

**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 FY2013**  
**ENDED 30 SEPTEMBER 2012**



## **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 83 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 2012**

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, 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		
		30.9.12 \$'000	30.9.11 \$'000	Inc/(Dcr) %	30.9.12 \$'000	30.9.11 \$'000	Inc/(Dcr) %
<b>Revenue</b>		112,235	90,959	23%	225,583	181,645	24%
<b>Cost of sales</b>		(80,160)	(55,665)	44%	(152,961)	(113,727)	34%
<b>Gross profit</b>		32,075	35,294	-9%	72,622	67,918	7%
Other operating income	1	11,034	1,084	918%	12,129	2,062	488%
Selling and distribution expenses		(8,104)	(8,159)	-1%	(17,740)	(15,956)	11%
Administrative expenses		(10,608)	(10,548)	1%	(20,058)	(20,229)	-1%
Other operating expenses	2	(8,768)	(3,469)	153%	(12,588)	(6,666)	89%
Finance costs		(353)	(203)	74%	(662)	(404)	64%
<b>Profit before income tax</b>	3	15,276	13,999	9%	33,703	26,725	26%
Income tax expense	4	623	(4,170)	NM	(4,669)	(7,773)	-40%
<b>Profit for the period</b>		15,899	9,829	62%	29,034	18,952	53%
Profit attributable to:							
Owners of the company		15,281	9,103	68%	27,475	17,609	56%
Non-controlling interests		618	726	-15%	1,559	1,343	16%
		15,899	9,829	62%	29,034	18,952	53%

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP Second quarter ended			GROUP Half year ended		
	30.9.12 \$'000	30.9.11 \$'000	Inc/(Dcr) %	30.9.12 \$'000	30.9.11 \$'000	Inc/(Dcr) %
<b>Profit for the period</b>	15,899	9,829	62%	29,034	18,952	53%
<b>Other comprehensive income (net of tax):</b>						
Exchange differences on translation of foreign operations	(948)	763	NM	(2,082)	817	NM
Investments revaluation reserve	(2,356)	(26)	8962%	(5,186)	(16)	32313%
<b>Other comprehensive (loss)/income for the period, net of tax</b>	(3,304)	737	NM	(7,268)	801	NM
<b>Total comprehensive income for the period</b>	12,595	10,566	19%	21,766	19,753	10%
Total comprehensive income attributable to:						
Owners of the company	12,050	9,956	21%	20,373	18,360	11%
Non-controlling interests	545	610	-11%	1,393	1,393	0%
	12,595	10,566	19%	21,766	19,753	10%

**1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)**

	GROUP			GROUP		
	Second quarter ended			Half year ended		
	30.9.12 \$'000	30.9.11 \$'000	Inc/(Dcr) %	30.9.12 \$'000	30.9.11 \$'000	Inc/(Dcr) %
<u>Note 1: Other operating income</u>						
Interest income	966	832	16%	1,790	1,557	15%
Other rental income	269	252	7%	540	505	7%
Gain on disposal of a subsidiary	9,799	-	100%	9,799	-	100%
	11,034	1,084	918%	12,129	2,062	488%
<u>Note 2:</u>						
Other operating expenses include an impairment loss on available-for-sale investment of \$4.5 million made in the second quarter.						
<u>Note 3 : The profit before income tax is arrived at after (charging)/crediting the following:</u>						
Depreciation expense	(1,289)	(934)	38%	(2,337)	(1,770)	32%
Amortisation expense	-	(60)	-100%	-	(119)	-100%
(Loss)/Gain on disposal of property, plant and equipment	(18)	(27)	-33%	(18)	55	NM
Impairment loss on available-for-sale investment	(4,517)	-	100%	(4,517)	-	100%
Net foreign currency exchange adjustment loss	(1,045)	(573)	82%	(395)	(903)	-56%
Fair value adjustment gain/(loss) on foreign exchange contracts and held-for-trading investments	232	(826)	NM	112	(1,144)	NM
Loss on disposal of available-for-sale investment	-	-		(37)	-	100%
<u>Note 4: Income tax</u>						
Overprovision in prior years	4,848	-	100%	4,788	37	12841%

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, overseas subsidiaries' profits which are subject to higher tax rates and writebacks of provision.

