



Boustead Singapore Limited
(Co. Reg. No. 197501036K)

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BOUSTEAD SUBSIDIARY ENTERS CONSORTIUM FOR PROPOSED PURCHASE OF TRIPLEONE SOMERSET

Singapore, 9 January 2014

1. Introduction

- 1.1 Boustead Singapore Limited ("Boustead") is pleased to announce that its wholly-owned subsidiary, Boustead Projects Pte Ltd ("Boustead Projects") – a leading specialist in real estate solutions – has entered into a consortium with Perennial Real Estate Holdings Pte Ltd ("PREH") and several other investors in connection with the proposed purchase (the "Proposed Purchase") of TripleOne Somerset (the "Property") at 111 Somerset Road, Singapore 238164. PREH had through its indirect wholly-owned subsidiary, Perennial 111 Somerset Pte Ltd ("P111S") signed a sale and purchase agreement with Gorgeous International Limited to acquire the entire issued share capital of AREIF (Singapore I) Pte Ltd at a purchase price of S\$970 million (the "Purchase Price"), to be financed by a combination of debt and equity.
- 1.2 Boustead Projects has signed a Letter of Participation (the "Letter") with PREH to co-invest in PREH's wholly-owned subsidiary, Perennial Somerset Investors Pte Ltd (the "Issuer"), which in turn owns 100% of P111S.

2. Overview of Proposed Purchase

2.1 Information on TripleOne Somerset

TripleOne Somerset is a Grade A Property strategically located within the Central Business District and prime Orchard precinct, next to Somerset MRT station and along two major road frontages at Somerset Road and Devonshire Road. The Property is well positioned to offer quality office space to a good class of office tenants and holds promising retail appeal to the surrounding residential catchment areas.

Key information for the Property is as follows:

- 17 floors of commercial office space with a two-floor retail podium and two levels of basement carpark;
- Land lease tenure of 61 years remaining;
- Site area of about 109,420 square feet;
- Total gross floor area of about 766,550 square feet (about 648,610 square feet of office space and about 117,940 square feet of retail space);
- Total net lettable area of about 563,850 square feet (about 494,080 square feet of office space and about 69,770 square feet of retail space); and
- Over 400 carpark lots.

The Property has a good mix of reputable tenants including NTUC FairPrice, Imperial Treasure, Candy Empire, AXA Life Insurance, Healthway Medical Group, International Air Transport Association, Parkway Pantai, Singapore Power and WorleyParsons.

2.2 Information on Perennial Real Estate Holdings Pte Ltd

PREH is a fully integrated real estate company with capabilities and extensive experience in investment, development, asset management, property management and capital management. Upon completion of the purchase of the Property, PREH will be appointed as the asset, property and project manager. PREH has enjoyed great success in turning around Katong Mall (now known as 112 Katong) and Chinatown Point retail mall into premier lifestyle, food and beverage, and fashion hubs. PREH also manages Chijmes, an iconic heritage commercial site in the Central Business District. In addition, PREH is also part of a consortium that is developing the landmark integrated Capitol Development in the Downtown Civic District and co-owns the House of Tan Yeok Nee, a gazetted national monument in the city centre.

2.3 Information on Proposed Investment by Boustead Projects Pte Ltd

Pursuant to the signing of the Letter, Boustead Projects has agreed to invest S\$18.15 million ("Subscription Amount", equivalent to Boustead Projects' share of the equity portion of the Purchase Price) for a 5.5% shareholding in the Issuer through subscribing for junior bonds, preference shares and ordinary shares to be issued by the Issuer.

The Subscription Amount will be paid in cash and will be financed from Boustead Projects' internal cash resources.

3. **Rationale for Proposed Investment**

The Board of Directors are of the view that the proposed investment in the Property presents an excellent opportunity for Boustead Projects to co-invest in a Grade A commercial property with planned asset enhancements. Boustead Projects will also be able to invest alongside a consortium of financially strong partners including PREH, a company with a proven track record in asset enhancement for commercial real estate in Singapore.

The Purchase Price for the Property represents an attractive entry price of S\$1,720 per net lettable square foot, which compares favourably against the likes of nearby Grade A commercial properties of similar land lease tenures in the Orchard precinct.

In addition, through the proposed investment in the Property, Boustead Projects opens up a further avenue to expand its experience into commercial real estate from its current focus on industrial real estate. Subject to pricing and the consortium's approval, Boustead Projects has the intention of participating in any future asset enhancement initiatives on the Property.

4. Financial Effects of Transaction

This transaction is not expected to have a material impact on the profitability, earnings per share and net tangible asset value per share of the Boustead Group in the current financial year ending 31 March 2014.

5. Interest of Directors and Controlling Shareholders

None of the directors or controlling shareholders of Boustead has any interest, direct or indirect, in the transaction.

6. Documents for Inspection

Copies of the Letter may be inspected during Boustead's usual business hours (from 9am to 5pm) on any business day for a period of three (3) months from the date of this announcement at the registered office of Boustead at 67 Ubi Avenue 1, #02-01, StarHub Green, Singapore 408942.

