

PRESS RELEASE

Structural steel specialist T T J achieves higher gross profit margin in 1HFY2015 despite keener competition

- **Maintains order book of \$78 million as at 11 March 2015**
- **Tightens cost management to stay competitive**

Financial highlights for the second quarter and six months ended 31 January:

(S\$m)	Q2FY2015	Q2FY2014	Chg (%)	1HFY2015	1HFY2014	Chg (%)
	3M	3M		6M	6M	
Revenue	27.4	41.1	(33)	52.1	73.3	(29)
Gross profit	6.6	9.1	(28)	14.0	17.2	(19)
Profit before tax	4.5	6.4	(29)	9.6	12.1	(21)
Net profit attributable to owners of the parent	3.9	5.3	(27)	8.0	9.9	(19)
Gross profit margin (%)	24.1	22.1	2.0 pts	26.9	23.5	3.4 pts
Earnings per share* (cts)	1.10	1.51	(27)	2.30	2.84	(19)

**Based on the weighted average number of ordinary shares in issue of 349,635,326 for the period ended 31 January 2015 and 349,800,000 for the period ended 31 January 2014.*

SINGAPORE – 11 March 2015 – T T J Holdings Limited (“T T J” or together with its subsidiaries, the “Group”) today announced its half year results amid keener competition in the construction sector. For the six months ended 31 January 2015 (“1HFY2015”), revenue of the Group declined 29% to \$52.1 million while net attributable profit dipped 19% to \$8 million. However, the Group still achieved a gross profit margin of 26.9% in 1HFY2015, 3.4 percentage points higher compared to 23.5% a year ago.

For the period under review, the Group recorded lower sales in its Structural Steel business but saw improved contribution from its Dormitory business arising from an increase in rental rates.

As at 11 March 2015, the order book of the Group stood at \$78 million comprising projects it expects to substantially complete between FY2015 and FY2016. They include, among others, a recently secured batch of contracts totalling \$22 million to supply structural steelworks for fixed gangways at Changi Airport Terminals 1 and 2, Tampines Town Hub as well as civil defence shelter doors. In

addition, the Group is also working on on-going projects for diverse sectors such as Tanjong Pagar Centre, the DUO and Metropolis@one-north and Yishun Community Hospital.

Looking ahead, the outlook for construction demand in Singapore is expected to sustain in 2015 and beyond. The Building and Construction Authority (“BCA”) of Singapore has forecast a stable demand of \$29-\$36 billion in 2015 with around 60% or \$18-\$21 billion coming from the public sector including a rise in industrial projects and a sustained pipeline of institutional and civil engineering works. While private sector construction demand is expected to moderate to \$11-\$15 billion in 2015, the moderation is expected to be cushioned by a rise in civil engineering projects such as the proposed infrastructure works for the development of the Changi East Runway 3.¹

T T J’s Chairman and Managing Director, Mr Teo Hock Chwee (张福水) said, “It has been a tough half year for T T J as we experienced rising labour costs and keen competition from overseas players in Singapore. We will continue to face these challenges in 2015 but we believe that T T J’s very substantial track record in structural steel will hold us in good stead in the longer-term.”

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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 The Building and Construction Authority, 8 January 2015: Public Sector Projects To Sustain Construction Demand In 2015