

Tiong Seng Holdings Limited

2Q2014 Results Presentation

15 August 2014



TIONG SENG HOLDINGS LIMITED
(ESTABLISHED SINCE 1959, SINGAPORE)

Disclaimer

Certain statements in this presentation constitute “forward looking statements”. All statements other than statements of historical facts are forward looking and are based on management’s optimistic view about the future developments. Forward looking statements involve certain risks and uncertainties and actual results may vary materially from those targeted, expected and projected, due to various factors.

Although we believe that the expectations reflected in the forward looking statements are reasonable, you are advised to exercise judgments before relying on these forward looking statements. We do not intend to update any forward looking statements to compare those statements to actual results, other than required by applicable laws and regulations.

This presentation includes market and industry data and forecast that have been obtained from internal survey, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. There can be no assurance as to the accuracy or completeness of such included information. While Tiong Seng has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, Tiong Seng has not independently verified any of the data from third party sources or ascertained the underlying economic assumptions relied upon therein.



Agenda

1. Financial Highlights

2. Business Updates

3. Looking Ahead



1. Financial Highlights



Financial highlights - Overview

Income Statement (SGD m)	Unaudited	Audited results			
	1H2014	1H2013	FY2013	FY2012	FY2011
Revenue	325.1	278.1	654.9	511.4	414.5
Gross Profit	20.9	30.2	50.5	54.2	44.7
Other income	3.2	9.6	16.0	3.5	9.3
Operating & net finance expenses	(21.9)	(22.3)	(47.2)	(39.2)	(37.9)
Net profit before JV & Tax	2.2	17.4	20.4	20.0	17.2
JV contributions	0.6	0.5	(0.1)	9.2	20.6
Tax expenses	(1.2)	(4.5)	(11.4)	(2.7)	(10.9)
Net profit for the period	1.6	13.4	8.9	26.4	26.9
Earnings Per Share	0.3 cents*	1.9 cents*	1.2 cents	3.3 cents	3.5 cents

*Based on 919,247,700 shares, net of non-controlling interests as at 30 June 2014 and a weighted average number of ordinary shares outstanding of 781,932,691 as at 30 June 2013

Group Financial Results – by Business Segments (1H2014)

<i>(In Millions)</i>	Construction	Property Development	Other Segments	Total
Revenue	318.7	2.9	3.5	325.1
Costs	(300.0)	(2.7)	(1.5)	(304.2)
Gross profit	18.7	0.2	2.0	20.9
Other income	1.8	0.0	1.3	3.1
Depreciation	(1.8)	(0.0)	(1.1)	(2.9)
Selling expenses	(0.0)	(2.0)	(0.1)	(2.1)
Staff costs	(5.9)	(1.0)	(2.8)	(9.7)
Other operating expenses	(3.1)	(1.1)	(1.4)	(5.6)
Profit / (loss) from operating activities	9.7	(3.9)	(2.1)	3.7

