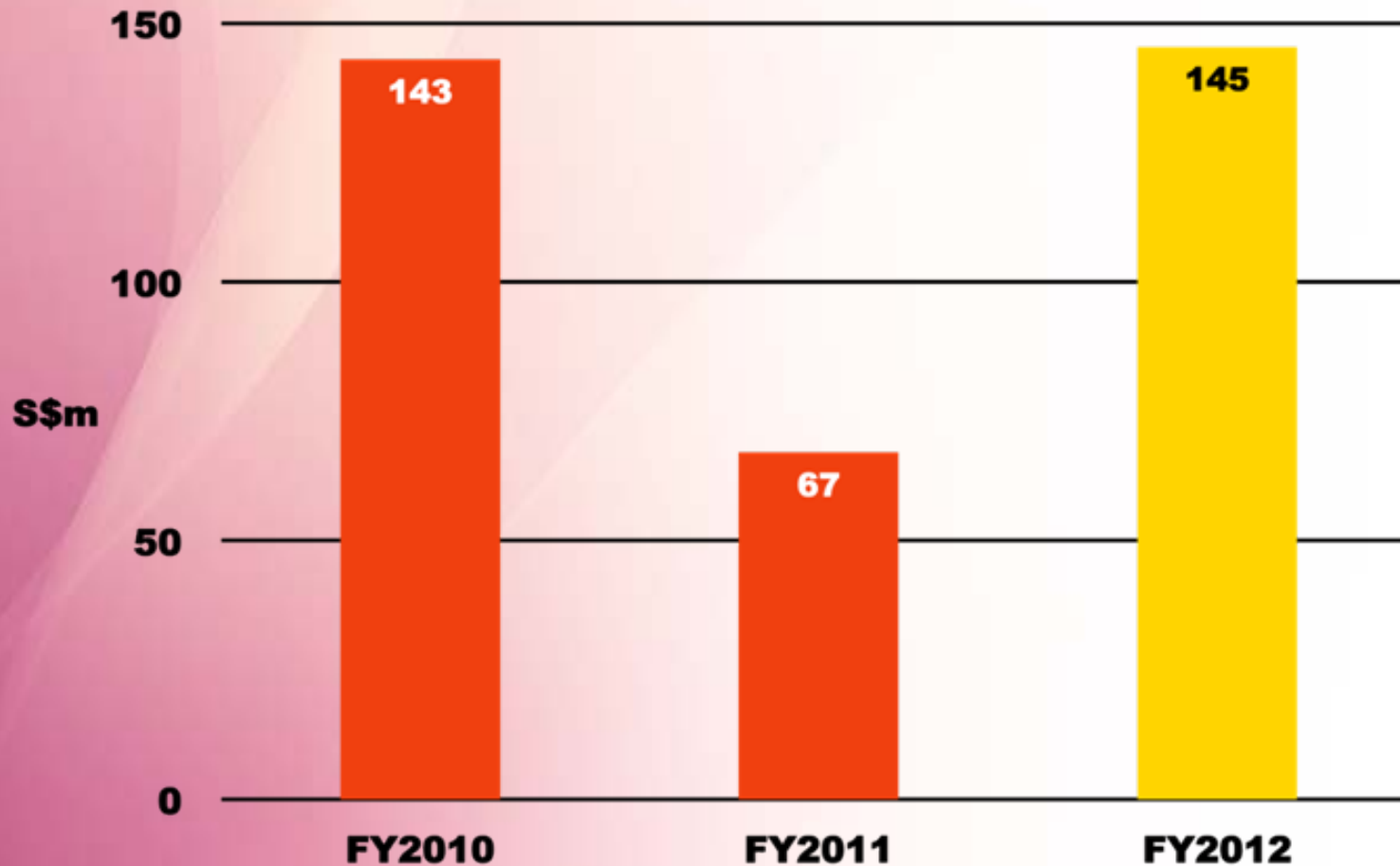
- Decrease in revenue
  - Recognition in downstream oil & gas business partially affected by disruption in supply chain
  - Weak business prospects in solid waste energy recovery business
- Decrease in PBT
  - More competitive business environment



# Energy-Related Engineering

## Orders Secured

- Recovery in orders due to favourable oil & gas investment climate



# Energy-Related Engineering Prospects

- Riding on higher global oil prices
  - Current order book backlog: S\$110m
  - 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

	<b>FY2012 (S\$)</b>	<b>FY2011 (S\$)</b>	<b>Chg (%)</b>
Revenue	40.1m	28.7m	+40
Profit before income tax	0.1m	(1.7m)	NM

- Increase in revenue
  - Contribution from two major projects in UAE and Singapore
- Increase in PBT
  - Return to marginal profit before income tax