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	
		30.9.12 \$'000	31.3.12 \$'000	30.9.12 \$'000	31.3.12 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		220,959	192,507	96,109	69,509
Trade receivables		91,555	82,854	-	-
Other receivables and prepayments		23,269	33,338	16,713	12,829
Held-for-trading investments		5,237	5,372	5,237	5,372
Loans to subsidiaries		-	-	19,126	20,538
Inventories		5,803	4,477	-	-
Properties held for sale		70,443	61,363	-	-
Contracts work-in-progress		72,160	57,653	-	-
Available-for-sale investments		1,755	2,397	1,755	2,397
<b>Total current assets</b>		<b>491,181</b>	<b>439,961</b>	<b>138,940</b>	<b>110,645</b>
<b>Non-current assets</b>					
Property, plant and equipment		17,097	17,159	-	-
Investment properties		29,251	52,142	-	-
Goodwill		1,540	1,580	-	-
Other intangible assets		1,710	1,754	74	74
Investments in associates		2,787	2,787	2,787	2,787
Investments in subsidiaries		-	-	123,539	123,340
Available-for-sale investments		39,156	48,896	33,606	43,346
Deferred tax assets		3,330	3,498	-	-
<b>Total non-current assets</b>		<b>94,871</b>	<b>127,816</b>	<b>160,006</b>	<b>169,547</b>
<b>Total assets</b>		<b>586,052</b>	<b>567,777</b>	<b>298,946</b>	<b>280,192</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Bank loans	1(b)(ii)	6,879	4,278	-	-
Foreign exchange contracts		279	526	2	193
Trade and other payables		242,089	232,751	2,958	3,397
Loans from subsidiaries		-	-	218,532	188,661
Contracts work-in-progress		11,727	20,556	-	-
Income tax payable		14,555	23,042	-	-
<b>Total current liabilities</b>		<b>275,529</b>	<b>281,153</b>	<b>221,492</b>	<b>192,251</b>
<b>Non-current liabilities</b>					
Long-term bank loans	1(b)(ii)	35,313	17,729	-	-
Pension liability		2,141	2,171	-	-
Deferred tax liabilities		2,377	2,392	-	-
<b>Total non-current liabilities</b>		<b>39,831</b>	<b>22,292</b>	<b>-</b>	<b>-</b>
<b>Capital, reserves and non-controlling interests</b>					
Share capital	1(d)(i)	74,021	73,961	74,021	73,961
Treasury shares		(6,701)	(6,701)	(6,701)	(6,701)
Accumulated profits		209,257	196,945	10,375	15,736
Other reserves	1(d)(i)	(16,853)	(9,751)	(241)	4,945
<b>Equity attributable to owners of the company</b>		<b>259,724</b>	<b>254,454</b>	<b>77,454</b>	<b>87,941</b>
Non-controlling interests		10,968	9,878	-	-
<b>Total equity</b>		<b>270,692</b>	<b>264,332</b>	<b>77,454</b>	<b>87,941</b>
<b>Total liabilities and equity</b>		<b>586,052</b>	<b>567,777</b>	<b>298,946</b>	<b>280,192</b>

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

Amount repayable in one year or less, or on demand

As at 30.9.12 \$'000		As at 31.3.12 \$'000	
Secured	Unsecured	Secured	Unsecured
6,879	-	4,278	-

Amount repayable after one year

As at 30.9.12 \$'000		As at 31.3.12 \$'000	
Secured	Unsecured	Secured	Unsecured
35,313	-	17,729	-

An amount of \$4,125,000 (31.3.12: \$4,375,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 12 Changi North Way, Singapore.

An amount of \$2,920,000 (31.3.12: \$3,160,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 16 Changi North Way, Singapore.

An amount of \$5,600,000 (31.3.12: \$5,850,000) 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 \$3,555,000 (31.3.12: \$3,680,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 25 Changi North Rise, Singapore.

An amount of \$4,175,000 (31.3.12: \$4,942,000) 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.