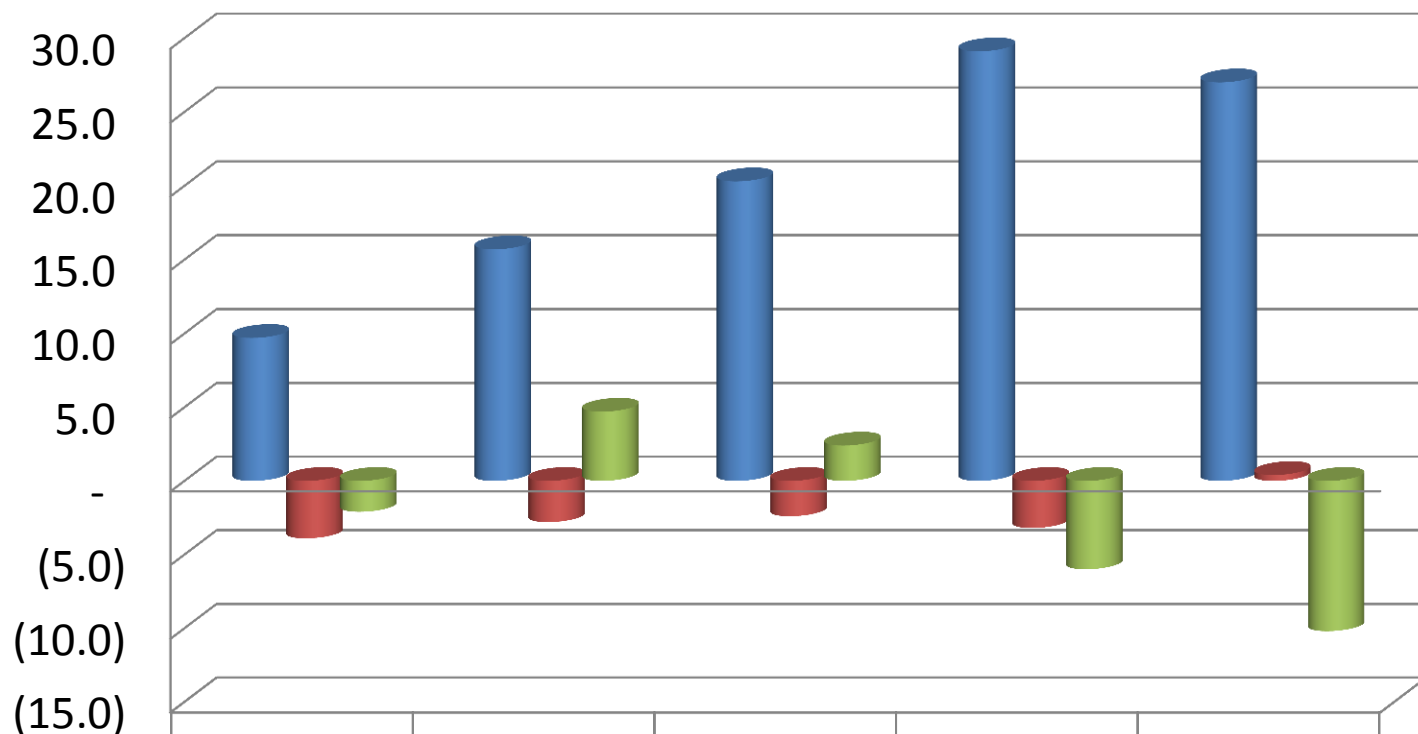


Group Financial Results – by Business Segments (1H2013)

<i>(In Millions)</i>	Construction	Property Development	Other Segments	Total
Revenue	247.7	25.4	5.0	278.1
Costs	(220.3)	(25.1)	(2.5)	(247.9)
Gross profit	27.4	0.3	2.5	30.2
Other income	1.3	0.0	8.2	9.5
Depreciation	(2.3)	(0.0)	(1.0)	(3.3)
Selling expenses	(0.0)	(1.5)	(0.1)	(1.6)
Staff costs	(6.4)	(1.0)	(3.1)	(10.5)
Other operating expenses	(4.3)	(0.6)	(1.8)	(6.7)
Profit / (loss) from operating activities	15.7	(2.8)	4.7	17.6



