

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 FY2014
ENDED 30 SEPTEMBER 2013



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 – 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 84 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 2013

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		
		30.9.13 \$'000	30.9.12 \$'000	Inc/(Dcr) %	30.9.13 \$'000	30.9.12 \$'000	Inc/(Dcr) %
Revenue		113,344	112,235	1%	242,008	225,583	7%
Cost of sales		(74,108)	(80,160)	-8%	(164,452)	(152,961)	8%
Gross profit		39,236	32,075	22%	77,556	72,622	7%
Other operating income/(loss)	1	(1,924)	5,704	NM	7,168	7,292	-2%
Selling and distribution expenses		(7,952)	(8,104)	-2%	(18,099)	(17,740)	2%
Administrative expenses		(10,682)	(9,795)	9%	(20,802)	(19,738)	5%
Other operating expenses	2	(5,237)	(4,251)	23%	(10,125)	(8,071)	25%
Finance costs		(120)	(353)	-66%	(325)	(662)	-51%
Profit before income tax	3	13,321	15,276	-13%	35,373	33,703	5%
Income tax expense	4	(4,013)	623	NM	(7,218)	(4,669)	55%
Profit for the period		9,308	15,899	-41%	28,155	29,034	-3%
Profit attributable to:							
Owners of the company		9,006	15,281	-41%	26,736	27,475	-3%
Non-controlling interests		302	618	-51%	1,419	1,559	-9%
		9,308	15,899	-41%	28,155	29,034	-3%

NM – not meaningful

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		
	30.9.13 \$'000	30.9.12 \$'000	Inc/(Dcr) %	30.9.13 \$'000	30.9.12 \$'000	Inc/(Dcr) %
Profit for the period	9,308	15,899	-41%	28,155	29,034	-3%
Other comprehensive income (net of tax):						
Exchange differences on translation of foreign operations	1,357	(948)	NM	(3,236)	(2,082)	55%
Investment revaluation reserve - Fair value changes during the year	3,456	(2,356)	NM	2,733	(5,186)	NM
Other comprehensive (loss)/income for the period, net of tax	4,813	(3,304)	NM	(503)	(7,268)	-93%
Total comprehensive income for the period	14,121	12,595	12%	27,652	21,766	27%
Total comprehensive income attributable to:						
Owners of the company	13,862	12,050	15%	26,938	20,373	32%
Non-controlling interests	259	545	-52%	714	1,393	-49%
	14,121	12,595	12%	27,652	21,766	27%