An amount of \$10,005,000 (31.3.12: \$Nil) is secured by way of a legal mortgage on a leasehold property of a subsidiary at Boon Keng Road in Kallang Industrial Estate, Singapore.

An amount of \$4,500,000 (31.3.12: \$Nil) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 26 Changi North Rise, Singapore.

An amount of \$7,312,000 (31.3.12: \$Nil) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 10 Changi North Way, Singapore.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Consolidated Statement of Cash Flows**

	GROUP Second quarter ended		GROUP Half year ended	
	30.9.12 \$'000	30.9.11 \$'000	30.9.12 \$'000	30.9.11 \$'000
<b>Operating activities</b>				
Profit before income tax	15,276	13,999	33,703	26,725
Adjustments for:				
Depreciation expense	1,289	934	2,337	1,770
Amortisation expense	-	60	-	119
Loss/(Gain) on disposal of property, plant and equipment	18	27	18	(55)
Impairment loss on available-for-sale investment	4,517	-	4,517	-
Gain on disposal of a subsidiary	(9,799)	-	(9,799)	-
Fair value adjustment on foreign exchange contracts and held-for-trading investments	(232)	826	(112)	1,144
Loss on disposal of available-for-sale investment	-	-	37	-
Finance costs	353	203	662	404
Interest income	(966)	(832)	(1,790)	(1,557)
Operating cash flows before changes in working capital	10,456	15,217	29,573	28,550
Decrease in receivables	9,466	4,520	1,249	22,186
Increase in inventories and contracts work-in-progress	(16,773)	(8,747)	(24,662)	(8,374)
Increase in properties held for sale	(5,151)	(1,325)	(9,080)	(1,623)
Increase in payables	13,666	15,500	9,479	21,480
Cash generated from operations	11,664	25,165	6,559	62,219
Interest received	966	832	1,790	1,557
Interest paid	(352)	(203)	(661)	(404)
Income tax paid	(7,755)	(5,594)	(13,002)	(8,683)
<b>Net cash (used in)/generated from operating activities</b>	<b>4,523</b>	<b>20,200</b>	<b>(5,314)</b>	<b>54,689</b>
<b>Investing activities</b>				
Proceeds from disposal of property, plant and equipment	-	16	5	134
Proceeds from disposal of available-for-sale investment	-	-	628	-
Purchase of property, plant and equipment	(1,255)	(351)	(1,756)	(870)
Purchase of available-for-sale investments	-	(6,041)	-	(12,452)
Purchase of held-for-trading investments	-	(3,912)	-	(3,912)
Increase in investment properties	(8,493)	(15,603)	(21,235)	(28,196)
Net cash inflow on disposal of a subsidiary	53,244	-	53,244	-
<b>Net cash generated from/(used in) investing activities</b>	<b>43,496</b>	<b>(25,891)</b>	<b>30,886</b>	<b>(45,296)</b>
<b>Financing activities</b>				
Net proceeds from issue of shares	60	-	60	-
Proceeds from short-term bank loans	-	-	38,400	-
Proceeds from long-term bank loans	-	364	22,556	555
Repayment of short-term bank loans	(38,400)	-	(38,400)	-
Repayment of long-term bank loans	(1,300)	(740)	(2,370)	(1,480)
Payment of dividends to non-controlling interests	-	-	(429)	-
Repurchase of shares	-	(1,230)	-	(1,230)
Dividends paid	(15,163)	(25,312)	(15,163)	(25,312)
<b>Net cash generated from/(used in) financing activities</b>	<b>(54,803)</b>	<b>(26,918)</b>	<b>4,654</b>	<b>(27,467)</b>
Net increase/(decrease) in cash and cash equivalents	(6,784)	(32,609)	30,226	(18,074)
Cash and cash equivalents at beginning of the period	228,582	224,491	192,507	209,788
Effect of foreign exchange rate changes	(839)	770	(1,774)	938
Cash and cash equivalents at end of the period	220,959	192,652	220,959	192,652

Note (a)



**1(c) Consolidated Statement of Cash Flows (cont'd)**

Notes to the consolidated cash flow statement:

