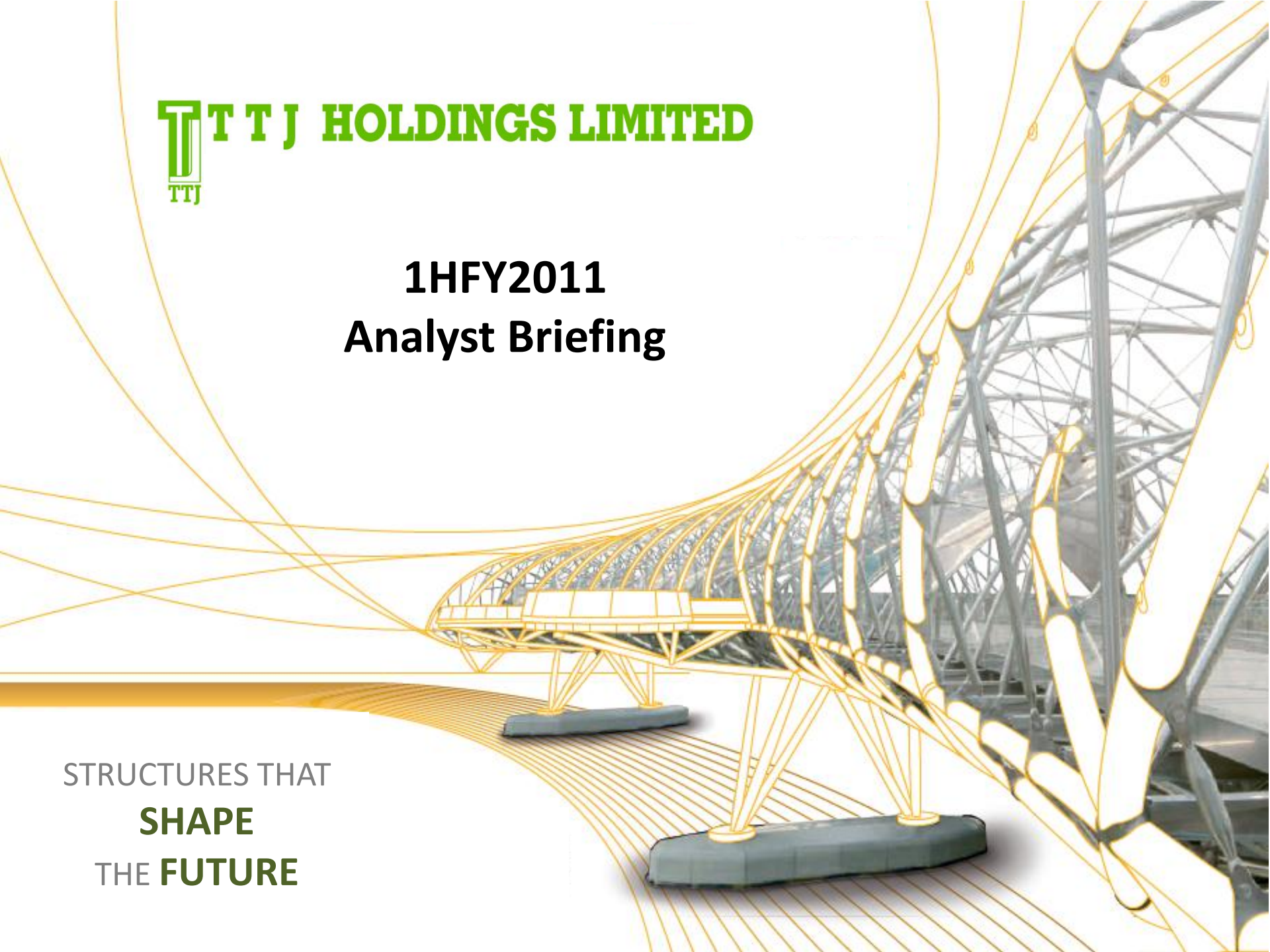




1HFY2011 Analyst Briefing

STRUCTURES THAT
SHAPE
THE **FUTURE**



Contents



- **Corporate profile**
- **Financial performance**
- **Business updates**
- **Outlook**





