



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR FY2014 ENDED 31 MARCH 2014

	4Q FY2014	4Q FY2013	Change	FY2014	FY2013	Change
Revenue	S\$142.0m	S\$146.1m	-3%	S\$513.7m	S\$513.2m	+0%
Gross profit	S\$48.6m	S\$56.6m	-14%	S\$175.4m	S\$175.8m	-0%
Profit before income tax	S\$30.9m	S\$35.2m	-12%	¹ S\$90.6m	² S\$97.4m	-7%
Profit attributable to owners of company	S\$25.5m	S\$27.7m	-8%	³ S\$70.7m	⁴ S\$81.4m	-13%
- Earnings per share	5.0cts	5.5cts	-9%	13.9cts	16.2cts	-14%
- Net asset value per share				68.4cts	60.0cts	+14%

Note:

¹ Includes S\$8.0m in gain on disposals of assets held for sale and available-for-sale investment, and loss on disposal of subsidiary

² Includes S\$16.4m in gain on disposals of available-for-sale investment and subsidiaries, and impairment loss on available-for-sale investments

³ Includes items from Note 1 and S\$2.7m overprovision of tax

⁴ Includes items from Note 2 and S\$8.2m overprovision of tax and tax refund

Note to Editors: 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.

FY2014 Highlights:

- Revenue of S\$513.7 million for FY2014 marginally pipped that of FY2013.
- Profit attributable to owners of the company of S\$70.7 million for FY2014 – the second highest in the Group's history – was 13% below that of FY2013. After adjusting for S\$10.8 million of significant non-recurring items in FY2014 (FY2013: S\$24.6 million), the adjusted profit attributable to owners of the company for FY2014 would have been 6% higher than that of FY2013.
- The Group's order book backlog currently stands at S\$380 million.
- With a healthy net cash position of S\$165.9 million, ready access to bank financing and a S\$500 million multicurrency debt issuance programme in place, the Group is well positioned to enter into more strategic alliances and capitalise on new investment opportunities.
- The Board has proposed a final dividend of 3 cents per share and a special dividend of 2 cents per share for shareholders' approval. Together with the interim dividend of 2 cents per share paid earlier, the total dividend of 7 cents per share for FY2014 is maintained at the same level as that for FY2013.

Singapore, 26 May 2014 – Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global infrastructure-related engineering services and geo-spatial technology group today announced its unaudited financial results for the fourth quarter and year ended 31 March 2014 (“4Q FY2014” and “FY2014” respectively).

For 4Q FY2014, the Group registered revenue of S\$142.0 million and profit attributable to owners of the company (“net profit”) of S\$25.5 million, a decrease of 3% and 8% respectively, compared to 4Q FY2013.

The 4Q FY2014 financial results contributed to the Group registering a sturdy set of financial results for FY2014, with revenue of S\$513.7 million and net profit of S\$70.7 million, a minor increase of less than 1% and decrease of 13% respectively, compared to FY2013. This decline in profit was due almost entirely to the difference in total value of non-recurring items between the two years. Total non-recurring items in FY2014 was S\$10.8 million compared to S\$24.6 million in FY2013. After adjusting for this difference, net profit for FY2014 would have been 6% higher than that for FY2013. Net profit for FY2014 at S\$70.7 million was the second highest in the history of the Group.

In view of the Group’s continued strong profit performance and healthy cash position, the Board of Directors is proposing a final dividend of 3 cents per share and a special dividend of 2 cents per share for shareholders’ approval. Together with the interim dividend of 2 cents per share paid earlier, the total dividend of 7 cents per share for FY2014 is maintained at the same level as that for FY2013.

For FY2014, the Energy-Related Engineering Division achieved record revenue of S\$181.3 million, up by an impressive 49% year-on-year. The record improvement was driven by a strong management performance on the back of a robust recovery of the downstream oil & gas business.

Amidst the continuing competitive landscape globally, the Water & Wastewater Engineering Division witnessed revenue decline to S\$16.3 million, a decrease of 35%.

For the seventh consecutive year, the Real Estate Solutions Division was the highest revenue contributor among the divisions. However, revenue fell 17% to S\$209.2 million. The reduction in design-and-build revenue was partly due to fewer projects implemented throughout FY2014 and the ongoing strategy of expanding the industrial leasehold portfolio, which will provide increasing future recurring rental income.

Under the Geo-Spatial Technology Division, although South East Asia achieved revenue growth and Australia attained almost comparable revenue in AUD terms, after accounting for the weaker AUD against SGD exchange rate, the division’s revenue decreased by 7% to S\$106.9 million. This ended the division’s record streak of 11 consecutive years of revenue growth.

All four operating divisions were profitable in FY2014, with the profit growth from the Energy-Related Engineering Division partially offsetting the lower contributions from the Real Estate Solutions Division and Geo-Spatial Technology Division.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “We presented an excellent set of financial results for FY2014 which exceeded our expectations. Despite the expectation of another challenging year, the Group will continue to protect the profitability of our core businesses and look for opportunities to enhance and unlock shareholder value.”

During FY2014, the Real Estate Solutions Division took several positive steps to improve its medium to long-term performance. The division expanded into Iskandar Malaysia through a significant investment in a joint venture development announced earlier. In

addition, the division grew its industrial leasehold portfolio with the additions of Tognum, Energy Alloys, Continental Automotive (Phase 2) and the Boustead-Tat Hong Investments joint venture building in Singapore, along with the purchase of the AusGroup property. These additions will provide increasing future recurring rental income.

Throughout FY2014, the Group has been continually reviewing and evaluating various options to enhance and unlock shareholder value. One of these options is to expand its industrial leasehold portfolio to enhance future recurring income and to achieve a critical mass in order to maximise the value of its property portfolio. In this regard, the Group took steps to evaluate the feasibility of establishing a real estate investment trust that would include the Group's industrial properties, and to list this vehicle on the SGX-ST. The Group also appointed several advisers to assist in the review. However, the Board of Directors wishes to emphasise that the Group is currently at an early stage of the review process and there is no certainty at this juncture that this plan will materialise.

Since the Group's last update on 28 February 2014 in respect of the Group's financial exposure in Libya on the Al Marj Project, the Group's legal advisors have reconfirmed the strength of the Group's case. The third tranche of the trial is set to recommence and run from 30 June to 1 July and 3 July 2014.

The Group's net asset value per share improved to 68.4 cents at the end of FY2014, from 60.0 cents a year earlier. The Group had a net cash position (i.e. net of all bank borrowings) of S\$165.9 million, and held-for-trading and available-for-sale investments of S\$82.1 million at the end of FY2014.

The order book backlog currently stands at S\$380 million (as at the end of FY2014 plus new orders since), comparable to the S\$378 million stated in the FY2013 financial results announcement.

The Group expects to see continued growth in its core businesses but profitability may be affected by intense competition and rising costs.

-- End of media release --

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.

Financial Results Archive

To access the archive of financial results for the last five financial years, please go to: www.boustead.sg >> investor centre >> financial information >> quarterly results.

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