	<b>GROUP</b>		<b>GROUP</b>	
	<b>Second quarter ended</b>	<b>30.9.11</b>	<b>Half year ended</b>	<b>30.9.11</b>
	<b>30.9.12</b>	<b>30.9.11</b>	<b>30.9.12</b>	<b>30.9.11</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>(a) Cash and cash equivalents</b>				
Cash at bank	73,281	90,925	73,281	90,925
Short-term deposits	147,678	101,727	147,678	101,727
Cash and cash equivalents at end of the period	220,959	192,652	220,959	192,652

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
<b>GROUP</b>											
Balance at 1 April 2012	73,961	(6,701)	196,945	4,916	(10,710)	29	(3,986)	(9,751)	254,454	9,878	264,332
Total comprehensive income for the period	-	-	12,194	(2,830)	-	-	(1,041)	(3,871)	8,323	848	9,171
Balance at 30 June 2012	73,961	(6,701)	209,139	2,086	(10,710)	29	(5,027)	(13,622)	262,777	10,726	273,503
Total comprehensive income for the period	-	-	15,281	(2,356)	-	-	(875)	(3,231)	12,050	545	12,595
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(303)	(303)
Dividends	-	-	(15,163)	-	-	-	-	-	(15,163)	-	(15,163)
Issue of shares	60	-	-	-	-	-	-	-	60	-	60
Balance at 30 September 2012	74,021	(6,701)	209,257	(270)	(10,710)	29	(5,902)	(16,853)	259,724	10,968	270,692

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	Equity attributable to owners of the company \$'000	Non-controlling interests \$'000	Total \$'000
<b>GROUP</b>											
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-----)						Total \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Share option reserve \$'000	Subtotal \$'000	
<b>COMPANY</b>							
Balance at 1 April 2012	73,961	(6,701)	15,736	4,916	29	4,945	87,941
Total comprehensive loss for the period	-	-	57	(2,830)	-	(2,830)	(2,773)
Balance at 30 June 2012	73,961	(6,701)	15,793	2,086	29	2,115	85,168
Total comprehensive income for the period	-	-	9,745	(2,356)	-	(2,356)	7,389
Dividends	-	-	(15,163)	-	-	-	(15,163)
Issue of shares	60	-	-	-	-	-	60
Balance at 30 September 2012	74,021	(6,701)	10,375	(270)	29	(241)	77,454

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	
<b>COMPANY</b>							
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)(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) increased from 505,343,524 ordinary shares to 505,443,524 ordinary shares. This resulted from the allotment of 100,000 ordinary shares upon exercise of employees' share options. As at 30 September 2012, there were a total of 12,492,000 (30.9.11: 12,427,000) treasury shares.

As at 30 September 2012, there were unexercised options of 260,000 (30.9.11: 960,000 ) 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.**

	<b>As at 30.9.12</b>	<b>As at 31.3.12</b>
Total number of issued shares (excluding treasury shares)	505,443,524	505,343,524

**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	
	30.9.12	30.9.11	30.9.12	30.9.11
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 (¢)	3.0	1.8	5.4	3.5
(ii) On a fully diluted basis (¢)	3.0	1.8	5.4	3.5
Weighted average number of ordinary shares in issue:				
Basic (*)	505,443,524	505,425,191	505,393,524	505,836,857
Fully diluted basis (**)	505,541,466	506,042,799	505,484,507	506,470,094

\* 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	
	30.9.12	31.3.12	30.9.12	31.3.12
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	51.4	50.4	15.3	17.4
Number of issued shares (excluding treasury shares) as at the end of the period reported on	505,443,524	505,343,524	505,443,524	505,343,524

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

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 FY2013 ended 30 September 2012, the Group achieved revenue of \$112.2 million and net profit before income tax of \$15.3 million, an increase of 9% over 2Q FY2012. This profit reflects an impairment loss of \$4.5 million on an available-for-sale investment, without which net profit before income tax would have increased by 41%. Profit attributable to owners of the company was further boosted by a one-off \$4.8 million writeback of prior year income tax provisions to \$15.3 million, an improvement of 68% over 2Q FY2012.