Segmental profit/ (loss) from operating activities

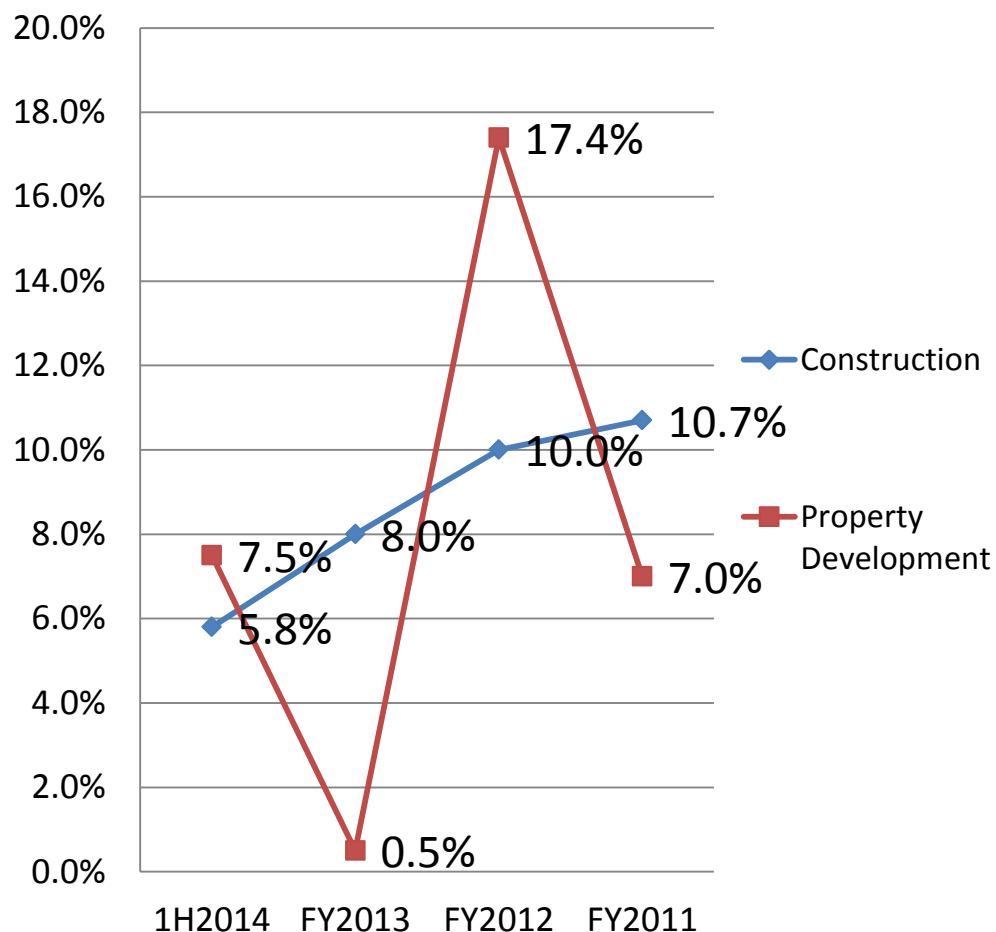


■ Construction	9.7	15.7	20.3	29.1	27.0
■ Property Development	(3.9)	(2.8)	(2.4)	(3.2)	0.4
■ Others*	(2.1)	4.7	2.4	(6.0)	(10.2)

*Others includes rental, sales of goods and others

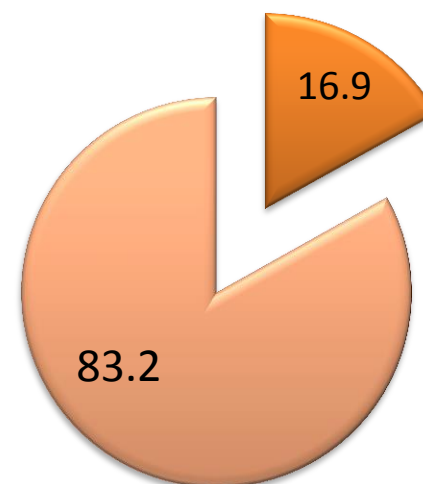
Gross Profit Margin & Unrecognized Revenue

Gross profit margin



Unrecognized revenue as at 30 June 2014 (SGD 'million)