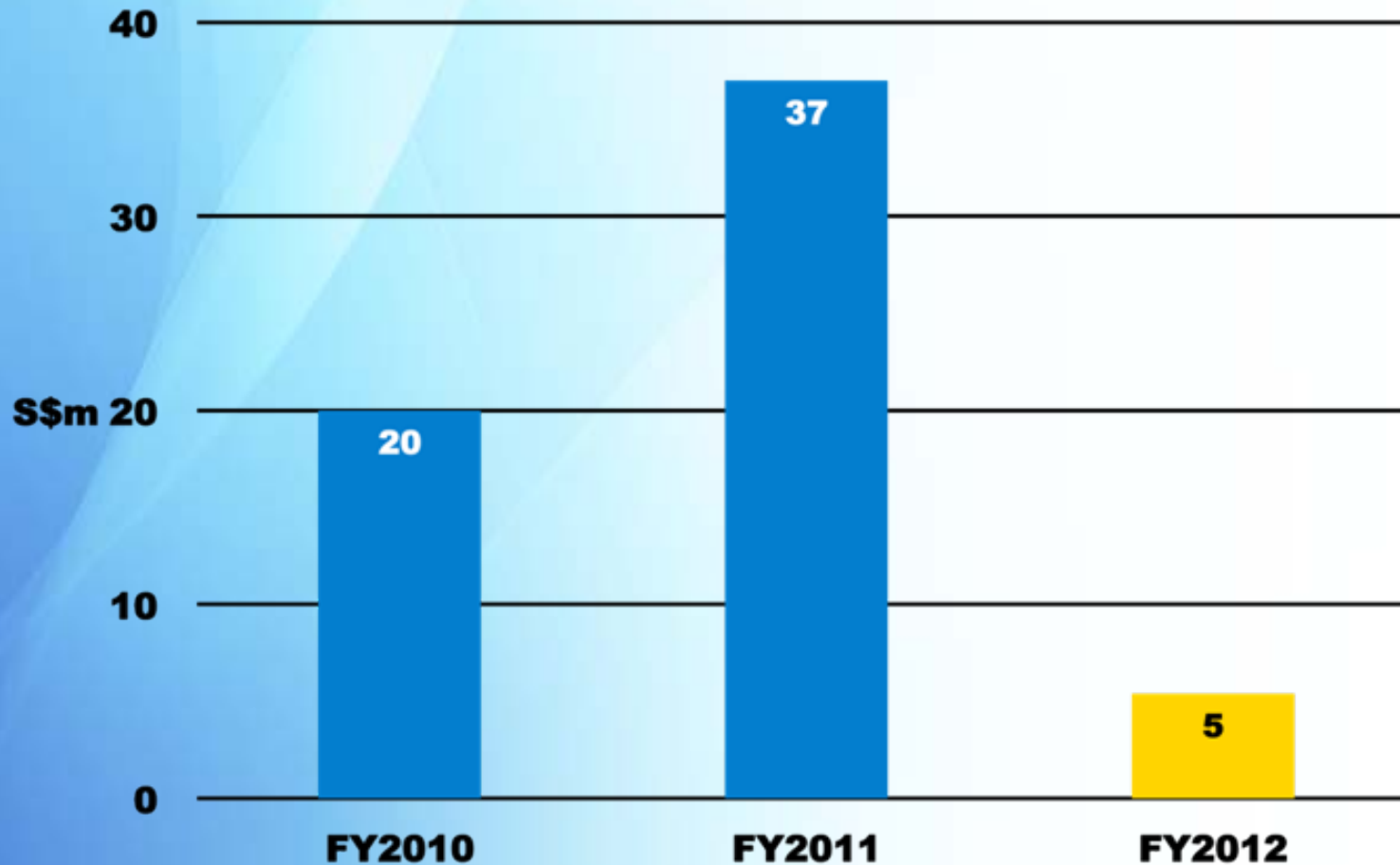


# Water & Wastewater Engineering

## Orders Secured

DIVISION FINANCIAL REVIEW

- Competitive business environment



# Water & Wastewater Engineering

## Prospects

- Riding on growing power industry in Asia
  - Current order book backlog: S\$30m
  - 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

	FY2012 (S\$)	FY2011 (S\$)	Chg (%)
Revenue	134.1m	*295.7m	-55
Profit before income tax	29.3m	37.8m	-22