The stronger 2Q FY2013 financial results lifted the Group's 1H FY2013 revenue to \$225.6 million and net profit attributable to owners of the company to \$27.5 million, an increase of 24% and 56% respectively.

#### Segment Revenue

Segment	Revenue			Revenue		
	2Q FY2013	2Q FY2012	Change	1H FY2013	1H FY2012	Change
	\$m	\$m	%	\$m	\$m	%
Engineering Services	86.2	64.3	+34	167.6	128.5	+30
Geo-Spatial Technology	26.0	26.5	-2	58.0	52.8	+10
Investment Activities	0.0	0.2	-100	0.0	0.3	-100
Group Total	112.2	91.0	+23	225.6	181.6	+24

In 2Q FY2013, the Group's revenue growth was contributed entirely by Engineering Services.



## Engineering Services Revenue

Division	Revenue			Revenue		
	2Q FY2013	2Q FY2012	Change	1H FY2013	1H FY2012	Change
	\$m	\$m	%	\$m	\$m	%
Energy-Related Engineering	30.2	35.0	-14	54.8	62.6	-12
Water & Wastewater Engineering	4.8	6.6	-27	10.0	15.0	-33
Real Estate Solutions	51.2	22.7	+126	102.8	50.9	+102
Engineering Total	86.2	64.3	+34	167.6	128.5	+30

The Energy-Related Engineering Division saw a revenue decline of 14% to \$30.2 million, which resulted from design delays at a few major projects. The division expects to make up lost ground on these major projects in subsequent quarters.

At the Water & Wastewater Engineering Division, revenue was \$4.8 million, down 27%. The slowdown was caused by the division's lower order book backlog and execution of fewer projects as compared to the previous year's corresponding quarter.

The Real Estate Solutions Division achieved revenue of \$51.2 million, up 126%. Scheduled progress was attained across the division's sizeable order book backlog of design-and-build projects.

## Geo-Spatial Technology Revenue

Revenue from Geo-Spatial Technology declined marginally by 2% to \$26.0 million, resulting mainly from a weaker Australian Dollar compared to 2Q FY2012.

## Group Profitability

The gross profit margin dipped to 29% in 2Q FY2013 as compared to 39% in 2Q FY2012. This is due mainly to a compression of margins in Real Estate Solutions as a result of higher costs in line with a reduction in availability of foreign labour and keener competition in this business.

The significant increase in other operating income is a result of the gain on disposal of a subsidiary in 2Q FY2013. Overhead expenses increased by 24% to \$27.5 million. This is due mainly to an impairment loss on an available-for-sale investment of \$4.5 million.

Profit before income tax was \$15.3 million, an increase of 9%. A breakdown of the profit before income tax by core operating divisions is provided.

Segment/ Division	PBT			PBT		
	2Q FY2013 \$m	2Q FY2012 \$m	Change %	1H FY2013 \$m	1H FY2012 \$m	Change %
Engineering Services						
- Energy-Related Engineering	1.4	3.3	-58	4.3	4.6	-7
- Water & Wastewater Engineering	0.0	0.1	-100	(0.4)	(0.1)	+300
- Real Estate Solutions	14.0	5.6	+150	20.6	11.5	+79
	15.4	9.0	+71	24.5	16.0	+53
Geo-Spatial Technology	5.6	7.1	-21	15.8	13.5	+17
Investment Activities	* (5.7)	(2.1)	+171	* (6.6)	(2.8)	+136
Group Total	15.3	14.0	+9	33.7	26.7	+26

\* Due to impairment loss on an available-for-sale investment of \$4.5 million

Profit before income tax growth was led by the strong performance of the Real Estate Solutions Division. All of the significant core operating divisions achieved profitability.

For 2Q FY2013, the Group's net profit attributable to owners of the company increased by 68% to \$15.3 million, partially aided by the writeback of income tax provisions amounting to \$4.8 million. The Group was also subject to a lower effective income tax rate.