- Construction
- Property Development

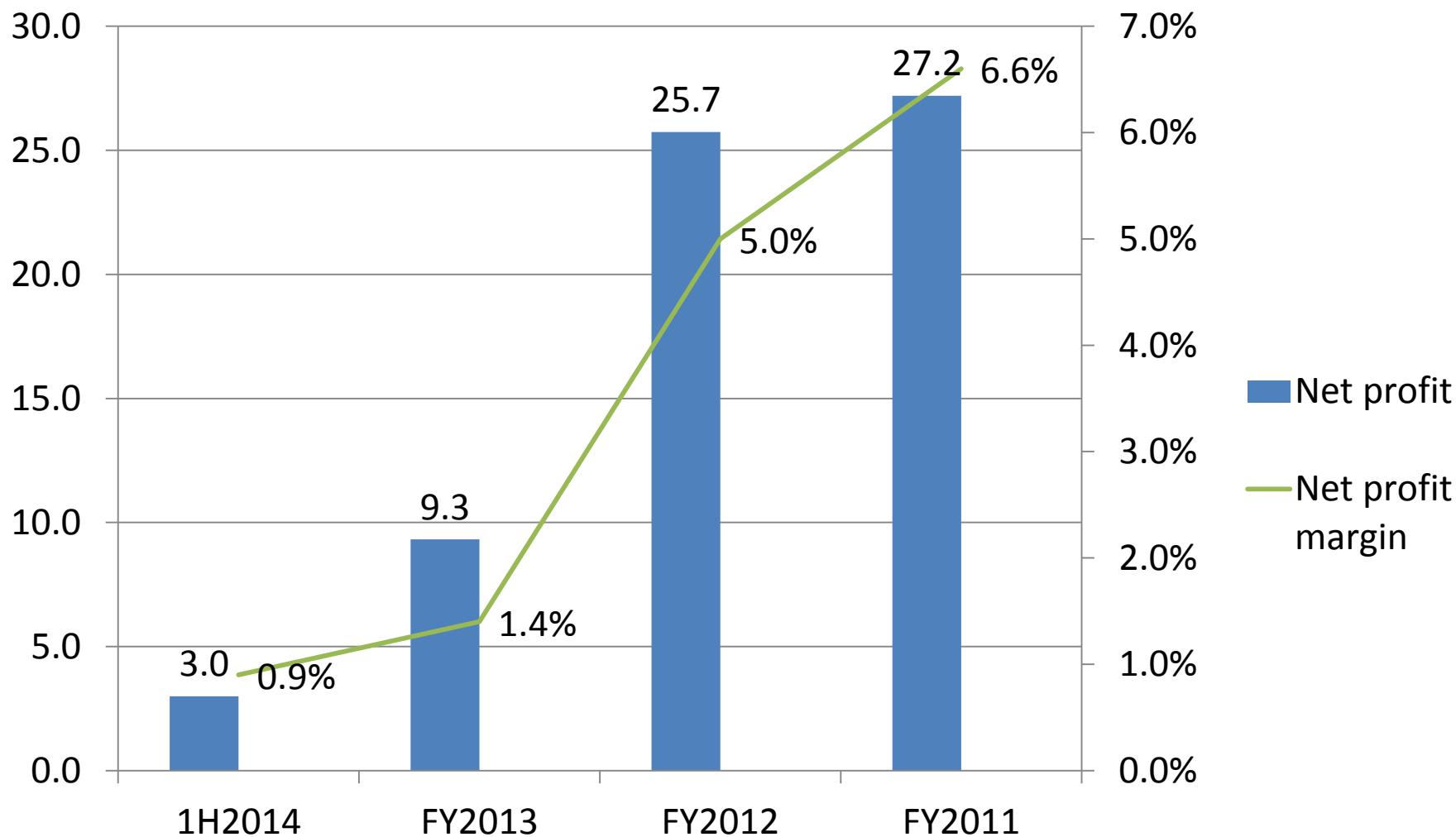


* Construction projects include Panorama, Woodlands C29 & 30, Thomson Line Great World City