Corporate profile



Corporate profile



One of the largest **Structural Steel fabricators** with a reputation as a **leading structural steel specialist**

Quality standing	Operations
<ul style="list-style-type: none">• Delivered steel structures for many iconic projects in Singapore• An S1 accredited company with design and fabrication facilities in Singapore	<ul style="list-style-type: none">• Based in Singapore, with operations in Singapore and Malaysia• 3 production facilities with a maximum annual capacity of 42,000 tonnes normal structural steel:<ul style="list-style-type: none">– Singapore: 20,000 tonnes– Johor, Malaysia: 22,000 tonnes• Operates 2 dormitories in Jalan Papan and Upper Jurong Road with a total capacity of 5,700 persons



Structural steel business



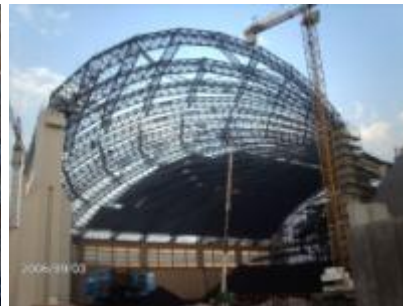
We fabricate and erect steel structures to be used on various buildings cutting across various segments, including **residential buildings, commercial buildings, factories and/or plants.**

Our high standards of precision in fabrication and ingenuity in site handling and erection have enabled us to provide structural steel solutions for the following industries:



Construction – including buildings, bridges, and civil defence shelter doors

Oil & gas and Offshore



Marine

Pharmaceutical

Petrochemical and Power Generation



Dormitory business

We operate 2 dormitories in Singapore with a total capacity of approximately 5,700 persons



The Terusan Lodge

Capacity 5,300
Location Jalan Papan
Tenure 13 Jan 2014 (Renewable for a further 3 years)



The Jurong Apartment

432
Upper Jurong Road (conveniently located near Jurong Industrial District)
13 Jan 2012



One of the largest Singapore-based independent structural steel fabricators



Among the 15 S1 (as at 9 March 2011) steel fabricators in Singapore with S1 grading, the highest accreditation by the Singapore Structural Steel Society, we are **one of only two with fabrication facilities in Singapore**

Approx. land area
Current max. annual production capacity of normal structural
Remarks



Pioneer Factory
Singapore

17,000 sq m

20,000 tonnes

Waterfront loading area



Suasa Factory
Johor, Malaysia

10,117 sq m

Exclusively fabricate stainless steelworks



Keluli Factory
Johor, Malaysia

86,198 sq m

22,000 tonnes

Predominantly fabricate carbon steelworks ; fabricated steelworks mock-up and storage

* Based on the production floor area, number of machines, production workers and the number of production operators manning the machines as at the end of the financial year being operational for 12 hours per day for 300 days in a year.



Established track record



We have delivered steel structures and been awarded contracts for many iconic projects in Singapore and the Middle East:



The MRT

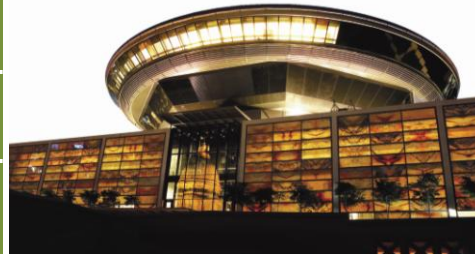
Changi Airport Terminal 3

Pinnacle @ Duxton

The New Supreme Court

The Helix Bridge at Marina Bay

Sky Garden Bridges of Reflections @ Keppel Bay



◀ SuperTrees of Gardens by the Bay

Bahrain World Trade Centre Twin Towers ▶

Dubai Maritime City ▶



Technical capability, expertise and infrastructure to execute complex projects



We have the ability to carry out complex and demanding projects according to customers' specifications and spawn many innovative work methods