### Dividends

The Board has declared an interim cash dividend of 2 cents per ordinary share in 2Q FY2013, matching the interim dividend of 2 cents per ordinary share declared and paid for 2Q FY2012.

### Cash Flow Statement

During 2Q FY2013, cash and cash equivalents (after taking into account the effect of foreign exchange rate changes) decreased to \$221.0 million. Net cash inflows generated from operating activities and investing activities amounted to \$4.5 million and \$43.5 million respectively. Major cash movements within these activities were due to a decrease in receivables, and increases in inventories, net contracts work-in-progress, properties held for sale and payables, along with the payment of income tax and sizeable cash inflow from the disposal of a subsidiary. Under financing activities, the net cash outflow of \$54.8 million was due mainly to the repayment of short-term project financing and the payment of final dividends for FY2012.

## Statement of Financial Position

At the end of 1H FY2013, the Group's financial position remained healthy.

Trade receivables, net contracts work-in-progress, and trade and other payables increased in line with the higher revenue generated by the Group during the period. Investment properties dropped to \$29.3 million as a result of the disposal of a subsidiary. Non-current available-for-sale investments declined to \$39.2 million as a result of an impairment loss in this quarter. Long-term bank loans rose to \$35.3 million as the Group utilised financing options for the industrial leasehold portfolio.

The Group's net asset value per share increased to 51.4 cents at the end of 1H FY2013, up from 50.4 cents at the end of FY2012.

The Group's net cash position (i.e. net of all bank borrowings) improved to \$178.8 million as at the end of 1H FY2013, owing to positive investing activities cash flow. This translated to a net cash per share position of 35.4 cents. In addition, the Group held \$46.1 million in held-for-trading and available-for-sale investments.

**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.**

The Group remains cautious on the global economic environment.

The Group's order book backlog currently stands at \$288 million (as at the end of 2Q FY2013 plus new orders since then), a small decline over the \$303 million as at the end of 1Q FY2013. Enquiry pipelines remain healthy across the four core operating divisions although negotiation periods have been slightly protracted with tightening margins in Real Estate Solutions.

In line with the Group's stated strategy to focus its resources and business development efforts in the Asia Pacific, the Group continues to explore opportunities to invest in the industrial leasehold portfolio and make further acquisitions and investments. The Group recently invested \$20.1 million in a joint venture developing a 402,000 square metres mixed development in Beijing Tongzhou - on prime waterfront land located at the centre of Beijing's next central business district - this project presents an excellent opportunity for the company to expand its expertise and track record and marks its first foray into commercial/retail developments in China.

In respect of the Group's financial exposure in Libya on the Al Marj project, the Company has commenced Suit 730/2012/W against Arab Banking Corporation ("ABC") for, inter alia, a declaration that the Company be discharged from all liabilities and or obligations towards ABC under a facility agreement in connection with certain bank guarantees ("Counter-Guarantees") issued through ABC in favour of Bank of Commerce and Development (L.J.S.C.) for the Al Marj project. Separately, ABC has issued Suit 784 of 2012/Q against the Company claiming US\$18,781,481.20 and interest thereon, as well as costs on an indemnity or standard basis, based on demands made under the Counter-Guarantees furnished under the facility agreement. Both suits are currently before the High Court of the Republic of Singapore. Based on the opinion of the Group's legal advisers, the Board continues to believe that the Group has a strong defence against ABC and will vigorously defend its position. An interim injunction granted by the High Court restraining ABC from making payment of monies under the Counter-Guarantees and from renewing or extending the period of validity of the Counter-Guarantees until after the hearing of Suit 730/2012/W or until further order remains in place. The Group will make further announcement(s) as and when there are material developments in relation to the aforesaid matter.

Assuming that the current global economic environment does not deteriorate drastically, the Group expects profitability to improve in FY2013 compared to FY2012.

**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**

12 December 2012

**(d) Books closure date**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 28 November 2012 for the purpose of determining shareholders' entitlements to the interim dividend to be paid on 12 December 2012.

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 27 November 2012 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. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

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

**14. Negative confirmation by the Board pursuant to Rule 705(5)**

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 FY2013 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*  
12 November 2012