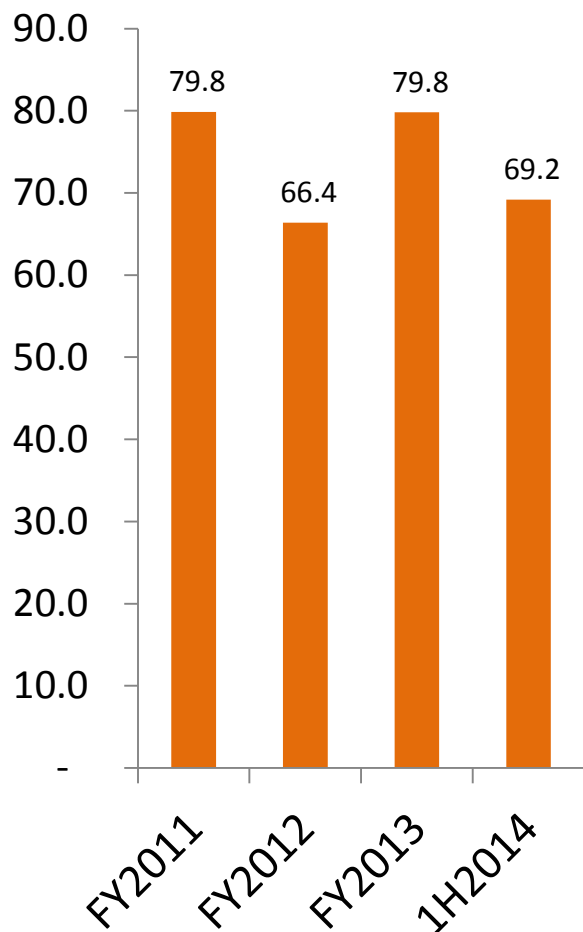
Net profit attributable to shareholders

Net profit attributable to shareholders (SGD 'million)