**Changi Airport Terminal 3:
Main pavilion
roof structure**



**Changi Airport
Terminal 2**



**Henderson
Bridge**



**Helix Bridge:
Duplex stainless
steel helix framed
structure**



**The New
Supreme Court
Building**



**Lion Crane 1 & 2:
Two dock cranes at
Sembawang
Shipyard**

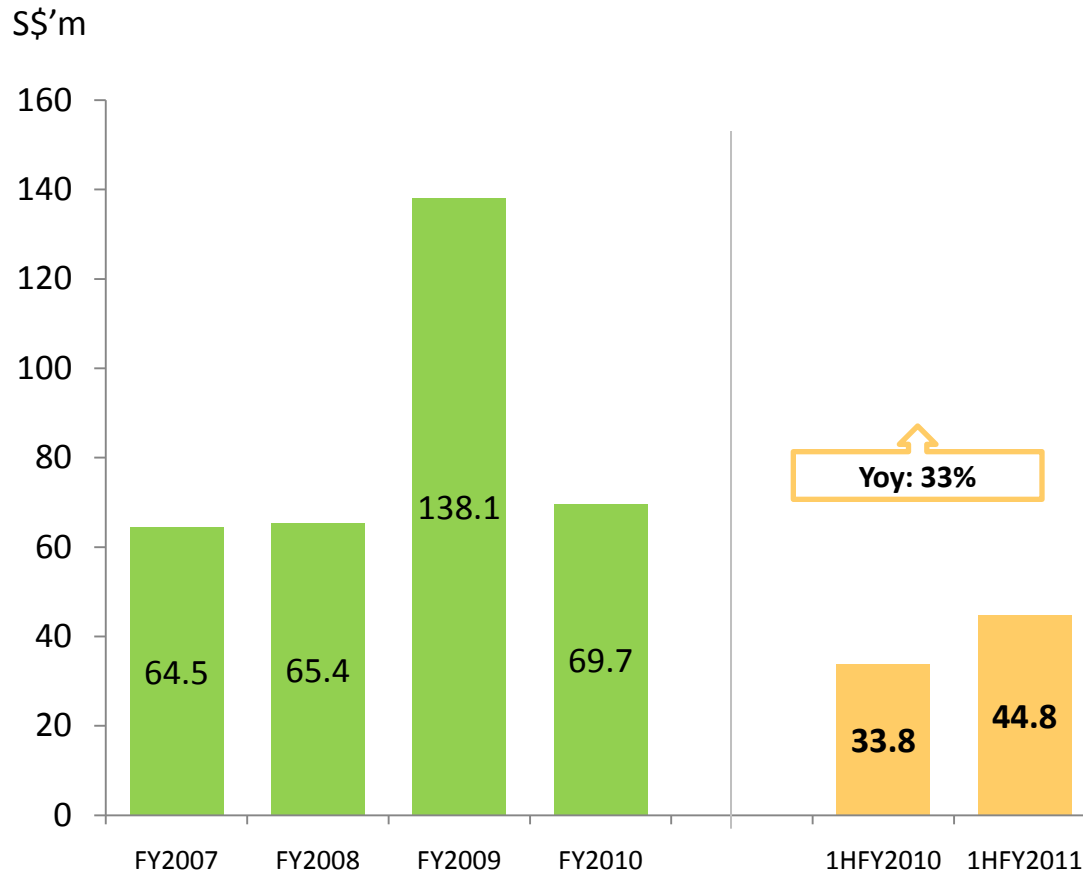




Financial performance



Revenue



1HFY2011 revenue increased 33%

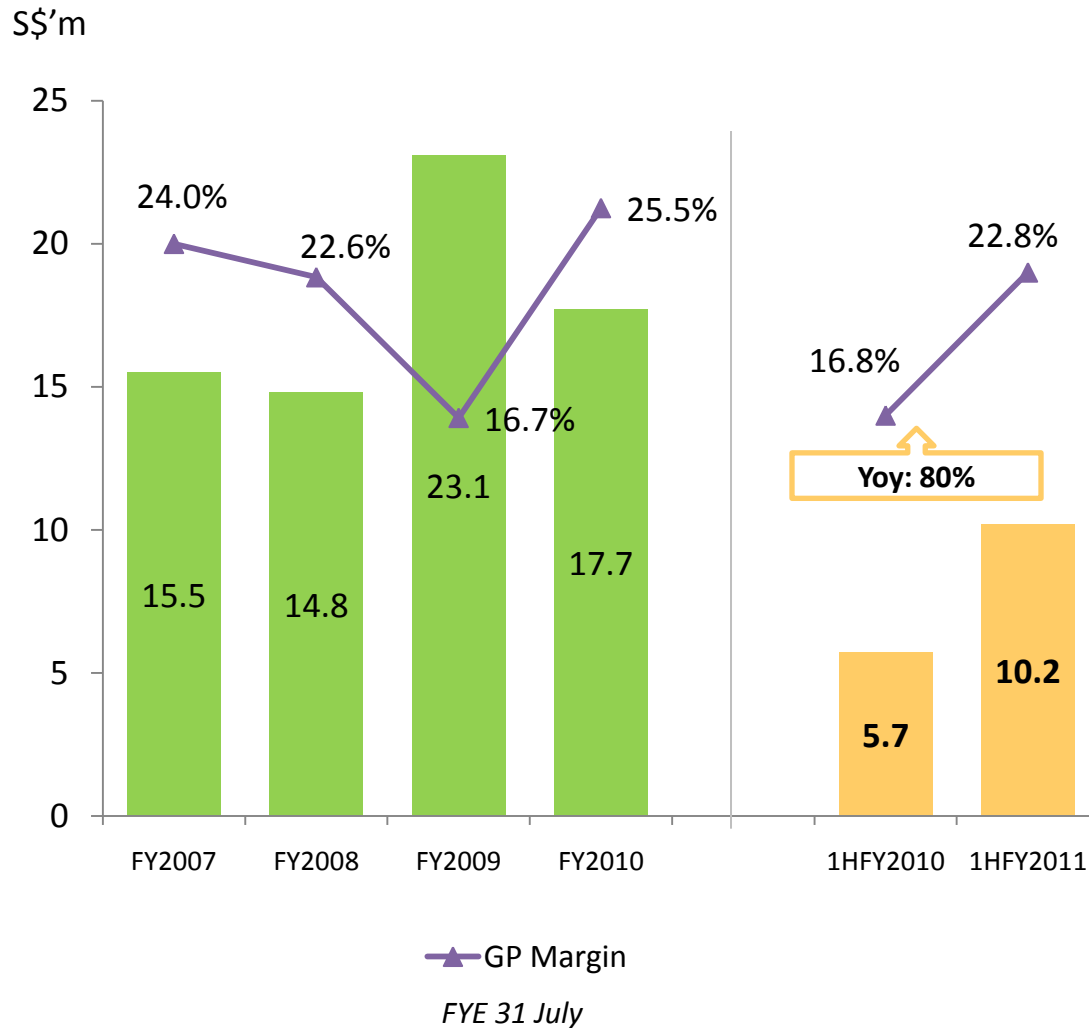
- Increase in revenue was mainly contributed by a number of major projects in the Group's structural steel business