NM – not meaningful

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		
	30.9.13 \$'000	30.9.12 \$'000	Inc/(Dcr) %	30.9.13 \$'000	30.9.12 \$'000	Inc/(Dcr) %
<u>Note 1: Other operating income/(loss)</u>						
Interest income	1,009	966	4%	2,033	1,790	14%
Gain/(Loss) on disposal of assets held for sale	(560)	-	NM	5,021	-	NM
Gain/(Loss) on disposal of available-for-sale investments	-	-		19	(37)	NM
(Loss)/Gain on disposal of subsidiaries	(81)	9,799	NM	(81)	9,799	NM
Fair value adjustment on foreign exchange contracts and held-for-trading investments	(973)	232	NM	1,510	112	1248%
Net foreign currency exchange adjustment	(1,637)	(1,045)	57%	(1,973)	(395)	399%
Others	318	269	18%	639	540	18%
Impairment loss on available-for-sale investment	-	(4,517)	-100%	-	(4,517)	-100%
	(1,924)	5,704	NM	7,168	7,292	-2%
Note 2: There have been reclassifications of comparative figures for fair value adjustment on foreign exchange contracts and held-for-trading investments and loss on disposal of available-for-sale investments from administrative expenses to be consistent with current period's presentation.						
Note 3: The profit before income tax is arrived <u>at after (charging)/crediting the following:</u>						
Depreciation expense	(2,129)	(1,289)	65%	(3,804)	(2,337)	63%
Loss on disposal of property, plant and equipment	(2)	(18)	-89%	(16)	(18)	-11%
Share-based payment expense	(15)	-	NM	(15)	-	NM
<u>Note 4: Income tax</u>						
(Underprovision)/Overprovision in prior years	(46)	4,848	NM	(25)	4,788	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	
		30.9.13 \$'000	31.3.13 \$'000	30.9.13 \$'000	31.3.13 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		247,595	223,507	90,030	58,606
Trade receivables		82,382	124,673	-	-
Other receivables and prepayments		31,179	46,375	13,994	48,329
Held-for-trading investments		5,299	5,307	5,299	5,307
Amount due from joint venture		5,500	-	-	-
Foreign exchange contracts		1,265	-	-	-
Loans to subsidiaries		-	-	17,795	16,256
Inventories		5,209	5,260	-	-
Properties held for sale		30,427	30,449	-	-
Contracts work-in-progress		69,462	40,544	-	-
Available-for-sale investments		-	4,635	-	4,635
		478,318	480,750	127,118	133,133
Assets held for sale		-	15,550	-	-
Total current assets		478,318	496,300	127,118	133,133
Non-current assets					
Property, plant and equipment		16,873	18,545	-	-
Investment properties		61,687	50,346	-	-
Goodwill		1,395	1,568	-	-
Other intangible assets		1,571	1,829	74	74
Investment in joint venture		5,630	-	-	-
Investments in associates		2,787	2,787	2,787	2,787
Investments in subsidiaries		-	-	133,872	131,666
Available-for-sale investments		48,488	32,340	48,404	32,255
Deferred tax assets		2,825	3,191	-	-
Total non-current assets		141,256	110,606	185,137	166,782
Total assets		619,574	606,906	312,255	299,915
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	1(b)(ii)	5,415	9,290	-	-
Foreign exchange contracts		-	321	18	162
Trade and other payables		233,923	224,003	4,224	4,898
Loans from subsidiaries		-	-	213,181	203,773
Contracts work-in-progress		6,176	7,642	-	-
Income tax payable		14,148	18,896	-	-
Dividend payable		28	-	28	-
		259,690	260,152	217,451	208,833
Liabilities associated with assets held for sale		-	3,825	-	-
Total current liabilities		259,690	263,977	217,451	208,833
Non-current liabilities					
Long-term bank loans	1(b)(ii)	22,448	25,155	-	-
Pension liability		2,117	1,959	-	-
Deferred income		1,578	1,253	-	-
Deferred tax liabilities		2,131	2,236	-	-
Total non-current liabilities		28,274	30,603	-	-
Capital, reserves and non-controlling interests					
Share capital	1(d)(i)	90,826	74,021	90,826	74,021
Treasury shares		(10,401)	(10,472)	(10,401)	(10,472)
Accumulated profits		254,824	253,206	10,752	26,539
Other reserves	1(d)(i)	(15,785)	(15,887)	3,627	994
Equity attributable to owners of the company		319,464	300,868	94,804	91,082
Non-controlling interests		12,146	11,458	-	-
Total equity		331,610	312,326	94,804	91,082
Total liabilities and equity		619,574	606,906	312,255	299,915

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

Amount repayable within one year or less, or on demand

As at 30.9.13 \$'000		As at 31.3.13 \$'000	
Secured	Unsecured	Secured	Unsecured
5,415	-	9,290	-

Amount repayable after one year

As at 30.9.13 \$'000		As at 31.3.13 \$'000	
Secured	Unsecured	Secured	Unsecured
22,448	-	25,155	-

An amount of \$3,875,000 as at 31 March 2013 was secured by way of a legal mortgage on a leasehold property of a subsidiary at 12 Changi North Way, Singapore. Full repayment has been made.

An amount of \$1,720,000 (31.3.13: \$2,200,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 16 Changi North Way, Singapore.

An amount of \$4,350,000 (31.3.13: \$4,850,000) 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 \$2,930,000 (31.3.13: \$3,180,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 25 Changi North Rise, Singapore.

An amount of \$8,625,000 (31.3.13: \$9,315,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 80 Boon Keng Road, Singapore.

An amount of \$3,900,000 (31.3.13: \$4,200,000) is secured by way of a legal mortgage on a leasehold property of a subsidiary at 26 Changi North Rise, Singapore.