\* Includes S\$67.8m sale of industrial leasehold property

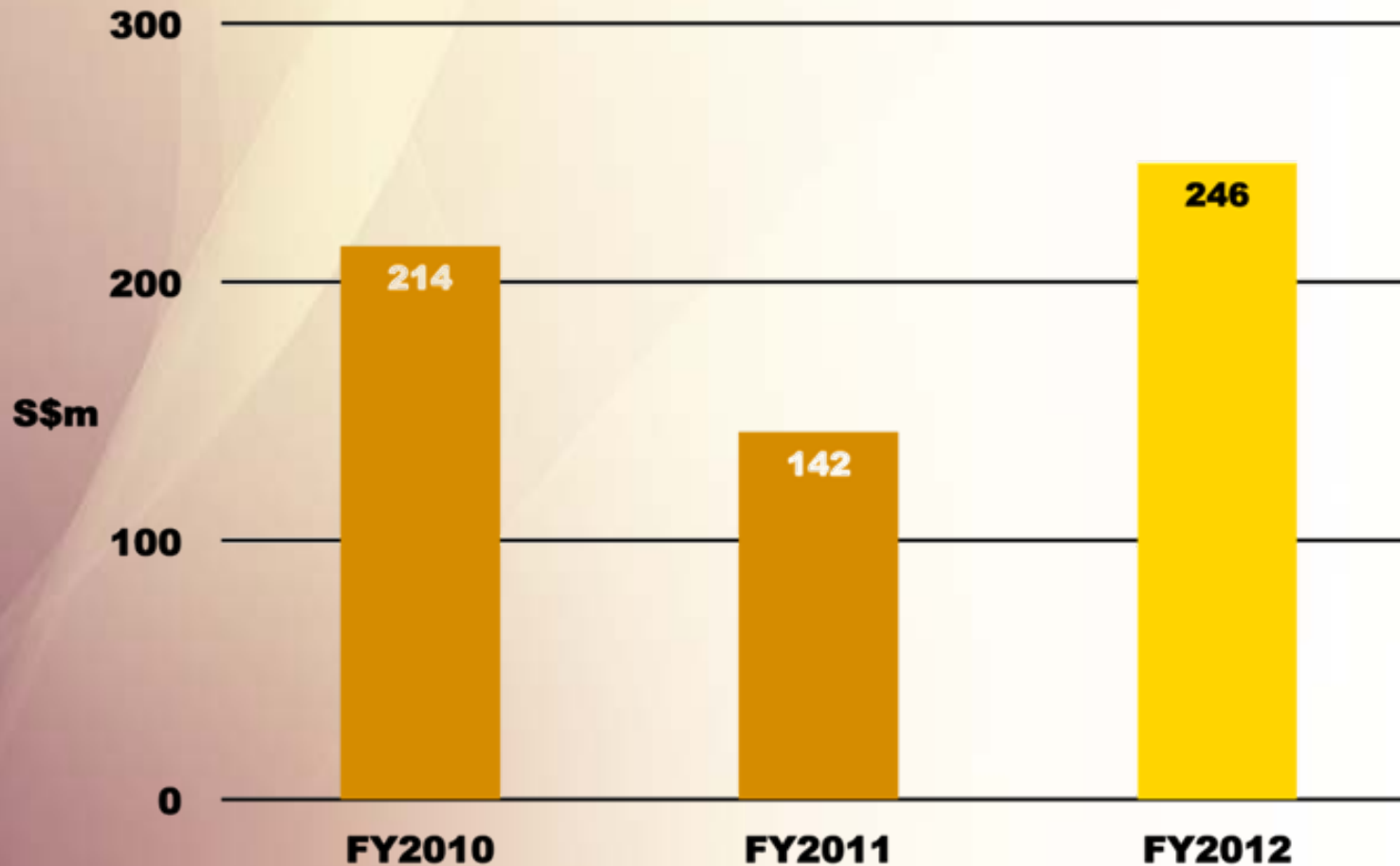
- Decrease in revenue
  - Remains largest revenue contributor
  - Slower start-up on new design-and-build projects
  - More focus on constructing sizeable turnkey development for SDV Logistics and industrial leasehold properties
- Decrease in PBT
  - Less revenue from design-and-build projects



# Real Estate Solutions

## Orders Secured

- Highest level of design-and-build orders secured by Boustead Projects in its history

