



Boustead Singapore Limited
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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR 1Q FY2017 ENDED 30 JUNE 2016

	1Q FY2017	1Q FY2016	Change
Revenue	S\$113.7m	S\$116.7m	-3%
Gross profit	S\$36.0m	S\$37.0m	-3%
Profit before income tax ("PBT")	S\$13.9m	S\$12.1m	+14%
Total profit	S\$10.5m	S\$8.9m	+18%
Profit attributable to equity holders of Company ("net profit")	S\$7.0m	S\$6.3m	+11%
Net profit (adjusted for comparative review)*	S\$6.1m	S\$8.9m	-32%
- Earnings per share	1.3cts	1.2cts	+8%
- Net asset value per share	59.0cts	57.8cts	+2%

Note:

* Net profit adjusted for other gains and losses for comparative review.

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.

1Q FY2017 Highlights:

- Revenue of S\$113.7 million was 3% lower than 1Q FY2016.
- Net profit of S\$7.0 million was 11% higher than 1Q FY2016. For comparative review, if net profit had been adjusted for other gains and losses which comprised mainly of foreign exchange movements, then 1Q FY2017 net profit would be 32% lower year-on-year.
- The Group's current order book backlog stands at S\$277 million (unrecognised project revenue remaining as at end of 1Q FY2017 plus the total value of new orders secured since then).

Singapore, 12 August 2016 – 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 first quarter ended 30 June 2016 (“1Q FY2017”).

For 1Q FY2017, the Group registered revenue of S\$113.7 million, total profit of S\$10.5 million and net profit of S\$7.0 million. Although revenue was 3% lower, total profit and net profit were 18% and 11% higher year-on-year respectively. The improvements in total profit and net profit were mainly due to foreign exchange movements under other gains and losses, which when adjusted for would result in net profit being 32% lower year-on-year.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “We are still performing well under pressure. Our results were boosted by a one-off foreign exchange risk management exercise that we undertook for our UK unit, BIH in advance of Brexit. Our timely action to place as much as 75% of BIH’s funds in foreign currencies other than GBP before the vote meant that we effectively safeguarded most of our investment there. Going forward, as macro economic conditions remain uncertain, we should be prepared for lower profitability. Nevertheless, even in such times, our focus will not only be on maintaining our balance sheet but strengthening it further, as shown by our improved net cash position of S\$179 million.”

In line with the depressed state of the global oil & gas industries, revenue at the Energy-Related Engineering Division declined 24% year-on-year to S\$26.1 million. Continued delays by global oil & gas corporations in making major capital expenditure decisions affected all parts of the value chain.

Despite the challenges faced in the industrial real estate sector, the Real Estate Solutions Division (under Boustead Projects) achieved revenue of S\$60.9 million, edging up 8% year-on-year. There were improvements in revenue contributions from both the design-and-build and leasing businesses.

At the Geo-Spatial Technology Division, currency headwinds continued to impact revenue but this did not prevent the division from posting a 4% increase in revenue to S\$26.6 million. In particular, Australia performed well.

The Group’s gross margin remained comparable at 32% in 1Q FY2017 compared to 1Q FY2016. Nonetheless, the Group continues to face gross margin pressure. Despite significant challenges, all three divisions remained profitable.

The Group’s net cash position (i.e. net of all bank borrowings) stood at a significantly improved S\$179.3 million at the end of 1Q FY2017. In addition, the Group maintained S\$74.7 million in available-for-sale financial assets and financial assets held for trading at the end of 1Q FY2017, of which about half of the amount is highly liquid.

The Group’s current order book backlog stands at S\$277 million (unrecognised project revenue remaining as at end of 1Q FY2017 plus the total value of new orders secured since then), of which S\$95 million is under the Energy-Related Engineering Division and S\$182 million is under the Real Estate Solutions Division.

In line with previous statements made in the FY2016 financial results announcement, results briefing and recently released annual report, the Group expects short-term performance to be impacted by the greater uncertainty posed by the current macro economic environment compounded with headwinds within the Group’s respective industries. While the Group believes it will continue to be profitable in FY2017, the level of profit may not match that of FY2016 due to the current macro economic environment.

-- 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 SGX. Focusing on the engineering and development of key infrastructure to support economic growth in global 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 intelligent mapping platform and digital infrastructure are essential to create smart nations and smart cities by solving the world’s largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, we have undertaken infrastructure-related projects in 85 countries globally.

In 2008 and 2009, we were 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. In 2015, we were also a winner of the Singapore Golden Jubilee Business Award, in recognition of the best 50 Singapore corporations who have achieved and contributed to Singapore’s progress and success over the past 50 years since independence. We are also listed on the MSCI World 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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