An amount of \$6,338,000 (31.3.13: \$6,825,000) 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		GROUP	
	Second quarter ended 30.9.13 \$'000	30.9.12 \$'000	Half year ended 30.9.13 \$'000	30.9.12 \$'000
Operating activities				
Profit before income tax	13,321	15,276	35,373	33,703
Adjustments for:				
Depreciation expense	2,129	1,289	3,804	2,337
Loss on disposal of property, plant and equipment	2	18	16	18
Impairment loss on available-for-sale investment	-	4,517	-	4,517
(Gain)/Loss on disposal of assets held for sale	560	-	(5,021)	-
Loss/(Gain) on disposal of subsidiaries	81	(9,799)	81	(9,799)
Fair value adjustment on foreign exchange contracts and held-for-trading investments	973	(232)	(1,510)	(112)
Share-based payment expense	15	-	15	-
(Gain)/Loss on disposal of available-for-sale investment	-	-	(19)	37
Finance costs	120	353	325	662
Interest income	(1,009)	(966)	(2,033)	(1,790)
Operating cash flows before changes in working capital	16,192	10,456	31,031	29,573
Decrease in receivables	32,638	9,466	55,886	1,249
Increase in inventories and contracts work-in-progress	(17,557)	(16,773)	(30,333)	(24,662)
Increase in properties held for sale	-	(5,151)	-	(9,080)
Increase/(Decrease) in payables	(3,975)	13,666	10,738	9,479
Cash generated from operations	27,298	11,664	67,322	6,559
Interest received	1,009	966	2,033	1,790
Interest paid	(120)	(353)	(325)	(662)
Income tax paid	(10,284)	(7,755)	(11,705)	(13,002)
Net cash generated from/(used in) operating activities	17,903	4,522	57,325	(5,315)
Investing activities				
Proceeds from disposal of property, plant and equipment	-	-	96	5
Proceeds from disposal of available-for-sale investments	-	-	4,637	628
Purchase of property, plant and equipment	(309)	(1,255)	(1,261)	(1,756)
Purchase of available-for-sale investments	(2,820)	-	(13,371)	-
Increase in investment properties	(5,181)	(8,493)	(30,645)	(21,235)
Net cash inflow from disposal of assets held for sale	-	-	17,306	-
Net cash inflow from disposal of subsidiaries	282	53,244	282	53,244
Net cash inflow from disposal of a subsidiary retained as a joint venture	7,485	-	7,485	-
Net cash (used in)/from investing activities	(543)	43,496	(15,471)	30,886

- 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 (cont'd)

	GROUP		GROUP	
	Second quarter ended		Half year ended	
	30.9.13	30.9.12	30.9.13	30.9.12
	\$'000	\$'000	\$'000	\$'000
Financing activities				
Net proceeds from issue of shares of the company	-	60	120	60
Proceeds from short-term bank loans	-	-	-	38,400
Proceeds from long-term bank loans	-	-	-	22,556
Repayment of short-term bank loans	-	(38,400)	-	(38,400)
Repayment of long-term bank loans	(5,104)	(1,300)	(6,582)	(2,370)
Payment of dividends to non-controlling interests	-	-	(877)	(429)
Dividends paid	(8,448)	(15,163)	(8,448)	(15,163)
Net cash (used in)/generated from financing activities	(13,552)	(54,803)	(15,787)	4,654
Net increase/(decrease) in cash and cash equivalents	3,808	(6,785)	26,067	30,225
Cash and cash equivalents at beginning of the period	242,002	228,582	223,507	192,507
Effect of foreign exchange rate changes	1,785	(838)	(1,979)	(1,773)
Cash and cash equivalents at end of the period Note	247,595	220,959	247,595	220,959

	GROUP		GROUP	
	Second quarter ended		Half year ended	
	30.9.13	30.9.12	30.9.13	30.9.12
	\$'000	\$'000	\$'000	\$'000
<u>Note to the consolidated cash flow statement</u>				
Cash and cash equivalents				
Cash at bank	110,076	73,281	110,076	73,281
Short-term deposits	137,519	147,678	137,519	147,678
Cash and cash equivalents at end of the period	247,595	220,959	247,595	220,959