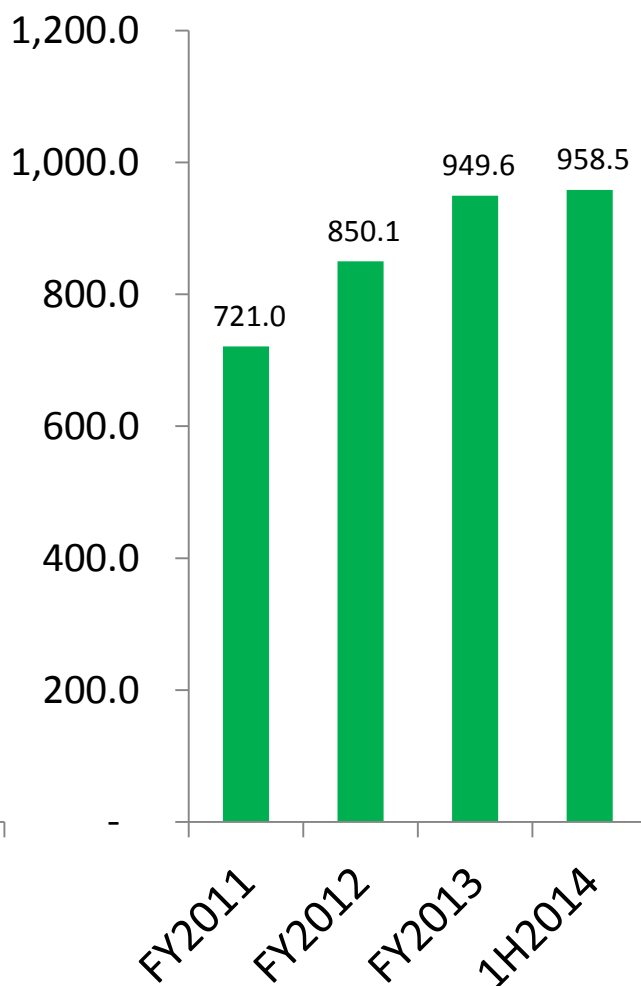


Key balance sheet items

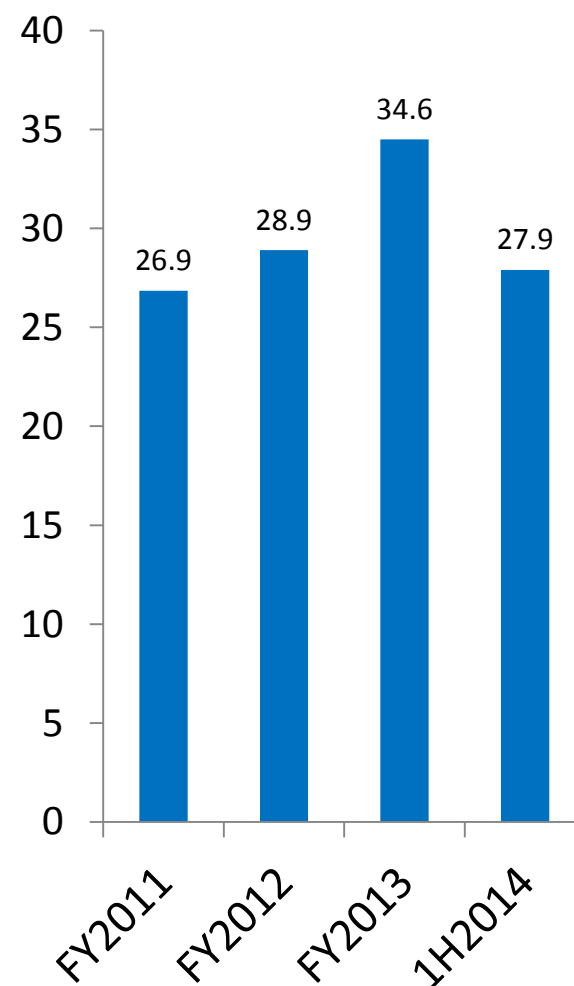
**Cash & Cash Equivalents
(SGD 'million)**



Total assets, (SGD 'million)



NAV per share* (S\$ cents)



*Based on 919,247,700 shares, net of non-controlling interests as at 30 June 2014 and a weighted average number of ordinary shares outstanding of 781,932,691 as at 30 June 2013



Corporate Actions – Medium Term Note Program

- S\$250,000,000 Multicurrency MTN Program
- Net proceeds used for general corporate purposes, including refinancing of existing borrowings and financing of investments and acquisitions and the working capital and capital expenditure requirements
- Established since 10 July 2013, with S\$75,000,000 4.75 per cent notes due 2018 issued on 3 July 2014



2. Business Updates



Construction - Ongoing projects

The Group has an order book of S\$1.22billion (as at 30 Jun 2014), to be delivered progressively till 2020.

Residential



Woodlands C29 & C30
Client: Housing Development Board
Approx Contract Value: S\$204.5 mil
NEW



The Panorama
Client: Wheelock Properties
Approx Contract Value: S\$210 mil
NEW



HAUS@Serangoon Garden
Client: City Developments Limited
Approx Contract Value: S\$93mil



Waterway Terraces II
Client: Housing Development Board
Approx Contract Value: S\$339.0 mil



The Luxurie
Client: Keppel Land Realty
Approx Contract Value: S\$151.0 mil



The Archipelago
Client: United Venture Development
Approx Contract Value: S\$189.5 mil



Eco Sanctuary
Client: SP Setia International
Approx Contract Value: S\$135.4mil



The Springside
Client: Kallang Development Pte Ltd
Approx Contract Value: S\$88.0mil

Construction - Ongoing projects

Hospital



Connexion

Client: Singapore HealthPartners
(JV with Samsung C&T 45:55 (TS: 45))
Approx Contract Value: S\$270.0 mil

Commercial



Mediapolis

Client: MediaCorp Pte Ltd
(JV with Kajima 20:80 (TS: 20))
Approx Contract Value: S\$413.0 mil

Industrial



Joo Koon Integrated Transport Hub & Fairprice Distribution Centre

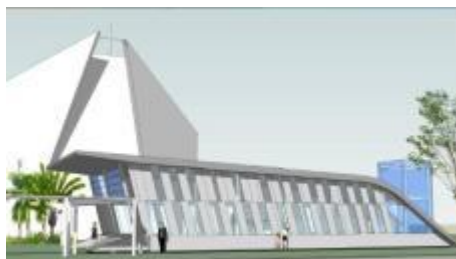
Client: NTUC Fairprice
Approx Contract Value: S\$229.0 mil