Yoy: 33%

FYE 31 July



Gross profit and margin



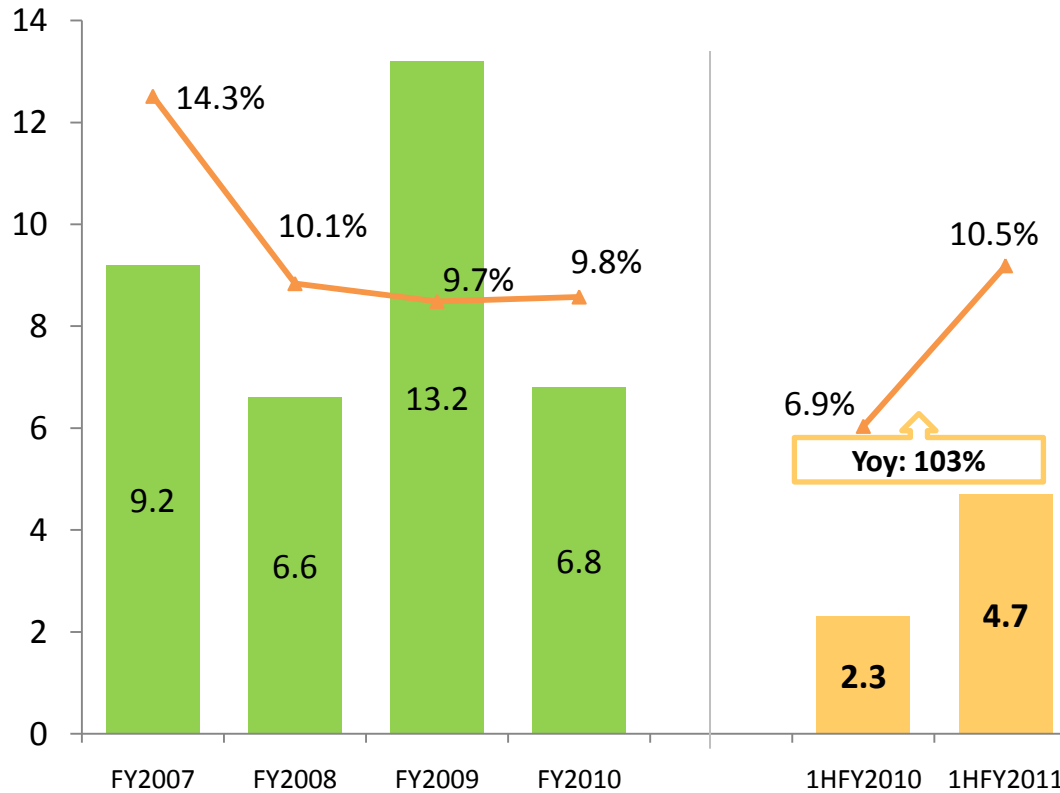
GP margin in 1HFY2011 at 22.8%

- Lower GP margin in 1HFY2010 due to lower contributions by variation works of some projects which could not be ascertained during the reporting period

