



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR 3Q FY2015 ENDED 31 DECEMBER 2014

	3Q FY2015	3Q FY2014	Change	9M FY2015	9M FY2014	Change
Revenue	S\$177.9m	S\$129.7m	+37%	S\$434.1m	S\$371.7m	+17%
Gross profit	S\$42.0m	S\$47.9m	-12%	S\$134.0m	S\$123.6m	+8%
Profit before income tax	S\$18.4m	S\$24.4m	-25%	S\$65.0m	S\$59.7m	+9%
Profit attributable to equity holders of company	S\$11.8m	S\$18.4m	-36%	S\$45.4m	S\$45.2m	+1%
- Earnings per share	2.3cts	3.6cts	-36%	8.8cts	8.9cts	-1%
- Net asset value per share				71.0cts	64.0cts	+11%

Note to Editors: The Group's revenue is largely derived 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.

3Q/9M FY2015 Highlights:

- 3Q FY2015 revenue of S\$177.9 million was 37% above 3Q FY2014 while 9M FY2015 revenue of S\$434.1 million was 17% above 9M FY2014.
- 3Q FY2015 profit attributable to equity holders of the company ("net profit") of S\$11.8 million was 36% below 3Q FY2014 due to an unusually low margin (compared to ongoing average margins) on a recently completed large real estate project.
- 9M FY2015 net profit of S\$45.4 million was 1% above 9M FY2014.
- The Group's order book backlog currently stands at S\$342 million.

Singapore, 12 February 2015 – 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 third quarter and nine months ended 31 December 2014 (“3Q FY2015” and “9M FY2015” respectively).

For 3Q FY2015, the Group achieved revenue of S\$177.9 million and net profit of S\$11.8 million, increasing 37% and decreasing 36% respectively, as compared to 3Q FY2014.

For 9M FY2015, the Group achieved revenue of S\$434.1 million and net profit of S\$45.4 million, increasing 17% and 1% respectively, as compared to 9M FY2014.

The Energy-Related Engineering Division saw revenue decline 8% to S\$47.8 million. Lower revenue was due to slower new order intake during FY2015 as compared to the robustness of FY2014 and in line with the weak market sentiment experienced in the global oil & gas industries over the past six months.

The Real Estate Solutions Division attained a 95% rise in revenue to S\$99.3 million, achieved on strong progress made across several projects including the completion of its largest design-and-build project. The division also continued to focus on its ongoing strategy to expand the industrial leasehold portfolio, which will increase future recurring rental income.

The Geo-Spatial Technology Division notched 14% growth in revenue to S\$30.8 million. This was achieved despite the continued weakness of AUD vs SGD. Both Australia and South East Asia experienced good demand.

Despite the increase in revenue, the Group’s gross profit decreased by 12% to S\$42.0 million because of an unusually low margin (compared to ongoing average margins) for a recently completed large project in the Real Estate Solutions Division. Notwithstanding the above, the Real Estate Solutions Division continues to operate in a highly challenging and competitive business environment. The order book backlog for this division is estimated at approximately S\$180 million.

Net profit for 3Q FY2015 declined 36% to S\$11.8 million for the reasons mentioned above and also due to greater contribution of profits from operations in jurisdictions with higher tax rates. The effective tax rate for 3Q FY2015 was 31.5% compared to 20.4% in the corresponding quarter last year.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “We expect to deliver a reasonable profit for FY2015. Nonetheless, the current business climate remains extremely challenging for corporations operating in the industrial real estate and global oil & gas markets. We have in our favour a healthy balance sheet and net cash position of about S\$133 million which will enable us to ride out this cycle and hopefully, capture some interesting opportunities along the way.”

The Group’s net cash position (i.e. net of all bank borrowings) stood at S\$132.8 million at the end of 9M FY2015, translating to a net cash per share position of 25.8 cents. In addition, the Group maintained S\$79.4 million in held-for-trading and available-for-sale investments at the end of 9M FY2015.

To date in FY2015, the Group has secured approximately S\$312 million in new contracts. The Group’s enquiry pipelines and order book backlog of approximately S\$342 million, including S\$180 million for the Real Estate Solutions Division (as at the end of 3Q FY2015 plus new orders since then), remain relatively healthy.

As announced earlier on 23 December 2014, Boustead has proposed the demerger of the Real Estate Solutions Division through a distribution in specie to Boustead's shareholders of shares in Boustead Projects Pte Ltd held by Boustead and the proposed listing of shares of Boustead Projects Pte Ltd on the Main Board of the SGX-ST by way of an introduction (the "Proposed Transaction"). Shareholders are advised to exercise caution when dealing in Boustead's shares ("Shares") and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests until they or their advisers have considered the information set out in the earlier announcement on the Proposed Transaction.

Since the Group's last update in respect of its financial exposure in Libya on the Al Marj Project in the 2Q FY2015 financial results announcement, the Group's legal advisors have continued to confirm the strength of the Group's case. The Group's final submission was made in August 2014 and a verdict is expected in the first half of 2015.

-- 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 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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