



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR HALF-YEAR FY2007 ENDED 30 SEPTEMBER 2006

**Half-year FY2007 results down but Group still
on track to outperform record achievements of FY2006**

	1H FY2007	1H FY2006	Change
Revenue	\$139.7m	\$157.6m	-11.4%
Gross Profit	\$43.9m	\$64.9m	-32.4%
Profit before tax	\$14.9m	\$36.4m	-58.9%
Net Profit	\$7.9m	\$15.9m	-50.2%
- Net margin	5.7%	10.1%	
- Earnings per share	3.1 cents	6.4 cents	-51.6%
- Net asset value per share	44.0 cents	44.0 cents	-

Highlights:

- Group revenue and net profit declined by 11.4% and 50.2% respectively due to shift in planned sale of industrial leasehold property to 2H FY2007 and cessation of contribution from now disposed power generation business in Philippines. Period-to-period comparison excluding S\$36.6 million sales of industrial leasehold properties in 1H FY2006 and power generation business reveals group revenue and net profit growth of 24.7% and 125.3% respectively.
- Energy-related engineering revenue rose 27.9% to S\$48.1 million.
- Industrial real estate solutions turnkey design and build activities increased 55.5% to S\$51.3 million.
- Group order book remains healthy at S\$285 million and is expected to grow further.
- Strong balance sheet and healthy cash reserve.
- Proposed interim gross dividend of 2.0 cents per share represents an increase of 100% over interim gross dividend declared and paid in previous corresponding period.

Singapore, 10 November 2006 – Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global engineering services and geo-spatial technology group today announced its unaudited financial results for the six months ended 30 September 2006.

In 1H FY2007, the Group recorded a decline in revenue and net profit to S\$139.7 million and S\$7.9 million respectively. The decline was largely expected as the previous corresponding period’s results were boosted by the S\$36.6 million sales of two industrial leasehold properties and contribution from the now disposed power generation business in the Philippines. Before its sale in 4Q FY2006, the power generation business contributed S\$9.0 million revenue and S\$2.6 million net profit in 1H FY2006. A period-to-period comparison excluding the sales of industrial leasehold properties in 1H FY2006 and the power generation business reveals revenue and net profit growth of 24.7% and 125.3% respectively.

The Board of Directors has proposed an interim gross dividend of 2.0 cents per ordinary share less tax. This represents an increase of 100% over the interim gross dividend declared and paid in the previous corresponding period.

Driven by favourable global oil prices and increased heavy investment in downstream oil & gas / petrochemical infrastructure, the energy-related engineering division achieved steady revenue growth of 27.9% to S\$48.1 million. If the disposed power generation business is excluded, a period-to-period comparison of the existing energy-related engineering businesses presents an impressive 68.2% growth in revenue.

The water & wastewater engineering division recorded lower revenue on the smaller order book secured in FY2006. Although significant strides were made in developing the business in 1H FY2007 with the securing of several major contracts, ongoing projects were still in the initial phases of development and will mainly be recognised and completed in 2H FY2007.

The industrial real estate solutions division demonstrated sturdy performance through increased turnkey design and build activities. Excluding the sales of industrial leasehold properties in 1H FY2006, the division grew its turnkey design and build activities by a noteworthy 55.5%. The contribution from this division is expected to increase further in 2H FY2007 with the planned sale of an industrial leasehold property and full recognition of the benefits from Boustead’s acquisition of 36.7% minority interest shares in August.

Geo-spatial technology experienced steady demand for its ESRI geographic information systems and geo-spatial solutions in Australia and South East Asia. Revenue grew marginally by 1.7% to \$30.8 million in 1H FY2007.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer said, “As was expected, the financial results for the first six months of FY2007 are down but I am pleased with the strong growth in turnkey project activities for both energy-related engineering and industrial real estate solutions.”

On the future prospects of the Group, Mr Wong added, “We are poised for a very robust second half performance. With stronger contributions expected from every engineering division and the imminent sale of an industrial leasehold property in the second half, we are confident of outperforming our record achievements in FY2006.”

With favourable conditions and a positive business climate, the Group order book is expected to exceed the current level of S\$285 million.

About Boustead Singapore Limited

Established in 1828, Boustead Singapore Limited is a progressive global Engineering Services and Geo-Spatial Technology Group listed on the Singapore Exchange. Engineering Services, which cater to a broad range of international clients, comprise Energy-Related Engineering (for oil & gas / petrochemicals and solid waste energy recovery), Water & Wastewater Engineering and Industrial Real Estate Solutions. Geo-Spatial Technology is focused on providing world-leading ESRI geographic information systems and geo-spatial solutions to the public sector and private enterprises across the Asia Pacific.

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