**Industrial Real Estate Solutions –
Recent Corporate Developments**

Location

Jan 2014	Entered consortium with Perennial Real Estate Holdings Pte Ltd and several other investors to make S\$970m acquisition of 71,200 sqm TripleOne Somerset at Central Business District	Singapore
Oct 2013	Awarded design-build-and-lease contract for 10,520 sqm integrated manufacturing and distribution facility for Energy Alloys Pte Ltd	Singapore
Oct 2013	Awarded design-build-and-lease contract for 24,800 sqm integrated maintenance, repair and overhaul and remanufacturing centre with an adjoining office building for Tognum Asia Pte Ltd at Tukang Innovation Park	Singapore
Oct 2013	Signed joint venture agreement with Tat Hong International Pte Ltd, AME Land Sdn Bhd and L&M Ground Engineering Sdn Bhd to jointly develop property in Iskandar Malaysia through Tat Hong Industrial Properties Sdn Bhd – first project in Iskandar Malaysia	Malaysia
Aug 2013	Signed joint venture agreement with Tat Hong Investments Pte Ltd to jointly develop property at Ubi Avenue 4	Singapore
Aug 2013	Awarded design-build-and-lease contract for 5,000 sqm R&D and technology centre expansion to existing 11,250 sqm Continental Building for Continental Automotive Singapore Pte Ltd at Kallang iPark	Singapore
Jul 2013	Awarded design-and-build contract in excess of S\$100m for 40,880 sqm Seagate Singapore Design Center – The Shugart for Seagate International Headquarters Pte Ltd at Fusionopolis, one-north	Singapore
May 2013	21,033 sqm integrated manufacturing, technology and office facility for Jabil Circuit (Singapore) Pte Ltd at Tampines Hi-Tech Park received Green Mark Gold	Singapore
May 2013	18,000 sqm Greenhub for Greenpac (S) Pte Ltd at Tukang Innovation Park received Green Mark Gold	Singapore
Feb 2013	Awarded S\$70m design-and-build contract for 54,520 sqm integrated logistics and office facility for Schenker Singapore (Pte) Ltd at Tampines LogisPark	Singapore
Jan 2013	Awarded redevelopment design-and-build contract for 18,850 sqm industrial facility for AIMS AMP Capital Industrial REIT	Singapore
Jan 2013	Awarded building contract for 1,125 sqm antioxidant production facility for BASF South East Asia Pte Ltd at Jurong Island	Singapore
Dec 2012	Awarded S\$23m building contract for 4,755 sqm 20-storey Robinson Square for Oxley Blossom Pte Ltd at Central Business District	Singapore
Nov 2012	Awarded S\$26m design-and-build contract for 16,500 sqm integrated service repair, distribution and office facility for Satair Pte Ltd at Seletar Aerospace Park	Singapore
Aug 2012	Completed development of SDV Green Hub	Singapore
Jul 2012	Received Workplace Safety & Health Performance Silver Award from Workplace Safety & Health Council (“WSHC”) and Ministry of Manpower (“MOM”) for excellence in safety and health	Singapore
Jul 2012	Received Safety & Health Award Recognition for Projects (“SHARP”) Award from WSHC and MOM for excellent safety performance at SDV Green Warehouse	Singapore
Jun 2012	Awarded S\$14m design-and-build contract for 9,650 sqm integrated food processing and office facility for RE&S Enterprises Pte Ltd at Paya Lebar iPark	Singapore
May 2012	42,100 sqm SDV Green Hub for SDV Logistics (Singapore) Pte Ltd received Green Mark Platinum Award	Singapore
May 2012	Awarded design-build-and-lease contract for 21,033 sqm integrated manufacturing and technology facility for Jabil Circuit (Singapore) Pte Ltd at Tampines Hi-Tech Park	Singapore

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited is a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group listed on the Singapore Exchange. Focusing on the engineering and development of key infrastructure supporting economic growth in the public and private sectors of emerging markets, our strong suite of Engineering Services comprises: Energy-Related Engineering, Water & Wastewater Engineering and Real Estate Solutions.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute Esri geo-spatial technology – the world’s leading geographic information systems – to major markets across Australia and South East Asia. Our location intelligence solutions are essential to effectively plan, deploy and manage key infrastructure and resources in countries.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, Boustead has undertaken infrastructure-related projects in 84 countries globally.

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

Visit us at www.boustead.sg.

About Boustead Projects Pte Ltd

Boustead Projects Pte Ltd is a leading industrial real estate solutions provider in Singapore, with core engineering expertise in the design-and-build, and development of industrial facilities for multinational corporations and local enterprises. To date, Boustead Projects has constructed and developed more than 4,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects is approved by the Building & Construction Authority of Singapore for Grade CW01-A1 to execute civil contracts of unlimited value.

Boustead Projects’ in-depth experience in designing and constructing custom-built facilities covers the aviation, high-tech manufacturing, technology, logistics, precision engineering, electronics, healthcare and lifestyle industries. It is also a leader in pioneering advanced environmentally-sustainable facilities under Green Mark and LEED. In Singapore, Boustead Projects is one of only nine bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company’s HSE management programmes.

Visit Boustead Projects at www.bousteadprojects.com.

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