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-----)							Subtotal \$'000	Equity attributable to owners of the company \$'000	Non- controlling interests \$'000	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investment revaluation reserve \$'000	Capital reserve \$'000	Share- based payment reserve \$'000	Foreign currency translation reserve \$'000				
GROUP											
Balance at 1 April 2013	74,021	(10,472)	253,206	835	(10,710)	159	(6,171)	(15,887)	300,868	11,458	312,326
Total comprehensive income for the period	-	-	17,730	(723)	-	-	(3,931)	(4,654)	13,076	455	13,531
Issue of shares	120	-	-	-	-	-	-	-	120	-	120
Balance at 30 June 2013	74,141	(10,472)	270,936	112	(10,710)	159	(10,102)	(20,541)	314,064	11,913	325,977
Total comprehensive income for the period	-	-	9,006	3,456	-	-	1,400	4,856	13,862	259	14,121
Dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(118)	(118)
Disposal of subsidiaries	-	-	-	-	-	-	-	-	-	92	92
Dividends	-	-	(25,118)	-	-	-	-	-	(25,118)	-	(25,118)
Issue of shares	16,685	71	-	-	-	(100)	-	(100)	16,656	-	16,656
Balance at 30 September 2013	90,826	(10,401)	254,824	3,568	(10,710)	59	(8,702)	(15,785)	319,464	12,146	331,610

1(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)							Subtotal \$'000	Equity attributable to owners of the company \$'000	Non- controlling interests \$'000	Total \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Capital reserve \$'000	Share- based payment reserve \$'000	Foreign currency translation reserve \$'000				
GROUP											
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-----)						Total \$'000
	Share capital \$'000	Treasury shares \$'000	Accumulated profits \$'000	Investments revaluation reserve \$'000	Share- based payment reserve \$'000	Subtotal \$'000	
COMPANY							
Balance at 1 April 2013	74,021	(10,472)	26,539	835	159	994	91,082
Total comprehensive loss for the period	-	-	(7)	(723)	-	(723)	(730)
Issue of shares	120	-	-	-	-	-	120
Balance at 30 June 2013	74,141	(10,472)	26,532	112	159	271	90,472
Total comprehensive income for the period	-	-	9,338	3,456	-	3,456	12,794
Dividends	-	-	(25,118)	-	-	-	(25,118)
Issue of shares	16,685	71	-	-	(100)	(100)	16,656
Balance at 30 September 2013	90,826	(10,401)	10,752	3,568	59	3,627	94,804

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	Share- based payment reserve \$'000	Subtotal \$'000	Total \$'000
COMPANY							
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)(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 501,679,524 ordinary shares to 515,000,524 ordinary shares. This resulted from the allotment of 112,911 ordinary shares under the Boustead Restricted Share Plan 2011 and the allotment of 13,208,089 ordinary shares as scrip dividend. As at 30 September 2013, there were a total of 16,343,089 (30.9.12: 12,492,000) treasury shares.

As at 30 September 2013, there were unexercised options of 60,000 (30.9.12: 260,000) 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 30.9.13	As at 31.3.13
Total number of issued shares (excluding treasury shares)	515,000,524	501,479,524

- 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.**

On 1 August 2013, 112,911 treasury shares were utilised for issue of 112,911 ordinary shares under the Boustead Restricted Share Plan 2011.

- 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	
	30.9.13	30.9.12	30.9.13	30.9.12
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	3.0	5.3	5.4
(ii) On a fully diluted basis (¢)	1.8	3.0	5.3	5.4
Weighted average number of ordinary shares in issue:				
Basic (*)	506,157,494	505,443,524	503,885,176	505,393,524
Fully diluted basis (**)	506,754,435	505,541,466	504,482,334	505,484,507

* 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	
	30.9.13	31.3.13	30.9.13	31.3.13
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	62.0	60.0	18.4	18.2
Number of issued shares (excluding treasury shares) as at the end of the period reported on	515,000,524	501,479,524	515,000,524	501,479,524

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 FY2014 ended 30 September 2013, the Group achieved revenue of \$113.3 million and profit attributable to owners of the company of \$9.0 million, an increase of 1% and decrease of 41% respectively, compared to 2Q FY2013. The financial results of 2Q FY2013 contained several non-recurring items, namely: 1) a \$9.8 million gain on disposal of a subsidiary; 2) \$4.5 million impairment loss on available-for-sale investment; and 3) \$4.8 million overprovision of income tax. After adjusting for such non-recurring items, the profit attributable to owners of the company for 2Q FY2014 would have increased by 75% over that of 2Q FY2013.