Equinix

Client: Mapletree Industrial Trust
Approx Contract Value: S\$42.7 mil

Civil Engineering



Design & construction of stations and tunnels for stage 2 of downtown line 2

Client: Land Transport Authority
(JV with GS Engineering & Construction 30:70 (TS:30)
Approx Contract Value: S\$430.5 mil



Construction of Great World City station and tunnels for Thomson Line

Client: Land Transport Authority
(JV with Dongah Geological 65:35 (TS:65)
Approx Contract Value: S\$316 mil

NEW

Institution



Upgrading and sealing of roads in Papua New Guinea

Client: Independent State of Papua New Guinea, funded by Asian Development Bank
Approx Collective Contract Value: S\$72.4 mil



SIM HQ Campus Extension

Client: Singapore Institute of Management
Approx Contract Value: S\$137 mil



PROPERTY DEVELOPMENT – Ongoing projects

Project Name	Status
<p>The Equinox, Tianjin</p> 	<p>Phase 1: Construction in progress and completion expected in 2015</p> <p>Phase 2: Construction in progress and completion expected in 2015</p> <p>Of the 205 units in phase 1 and 2, approximately 48% of the units have been sold.</p> <p>Phases 3-7: To launch in 2015, subject to market conditions, with completion expected in 2017</p>
<p>Sunny International Development, Cangzhou</p> 	<p>Phase 1: 100% sold and recognised in 2011</p> <p>Phase 2: 92% of the units has been sold</p> <p>Phase 4: 95% of the units has been sold</p> <p>Phase 3: 35% of the units has been sold</p>



PROPERTY DEVELOPMENT – Ongoing projects

Project Name	Status
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Zizhulin Commercial Development, Tianjin



Discussion with authorities in progress

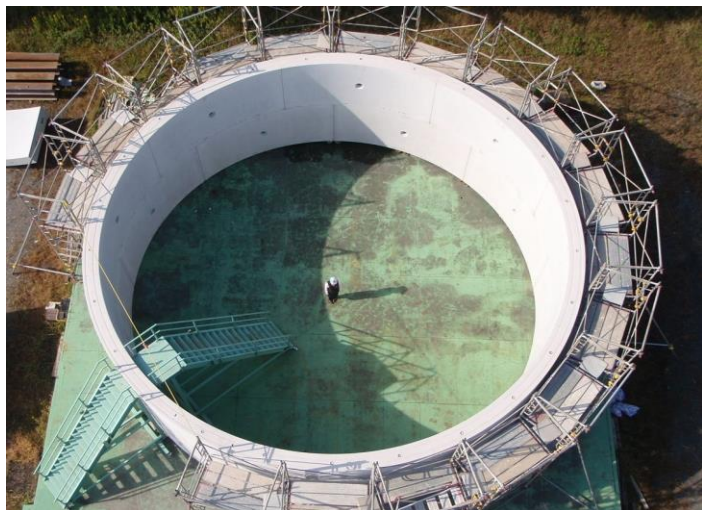
Tranquility Residence, Suzhou



Phase 1: Construction commenced in 3Q2013 and completion expected in 3Q2015

Phase 2: Construction commenced in 1Q 2014 and completion expected in 2Q 2016.

