



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR 2Q FY2014 ENDED 30 SEPTEMBER 2013

	2Q FY2014	2Q FY2013	Change	1H FY2014	1H FY2013	Change
Revenue	S\$113.3m	S\$112.2m	+1%	S\$242.0m	S\$225.6m	+7%
Gross profit	S\$39.2m	S\$32.1m	+22%	S\$77.6m	S\$72.6m	+7%
Profit before income tax	S\$13.3m	*S\$15.3m	-13%	S\$35.4m	*S\$33.7m	+5%
Profit attributable to owners of company	S\$9.0m	**S\$15.3m	-41%	S\$26.7m	**S\$27.5m	-3%
- Earnings per share	1.8cts	3.0cts	-40%	5.3cts	5.4cts	-2%
- Net asset value per share				62.0cts	51.4cts	+21%

* Includes gain on disposal of subsidiary and impairment loss on available-for-sale investment

** Includes gain on disposal of subsidiary, impairment loss on available-for-sale investment and overprovision of income tax

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.

2Q/1H FY2014 Highlights:

- Revenue of S\$113.3 million for 2Q FY2014 was marginally ahead of 2Q FY2013 while revenue of S\$242.0 million for 1H FY2014 was 7% higher than 1H FY2013.
- Profit attributable to owners of the company of S\$9.0 million for 2Q FY2014 was 41% below 2Q FY2013, while it decreased by 3% for 1H FY2014. After adjusting for non-recurring items totalling a net amount of S\$10.1 million in 2Q FY2013, the profit attributable to owners of the company for 2Q FY2014 would have increased by 75% over that of 2Q FY2013 and by 54% for 1H FY2014.
- The Board of Directors declared an interim cash dividend of 2 cents per share, matching that paid for 2Q FY2013.
- The Group's order book backlog currently stands at S\$445 million, having secured over S\$300 million in new orders to date in FY2014, surpassing total value of orders secured for the whole of FY2013.
- The Group's net cash position increased to S\$219.7 million at the end of 1H FY2014.

Singapore, 8 November 2013 – 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 second quarter ended 30 September 2013 (“2Q FY2014”).

For 2Q FY2014, the Group achieved revenue of S\$113.3 million and profit attributable to owners of the company of S\$9.0 million, an increase of 1% and decrease of 41% respectively. The financial results of 2Q FY2013 contained several non-recurring items, namely a S\$9.8 million gain on disposal of a subsidiary, S\$4.5 million impairment loss on available-for-sale investment and S\$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 S\$242.0 million or an increase of 7% over 1H FY2013. Profit attributable to owners of the company of S\$26.7 million was 3% below 1H FY2013 but 54% higher after taking into consideration the non-recurring items.

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

The Energy-Related Engineering Division grew revenue to S\$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 S\$2.4 million as a result of increased competition.

The Real Estate Solutions Division registered revenue of S\$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 S\$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.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “Our strategy to expand the industrial leasehold portfolio is yielding positive results, as well as moving us further down the path to unlocking its value. We secured four design-build-and-lease deals and completed the acquisition of one property, adding 60,000 square metres to our portfolio and increasing our future recurring income.”

Mr Wong added, “We also entered Iskandar Malaysia through a joint venture that owns almost 120,000 square metres of industrial land in the Southern Industrial and Logistics Clusters, Nusajaya. This land bank in a highly promising area has enabled Boustead Projects to make good progress in its overseas expansion. The recent developments are forming a strong platform for the future.”

Since the start of FY2014, the Group has secured over S\$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 S\$38 million in contracts in October, raising its new orders in FY2014 to approximately S\$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 Group's order book backlog currently stands at S\$445 million (as at the end of 2Q FY2014 plus new orders since then), a significant increase over the S\$288 million stated in the 2Q FY2013 financial results announcement.

The Group's net cash position has strengthened to S\$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 S\$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's net asset value per share increased to 62.0 cents at the end of 1H FY2014, up from 60.0 cents at the end of FY2013.

The Group's net cash position (i.e. net of all bank borrowings) increased to S\$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 S\$53.8 million in held-for-trading and available-for-sale investments at the end of 1H FY2014.

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

-- 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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