Profit after tax and margin



S\$'m



NP in 1HFY2011 increased by 103%

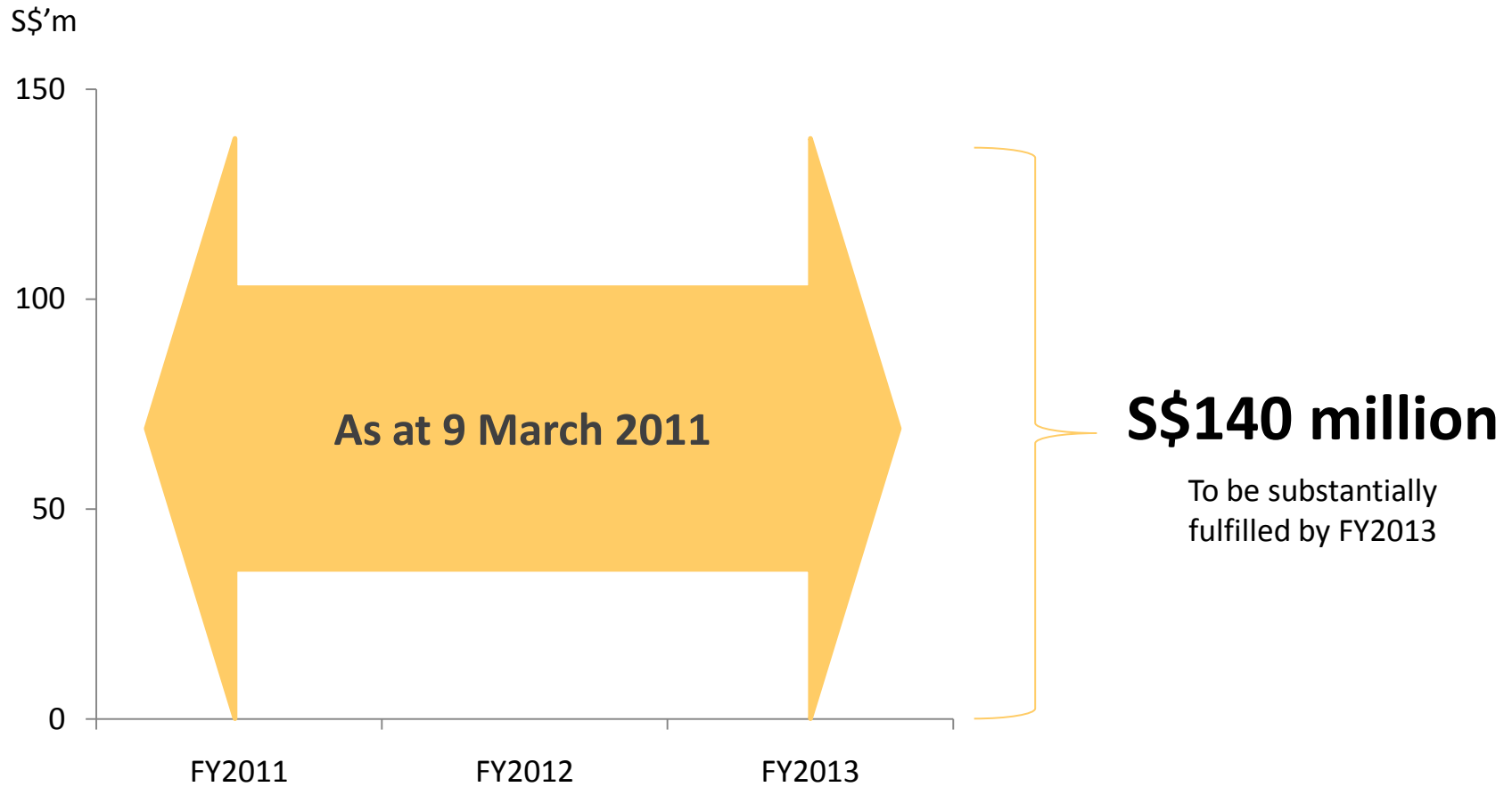
- Mainly contributed by the higher revenue recorded, a decrease in other charges, and offset by an increase in administrative expenses and a decrease in other credits.

NP Margin

FYE 31 July



Robust order books



Key financial indicators



Profitability Ratios	FY2007	FY2008	FY2009	FY2010	1HFY2010	1HFY2011
EPS (cents)	3.8	2.7	5.5	2.5	0.95	1.48
Return On Assets (%)	17.7	7.7	13.3	6.2	2.1	4.4
Return On Equity (%)	70.6	34.0	41.8	11.3	3.8	7.4

Financial Position (S\$'m)	As at 31 Jul 2010	As at 31 Jan 2011
Total assets	109.0	106.1
Total liabilities	49.1	42.7
Shareholders' equity	59.9	63.3

Gearing	As at 31 Jul 2010	As at 31 Jan 2011
Net gearing ratio (times)	0.07	(0.18)

NAV	As at 31 Jul 2010	As at 31 Jan 2011
NAV per share (cents)	17.10	18.10



Cash flow



S\$'m	1HFY2010	1HFY2011
Net cash from operating activities	13.3	16.4
Net cash used in investing activities	(0.3)	(0.6)
Net cash used in financing activities	(11.1)	(10.3)
Cash and cash equivalents	3.9	28.9





Business updates



Consistent project wins

▶ 26 Nov 10



Secured Singapore LNG Terminal and Lanxess Butyl Rubber Facility projects worth **S\$31.5 million**

