

PRESS RELEASE

Structural steel specialist T T J reports net attributable profit of \$7.2 million in 1HFY2017

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

(S\$m)	Q2FY2017 3M	Q2FY2016 3M	Chg (%)	1HFY2017 6M	1HFY2016 6M	Chg (%)
Revenue	20.0	28.6	(30)	46.5	54.2	(14)
Gross profit	5.2	7.6	(31)	10.7	15.3	(30)
Profit before tax	3.9	6.3	(37)	8.3	11.3	(26)
Net profit attributable to owners of the parent	3.1	5.4	(43)	7.2	9.5	(25)
Gross profit margin (%)	26.2	26.6	(0.4) pts	22.9	28.3	(5.4) pts
Earnings per share (cts)	0.88	1.55	(43)	2.05	2.73	(25)

SINGAPORE – 8 March 2017 – T T J Holdings Limited (“T T J” or together with its subsidiaries, the “Group”) posted a net attributable profit of \$7.2 million for the six months ended 31 January 2017 (“1HFY2017”) on the back of revenue totalling \$46.5 million, compared to \$9.5 million and \$54.2 million respectively for the six months ended 31 January 2016 (“1HFY2016”).

The Group’s performance was impacted by a challenging economic environment and intensified competition, as well as the expiry of tenure for the Terusan Lodge I dormitory, which resulted in lower revenue contributions from both its structural steel and dormitory businesses.

Nevertheless, the Group has successfully secured a few projects which add up to a total order book of \$59 million to-date, one of which is to supply and install structural steelworks for Funan DigitalLife Mall.

T T J’s Chairman and Managing Director, Mr Teo Hock Chwee (张福水) said, “The operating environment in the last six months has been intensely competitive. Despite this, we managed to add on new projects to our order book. We are hopeful that there will be more business opportunities for us to pursue this year given that the BCA has forecast that public sector construction demand in 2017 will rise.”

In January 2017, the Building and Construction Authority (“BCA”) projected the total construction demand or the value of construction contracts to be awarded in 2017 to reach between \$28.0 billion and \$35.0 billion, mainly due to an anticipated increase in public sector construction demand. This projection is higher than the preliminary estimate of \$26.1 billion for 2016. The public sector is expected to contribute about 70% of this total construction demand, boosted by an increase in demand for most building types and civil engineering works.¹

Looking a little further, the BCA expects the average construction demand to be between \$26.0 billion and \$35.0 billion per annum in 2018 and 2019 and between \$26.0 billion and \$37.0 billion per annum in 2020 and 2021. Besides public housing developments and more healthcare and educational facilities, public sector demand over the medium term will be supported by various upcoming mega infrastructure projects such as the Jurong Regional Line, Cross Island Line, and various infrastructure developments for Changi Airport Terminal 5.¹

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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. 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 BCA media release “Public sector construction demand is expected to increase this year”, 6 January 2017 (https://www.bca.gov.sg/newsroom/others/PR_Prospect2017.pdf)