For 1H FY2014, the Group achieved revenue of \$242.0 million or an increase of 7% over 1H FY2013. Profit attributable to owners of the company of \$26.7 million was 3% below 1H FY2013 but 54% higher after taking into consideration the non-recurring items.

Segment/Division Revenue

Segment/ Division	Revenue			Revenue		
	2Q FY2014 \$m	2Q FY2013 \$m	Favourable/ (Unfavourable) Change %	1H FY2014 \$m	1H FY2013 \$m	Favourable/ (Unfavourable) Change %
Engineering Services						
- Energy- Related Engineering	42.8	30.2	+42	76.8	54.8	+40
- Water & Wastewater Engineering	2.4	4.8	-50	6.3	10.0	-37
- Real Estate Solutions	44.0	51.2	-14	107.4	102.8	+4
	89.2	86.2	+3	190.5	167.6	+14
Geo-Spatial Technology	24.1	26.0	-7	51.5	58.0	-11
Group Total	113.3	112.2	+1	242.0	225.6	+7

The Energy-Related Engineering Division grew revenue to \$42.8 million, a rise of 42%, driven by the recovery of its downstream oil & gas business.

The Water & Wastewater Engineering Division saw a decline in revenue to \$2.4 million as a result of increased competition.

The Real Estate Solutions Division registered revenue of \$44.0 million, a reduction of 14%. This was the result of the continued successful strategic implementation of expanding the Group's industrial leasehold portfolio which will increase future recurring rental income and reduce reliance on one-off design-and-build project revenue.

The Geo-Spatial Technology Division registered a lower revenue of \$24.1 million, a decline of 7% due to a slowdown in demand, particularly in Australia during the run-up to its 2013 Federal Election. This was compounded by the progressive weakening of the Australian Dollar.

Group Profitability

For 2Q FY2014, the Group's gross profit grew by 22% to \$39.2 million. The gross profit margin strengthened to 35%, as compared to 29% a year earlier, mainly due to the unlocking of improved gross margins on specific projects undertaken by the Group's engineering divisions.

Other operating loss was mainly due to net foreign currency exchange adjustment and fair value adjustment on foreign exchange contracts and held-for-trading investments. In 2Q FY2013, the other operating income included a S\$9.8 million gain on disposal of a subsidiary, partially offset by an impairment loss on available-for-sale investment of \$4.5 million, explaining the sharp reversal.

Overhead and other operating expenses increased to \$23.9 million, up by 8%. The increase is due mainly to higher administrative expenses and other operating expenses.

Profit before income tax declined by 13% to \$13.3 million. A breakdown of the profit before income tax by core operating divisions is provided.

Segment/ Division	PBT			PBT		
	2Q FY2014 \$m	2Q FY2013 \$m	Favourable/ (Unfavourable) Change %	1H FY2014 \$m	1H FY2013 \$m	Favourable/ (Unfavourable) Change %
Engineering Services						
- Energy-Related Engineering	2.1	1.4	+50	6.4	4.3	+49
- Water & Wastewater Engineering	(0.2)	0.0	NM	(0.3)	(0.4)	+25
- Real Estate Solutions	7.9	*14.0	-44	19.3	*20.6	-6
	9.8	15.4	-36	25.4	24.5	+4
Geo-Spatial Technology	4.1	5.6	-27	11.8	15.8	-25
HQ Activities	(0.6)	** (5.7)	+89	(1.8)	** (6.6)	+73
Group Total	13.3	15.3	-13	35.4	33.7	+5
* Includes gain on disposal of subsidiary						
** Includes impairment loss on available-for-sale investment						
NM – not meaningful						

For 2Q FY2014, the Group's profit attributable to owners of the company decreased to \$9.0 million, down 41%, due to the non-recurring nature of several items contained in the financial results of 2Q FY2013 (as mentioned earlier).

Dividends

The Board of Directors has declared an interim cash dividend of 2 cents per share for 2Q FY2014, matching that paid for 2Q FY2013.

Cash Flow Statement

During 2Q FY2014, cash and cash equivalents (after taking into account the effect of foreign exchange rate changes) rose by \$5.6 million to \$247.6 million. Net cash generated from operating activities amounted to \$17.9 million and net cash used in investing activities amounted to \$0.5 million. Under investing activities, the net cash inflow from disposal of a subsidiary retained as a joint venture relates to the joint venture between the Group and Tat Hong Investments Pte Ltd for the joint development of a property at Ubi Avenue 4.