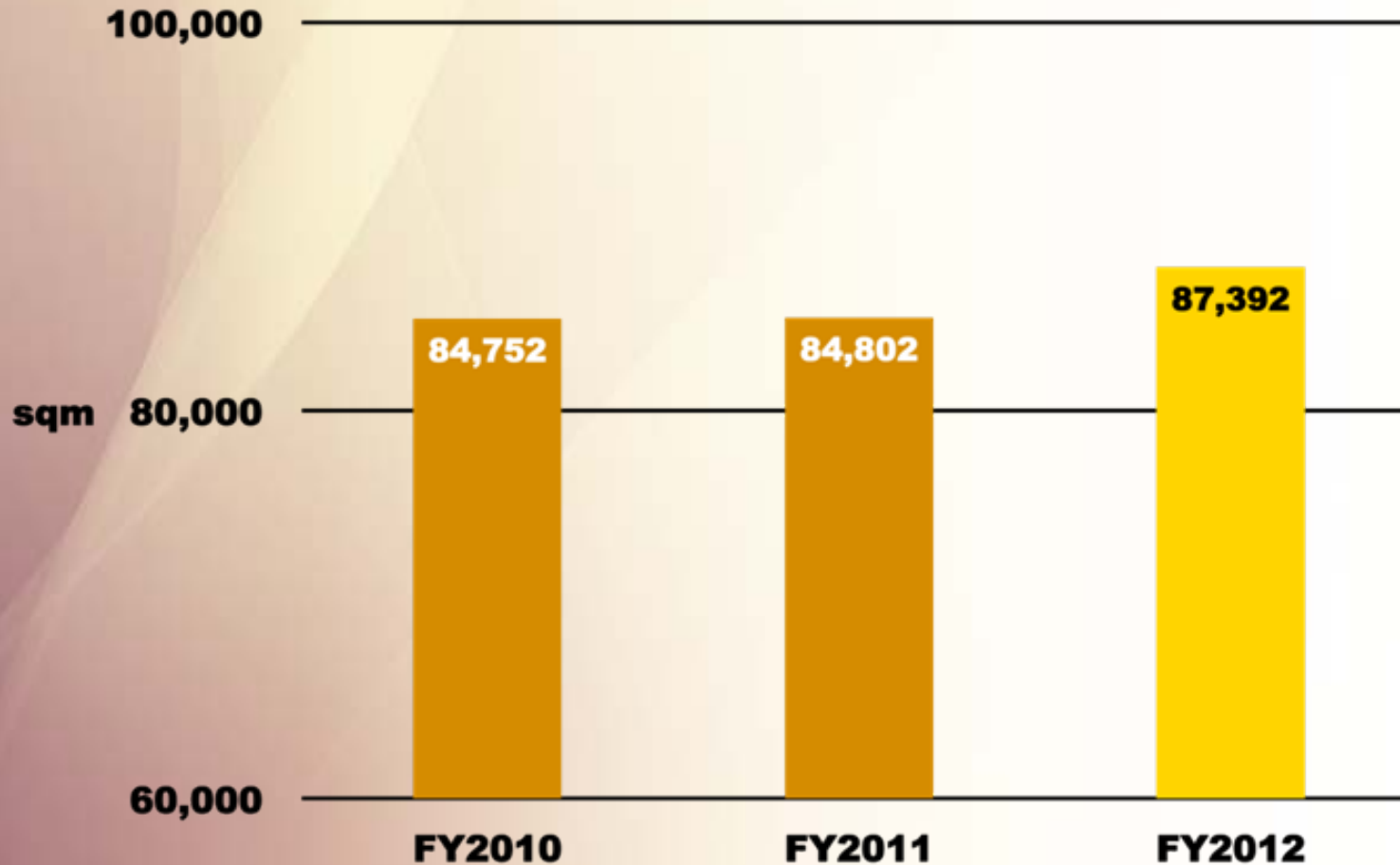


# Real Estate Solutions

## Industrial Leasehold Portfolio

DIVISION FINANCIAL REVIEW

- Expanding industrial leasehold portfolio with two new clients secured



# Real Estate Solutions

## Prospects

- Focusing on niche growth industries
  - Current order book backlog: S\$197m
  - S\$55m contract for SDV Logistics not included in order book backlog but contributing to profit in FY2013
  - Good contract momentum with four contracts secured since January 2012
  - Industrial real estate outlook:
    - Design-and-build contracts in niche growth industries
    - Design-build-and-lease contracts to grow portfolio for recurring income
    - Healthy enquiry pipeline





# Division Financial Review

## Geo-Spatial Technology

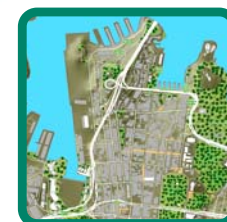
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# Geo-Spatial Technology

## Division Revenue & Profit before Income Tax

	<b>FY2012 (S\$)</b>	<b>FY2011 (S\$)</b>	<b>Chg (%)</b>
Revenue	108.2m	94.7m	+14
Profit before income tax	26.9m	23.8m	+13

- Record revenue and PBT performance
  - Surpassed S\$100-million mark for first time
  - Rising demand for software and services from government agencies in South East Asia



# 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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