

PRESS RELEASE

Structural steel specialist T T J achieves double digit growth for both revenue and net profit

- **Full year net attributable profit rises 66% to \$25.8 million while full year revenue rises 45% to \$136.6 million**

Financial highlights for the 12 months ended 31 July:

(\$m)	FY2016	FY2015	Chg (%)
Revenue	136.6	94.1	45
Gross profit	39.4	27.5	43
Profit before tax	30.8	18.5	67
Net profit attributable to owners of the parent	25.8	15.5	66
Gross profit margin (%)	28.9	29.2	-0.3 pts
Earnings per share* (cts)	7.38	4.45	66

**Based on the weighted average number of ordinary shares in issue of 349,500,000 for the period ended 31 July 2016 and 349,568,000 for the period ended 31 July 2015.*

SINGAPORE – 26 September 2016 – T T J Holdings Limited (“T T J” or together with its subsidiaries, the “Group”) today announced a 66% year-on-year (“y-o-y”) increase in net attributable profit to \$25.8 million for the 12 months ended 31 July 2016 (“FY2016”) from \$15.5 million in the same period ended 31 July 2015 (“FY2015”). This was achieved on the back of a 45% y-o-y growth in the Group’s revenue to \$136.6 million in FY2016, mainly due to higher revenue from the structural steel business. In view of the results, the Group has proposed a first and final tax-exempt cash dividend of 1.7 cents per ordinary share.

Revenue from the Group’s structural steel business grew 59% y-o-y in FY2016 to \$118.0 million mainly due to more work completed for on-going projects compared to FY2015, and more large-scale projects of higher contract value in FY2016, some of which include key projects like DUO, Tampines Town Hub, a building project in Jurong West and projects on Jurong Island. This was partially offset by the Group’s dormitory business, which declined 6% y-o-y to \$18.0 million in FY2016 due to a lower occupancy rate.

Basic earnings per share for the Group rose 66% y-o-y to 7.38 cents in FY2016 from 4.45 cents in FY2015. The net asset value was 35.99 cents per share as at 31 July 2016

T T J's Chairman and Managing Director, Mr Teo Hock Chwee (张福水) said, "I am pleased that T T J has managed to stay competitive in the challenging economic environment and deliver better growth for both revenue and profit. While economic uncertainties and intensifying competition in the structural steel market will continue to add pressure to our top and bottomline, we believe that our strategy of carefully selecting projects with better yields, delivering high quality work and maintaining cost efficiency will sustain our business growth. Moving forward, we plan to actively pursue opportunities in structural steel and in other new areas of business."

Prospects and Future Plans

Public sector-led construction demand will continue to be the main growth driver, compensating for the slowdown in private sector construction demand growth. The Building and Construction Authority ("BCA") estimates average construction demand to be sustained between \$26 billion and \$35 billion in 2017 and 2018, and \$26 billion to \$37 billion in 2019 and 2020¹. Against this, public sector construction demand is projected to be between \$16 billion and \$20 billion annually from 2017 to 2020, with opportunities for the Group in transportation projects like the Thomson-East Coast MRT Line and the Singapore-KL high speed rail, infrastructure improvement or expansion works for various expressways, water reclamation and sewerage projects, as well as building projects.

As at 26 September 2016, the order book of the Group stood at \$48 million comprising projects such as the provision of structural steel works for projects on Jurong Island, the Liquefied Natural Gas project at Pengerang, Johor and civil defence doors for MRT Stations along the Thomson Line among others. These projects are expected to be substantially completed between FY2017 and FY2018.

The Group's tenure for the dormitory at Terusan Lodge I expires in January 2017 and the BCA has not granted approval of the Group's application for a renewal of a further term of tenancy due to planned re-development works at the site. The Group expects the non-renewal of the tenancy to have a material impact on its operating and financial results for FY2017.

¹ BCA press release, 15 January 2016, 'BCA estimates \$27 billion to \$34 billion worth of construction contracts to be awarded this year'

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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 500 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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