Joint Venture with Geostr – Precast tunnel segments



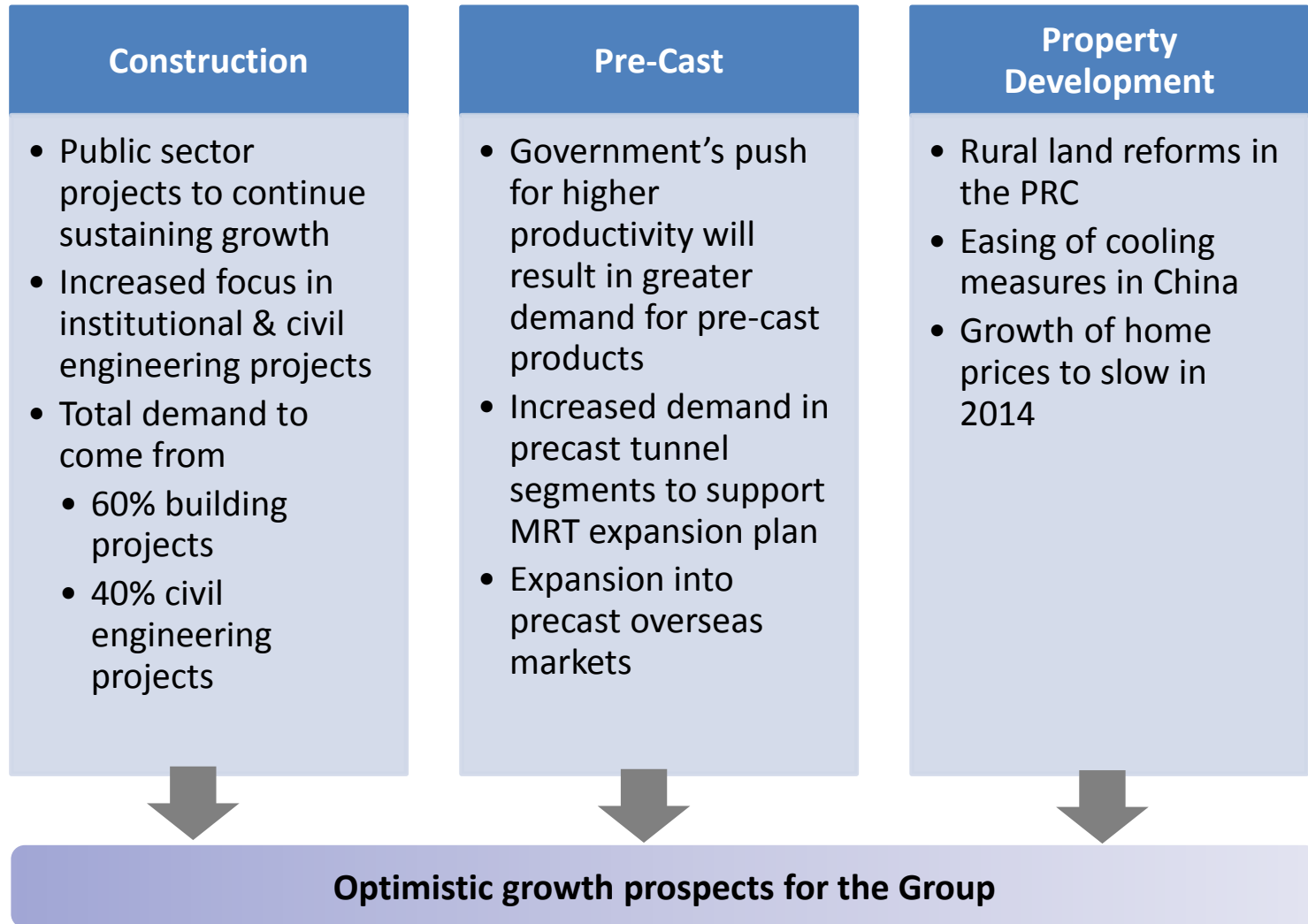
- Tiong Seng, Geostr and Marubeni-Itochu Steel Inc. **formed a 44:51:5 JV worth S\$14.5 million to develop precast tunnel segments** primarily for the Singapore market. The JV plans to target the S\$60 billion MRT expansion plan over the next decade.
- **Geostr:**
 - Market leader in precast tunnels manufacturing, accounting for > 40% of total production volume in Japan.
 - Have extensive experience in the production of precast tunnel segment.
- **Tiong Seng:**
 - Have extensive experience in precast. JV enables it to expand its offering of precast products to the market.
 - JV production to be based in Iskandar precast plant. Office to be based in Singapore.

^ Ministry of Transport; Expansion of Rail Network
 (http://app.mot.gov.sg/Land_Transport/Making_Public_Transport_a_Choice_Mode/Rail.aspx)

3. Looking Ahead



Looking Ahead



Thank You

Q&A