▶ 25 Jan 11



Wins **S\$12 million** of new projects

- First glass-clad pedestrian link bridges at Orchard Road at the proposed re-development of Specialists' Centre/Hotel Phoenix
- The Scot Project for Shell Eastern Petroleum at Pulau Bukom
- depot located off Woodlands Road in Downtown Line Stage 2 (DTL2) (Contract 911)

▶ 08 Feb 11



Wins projects worth **S\$15 million**

- Supply and install structural steelwork and metalwork for two factory buildings and piperack with an steel tonnage of close to 3,000 tons for Tokuyama Corporation's ¥65 billion polycrystalline silicon solar cells plant in Malaysia
- 2nd contract for Lanxess Butyl Rubber facility on Jurong Island
- Wins Syncrolift Inc. contract to supply, fabricate, deliver and install pallet assembly for a shiplift platform



Ongoing projects



Slated for substantial completion between FY2012-FY2013

SuperTrees of
Gardens by the Bay
▼



◀ Sky Garden Bridges
and Tower Crowns of
the Reflections @
Keppel Bay

Marina Bay Sands
Integrated Resort ▶
Lion Garden Bridge



Campus for
Research
Excellence and
Technological
Enterprise
(CREATE) at NUS ▶



Singapore LNG
Terminal project ▶



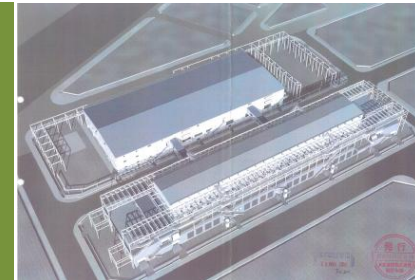
Downtown Line 2
Installation of temporary
strutting systems and
civil defence shelter
doors

Public Sector Projects
Installation of civil
defence shelter doors



◀ Lanxess
Butyl Rubber
Facility

Tokuyama's
polycrystalline silicon
solar cells plant in
Malaysia ▶





Outlook



Construction sector outlook in Singapore



Promising Outlook and Sustained Construction Demand

BCA projection of construction demand:

- 2011: \$22 - \$28 billion⁽¹⁾
- 2012 and 2013: S\$19 - \$26 billion

Other projects out in the market

- LTA to spend \$60b on MRT projects in next 10 years: Downtown Lines 2 and 3, the Thomson Line and the Eastern Region Line; extension to E-W and N-S lines⁽²⁾
- Public sector: ITE Ang Mo Kio, Jurong General Hospital with a community hospital at Jurong East, Victoria Theatre and Victoria Concert Hall, National Art Gallery; Sports Hub
- Private sector: Expected to contribute between \$10-\$13 billion, backed by buoyant office space and vibrant retail sector
- O&G related projects: Jurong Aromatics Corporation Complex, Island Power Cogen plant, extension of Singapore LNG Terminal; Tuas Power multi-utilities plant at Tembusu; two gas-fired combined cycle power plants for Keppel Corp and Tuas Power Generation



(1) Building and Construction Authority website, http://www.bca.gov.sg/Newsroom/pr12012011_CPPS.html, accessed on 12 January 2011

(2) National Day Rally Speech 2010 by the Prime Minister; LTA website

Growth strategy & future plans



Expand into the strutting systems business

- Supply, fabrication and installation of strutting systems
- Increased opportunities from MRT projects:
 - ➔ Downtown Line 2 & 3 ➔ Thomson Line ➔ Eastern Region Line
 - ➔ N-S Line Extension ➔ North South Expressway

Further expansion of our on-site capabilities and resources in Malaysia

- To expand capabilities of the Keluli Factory:
 - ➔ Adding a blasting chamber to treat fabricated material in-house, in progress.
 - ➔ Constructing a new administrative building, in progress.

Potential growth opportunities in Singapore's construction sector

- Upcoming public and private developments
- Demand for civil defence shelter doors
- Strutting systems business





Thank You

Q&As

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