

PRESS RELEASE

Structural steel specialist T T J posts 47% increase in earnings to \$21.8 million in FY2014

- **Gross profit margins rises 5.5 points to 27.5%**
- **Order book at \$97 million as at 25 September 2014**
- **Proposes first and final dividend of 1.4 cents per share for FY2014**

Financial highlights for the 12 months ended 31 July:

(S\$m)	FY2014	FY2013	Chg (%)
Revenue	134.7	127.4	6
Gross profit	37.0	28.0	32
Profit before tax	26.6	17.9	49
Net profit attributable to owners of the parent	21.8	14.9	47
Gross profit margin (%)	27.5	22.0	5.5 points
Earnings per share* (cts)	6.23	4.25	47
Net asset value per share (cts)	33.94	28.52	19
Dividend per share (cts)	1.4	0.9	56

**Based on 350 million weighted average number of ordinary shares in issue*

SINGAPORE – 25 September 2014 – T T J Holdings Limited (“T T J” or together with its subsidiaries, the “Group”) today reported an impressive 47% increase in earnings to \$21.8 million for the 12 months ended 31 July 2014 (“FY2014”) with a full year revenue of \$134.7 million. On the back of this, the Group saw a marked improvement in its gross profit margin which surged from 22.0% to 27.5% in FY2014.

Revenue growth in FY2014 originated from both T T J’s Structural Steel business and Dormitory business. Its Structural Steel business revenue grew 3% to \$115.3 million in FY2014 from \$111.9 million in FY2013 mainly due to the substantial completion of contract works for a number of major industrial projects including the Lanxess Compass Project, Nalco Eastern Hemisphere Core Plant and the Methionine Plant on Jurong Island, as well as the Liquefied Natural Gas (LNG) Train 9 project for Petroliam Nasional Berhad (Petronas) in Bintulu, Sarawak, Malaysia. On-going key projects such as the Tuas West MRT Extension Depot, the National Art Gallery and Tanjong Pagar Centre, which is set to

become Singapore's tallest building at 290 metres, also provided a boost to the Group's topline in FY2014. At the same time, revenue from T T J's Dormitory business increased 19.5% to \$18.0 million in FY2014 from \$15.1 million in FY2013 due to a rise in rental rates.

Underpinned by this, gross profit of the Group rose 32% to \$37.0 million in FY2014 with an increase in gross profit margin by 5.5 percentage points to 27.5% from 22.0% the year before. This was largely due to the higher margins recorded in the Group's Dormitory business and a marginal improvement for its Structural Steel business during the year.

With this robust set of results, the Group's Earnings Per Share ("EPS") for FY2014 rose to 6.23 cents, while its Net Asset Value ("NAV") came in at 33.94 cents per share as at 31 July 2014. This is compared to an EPS of 4.25 cents for FY2013 and an NAV of 28.52 cents as at 31 July 2013.

Dividend

T T J proposed a first and final dividend of 1.4 cents per share for FY2014, up from 0.9 cents it distributed for FY2013. This translates into a dividend payout of 22.5% of net profit attributable to owners in FY2014. The dividend will be paid on 19 December 2014, subject to approval at the Group's upcoming Annual General Meeting. The book closure date to determine shareholders' entitlement for the dividend is set for 4 December 2014.

Order Book

The Group's order book stands at \$97 million as at 25 September 2014. Over the course of FY2014, the Group secured new projects in diverse sectors which include Tanjong Pagar Centre; DUO, a mixed-use development at Rochor Road/Beach Road/Ophir Road; MediaCorp's new headquarters at Mediapolis @ one-north; the new State Courts complex at Havelock Square; Yishun Community Hospital. These, together with existing projects in the order book, are expected to be delivered within the next two financial years.

TTJ Prospects and Economic Outlook

Going forward, the Group is cautious of several industry-wide speed bumps that lay ahead. For one, the Group is facing keener competition from an influx of overseas players entering the local market in recent years. Industry projects are also expected to be rolled out at a slower pace due to labour supply constraints in Singapore. The Ministry of Trade and Industry has projected the construction sector to

grow at a slower pace faced for the second half of 2014 pegged to a decline in private commercial and industrial building works¹.

In view of this, T T J expects FY2015 to be a challenging year. Nevertheless, the Group will continue to strive towards securing new contracts in both public and private sectors which continue to present possible opportunities for business growth.

T T J's Chairman and Managing Director, Mr Teo Hock Chwee (张福水) said, "Even though we are facing keener competition and rising costs in the short-term, we believe that the Group's long-term prospects remain intact, supported by Singapore's growing population and the government's commitment to develop various infrastructure to support its citizens in the coming years."

He added, "T T J has one of the strongest track records in structural steel in Singapore. Leveraging this considerable expertise, we are actively tendering for a well-diversified range of projects which can deliver high yield to us. At the same time, to stay competitive, we have been channelling our fabrication works to our Keluli Factory in Malaysia, where labour costs are lower, as well as striving to improve productivity and effectiveness of our workers through training and automation."

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About T T J Holdings Limited

With a history that can be traced back to 1981, T T J is one of the largest structural steel fabricators based in Singapore with a current combined annual maximum production capacity of 42,000 tonnes of normal steel structure at its fabrication facilities located in Singapore and Johor, Malaysia. The Group's core business lies in the design, supply, fabrication and erection of a wide spectrum of structural steelworks for use in the construction of buildings, factories, plants and infrastructure. The Group also operates one dormitory in Singapore with a total capacity of 5,300 persons. Since 1 April 2010, T T J is listed on the Mainboard of the Singapore Stock Exchange. For more information, please go to <http://www.ttj.com.sg/>.

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¹ Ministry of Trade and Industry press release - 2014 GDP Growth Forecast is Narrowed to 2.5 to 3.5 Per Cent (12 Aug 2014)