Net cash used for financing activities amounted to \$13.6 million and was due to the \$5.1 million repayment of long-term bank loans and \$8.4 million cash payment of the final and special dividends for FY2013.

Statement of Financial Position

At the end of 1H FY2014, the Group's financial position remained healthy.

With significant trade collections received from clients, trade receivables fell to \$82.4 million. Other receivables and prepayments were also reduced, primarily on the receipt of the amount due from the divestment of OM Holdings Ltd. Net contracts work-in-progress rose as specific project costs which had been incurred and invoiced to clients were certified after 1H FY2014. The increase in investment properties to \$61.7 million was due to the progressive growth of the industrial leasehold portfolio. The amount due from joint venture and investment in joint venture are in relation to the joint development of the property at Ubi Avenue 4. Non-current available-for-sale investments climbed to \$48.5 million as the Group continued to expand investment positions under the cash management programme.

The increase in the Group's share capital to \$90.8 million was the result of the successful take-up of about two-thirds of the scrip dividend offered on the applicable final and special dividends for FY2013.

The Group's net asset value per share improved to 62.0 cents at the end of 1H FY2014 from 60.0 cents at the end of FY2013.

The Group's net cash position (i.e. net of all bank borrowings) increased to \$219.7 million at the end of 1H FY2014, translating to a net cash per share position of 42.7 cents. In addition, the Group held \$53.8 million in held-for-trading and available-for-sale investments at the end of 1H FY2014.

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 its business outlook in line with current global economic conditions.

Since the start of FY2014, the Group has secured over \$300 million in new orders, surpassing the total value of orders secured for the whole of FY2013. The Energy-Related Engineering Division maintained its strong start to FY2014 by securing \$38 million in contracts in October, raising its new orders in FY2014 to approximately \$140 million, which has significantly surpassed that secured by the division for the whole of FY2013. Enquiry pipelines across the Group remain healthy although negotiation periods are expected to remain slightly protracted. Intensifying competition may also have an impact on future gross margins.

The strategy to expand the industrial leasehold portfolio to enhance recurring income and also to achieve a critical mass in order to unlock the value of the portfolio, is yielding good results. In the past three months, the Group completed the acquisition of a property with good redevelopment potential from AusGroup and also secured several design-build-and-lease additions for the portfolio from clients including Continental Automotive, Energy Alloys, the Boustead Projects/Tat Hong Investments joint venture (at Ubi Avenue 4), as well as a leading global supplier of engine and power propulsion systems. In total, over 60,000 square metres of gross floor area was added to the portfolio in the past three months, bringing the number of properties in the portfolio to 14 properties with a combined gross floor area of over 163,000 square metres.

Along with the recent string of design-build-and-lease contracts, the Real Estate Solutions Division also embarked on its initial foray into Iskandar Malaysia through a joint venture with business units of AME, Tat Hong and CSC for the joint development of almost 120,000 square metres of vacant land located within the Southern Industrial and Logistics Clusters, an area with strong demand but lacking the supply of vacant land for development.

The Group's order book backlog currently stands at \$445 million (as at the end of 2Q FY2014 plus new orders since then), a significant increase over the \$288 million stated in the 2Q FY2013 financial results announcement.

The Group's net cash position has strengthened to \$219.7 million and may be deployed for strategic acquisitions and investment opportunities, including the ongoing expansion of the industrial leasehold portfolio. The Group also has a \$500 million multicurrency debt issuance programme in place which has strengthened the Group's financing capabilities and flexibility.

Since the Group's last update in respect of the Group's financial exposure in Libya on the Al Marj Project in the 1Q FY2014 financial results announcement, the Group's legal advisors have reconfirmed the strength of the Group's case. The trial has now been scheduled for 18 to 28 February 2014.

The Group expects profits in FY2014 to remain stable but will not match the record level achieved in FY2013.

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 2013.

(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 2013 for the purpose of determining shareholders' entitlements to the interim dividend to be paid on 12 December 2013.

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 2013 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 FY2014 financial results to be false or misleading in any material aspect.

On behalf of the board of directors

WONG FONG FUI
Chairman

LOH KAI KEONG
Director

BY ORDER OF THE BOARD

Alvin Kok
Company Secretary
8 November 2013