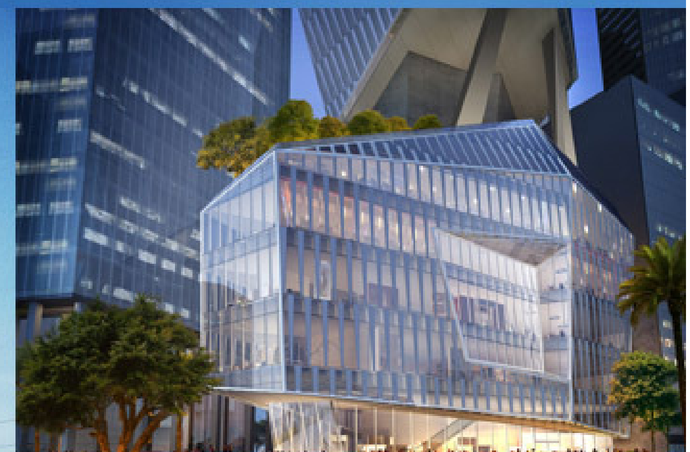


FY2013 RESULTS ANNOUNCEMENT

29 January 2014

TUAN SING HOLDINGS LIMITED





GROUP PERFORMANCE

TUAN SING HOLDINGS LIMITED

Overview

- 4Q2013 revenue: $65.3m; net profit: $25.3m
- FY2013 revenue: $302.3m; net profit: $52.0m
- Earnings per share was 2.2 cents for 4Q2013 & 4.5 cents for FY2013
- Net asset value per share advanced to 63.9 cents at 31 December 2013; from 60.9 cents in 2012
- The directors proposed a tax exempt one-tier first and final dividend of 0.5 cent per share for FY2013

Group Financial Performance

($'m)	FY2013	FY2012	Chg
Revenue	302.3	371.8	-19%
Gross profit	51.3	70.5	-27%
Profit before tax & fair value adj	35.5	56.2	-37%
Profit before tax	62.8	123.8	-49%
Profit after tax	53.1	117.8	-55%
Profit attributable to shareholders	52.0	109.5	-53%
EPS (cents)	4.5	9.5	-53%

Review of Financial Performance

- Revenue decreased as development property sales tapers
- Gross profit and distribution costs reduced in tandem
- Share of results of associates and jointly-controlled companies contributed a profit before fair value gain of $14.8m, down from last year’s $20.3m due to further recognition of losses in Pan-West
- Finance income surpassed finance costs as higher proportion of interest expense being capitalised into project costs
- Fair value adjustment accounted for a net gain of $27.2m as compared to $67.7m a year earlier
- Overall, profit after tax decreased to $53.1m; net profit attributable to shareholders of $52.0m was recorded

Group Financial Position

($'m)	31.12.13	31.12.12	Chg
Total assets	1,783.3	1,375.2	+30%
Total liabilities	1,024.1	654.7	+56%
Total borrowings	917.7	560.6	+64%
Net borrowings*	640.8	348.9	+84%
Shareholders' funds	749.7	707.6	+6%
NAV per share (cents)	63.9	60.9	+5%
Gross gearing^	1.21X	0.78X	+55%
Net gearing^	0.84X	0.48X	+74%

* Net borrowings = total borrowings – cash and bank balances

^ Gross gearing = total borrowings / total equity; Net gearing = net borrowings / total equity

Review of Financial Position

- Total assets rose 30% to $1,783.3m attributable to acquisition of Robinson Point, development expenditures capitalised for ongoing development and investment projects, and increases in cash and bank balances
- Total liabilities upped 56% to $1,024.1m reflecting mainly borrowings to fund acquisition of Robinson Point and redevelopment of Robinson Tower site
- Total and net borrowings increased to $917.7m and $640.8m respectively
- Gross and net gearing ratios closed at 1.21X & 0.84X, up from 0.78X and 0.48X respectively at the previous year-end
- Shareholders' funds grew 6% to $749.7m attributable to profit earned, revaluation gain on fixed assets, offset partially by foreign currency translation losses, share of other comprehensive loss of GHG and payment of dividend to shareholders

Group Cash Flow

($'m)	FY2013	FY2012
Operating cash flow	73.2	145.8
Investing cash flow	(177.2)	(37.6)
Financing cash flow	104.5	(37.1)
Foreign currency translation adj	5.1	(3.9)
Cash & cash equivalent at year-end^	212.6	207.1
Free cash inflow / (outflow) *	(104.0)	108.2

^ Net of encumbered bank balances

* Free cash flow = operating cash flow + investing cash flow

Review of Cash Flow

- Operating activities generated net cash of $73.2m attributable to progress billings from development properties and receipt of interest income less payment of income tax
- Investing activities used net cash of $177.2m as the Group spent $170.9m, net of bank loan, for the acquisition of Robinson Point, and $11.3m on the Robinson Tower redevelopment.
- Financing activities accounted for a net cash inflow of $104.5m reflecting a net drawdown of loans, payment of interest and dividend
- Overall, cash and cash equivalents increased to $212.6m at 31 December 2013

SEGMENT PERFORMANCE

TUAN SING HOLDINGS LIMITED

Revenue by Segment

($'m)	FY2013	FY2012	Chg
Property	141.1	188.3	-25%
Hotels Investment ^	-	-	nm
Industrial Services	162.0	184.4	-12%
Other Investments ^	-	-	nm
Corporate & Others #	(0.8)	(0.9)	nm
Group Total	**302.3**	**371.8**	**-19%**
Proforma Group including JV / Assoc	**818.2**	**898.0**	**-9%**

Revenue declined due to tapering of development property sales and industrial services revenue

^ Revenue from GHG, GulTech and Pan-West were not included as their results were equity accounted for
 # Comprise mainly group-level services and consolidation adjustments

Profit Before Tax & FV Adj by Segment

($'m)	FY2013	FY2012	Chg
Property	23.0	34.3	-33%
Hotels Investment	5.1	5.1	-1%
Industrial Services	2.6	2.9	-11%
Other Investments	7.6	13.8	-45%
Corporate & Others #	(2.8)	0.1	nm
Group Total	**35.5**	**56.2**	**-37%**

All segments, led by Property, reported positive contribution at operating level

 # Comprise mainly group-level services and consolidation adjustments

Profit After Tax by Segment

($'m)	FY2013	FY2012	Chg
Property	36.6	100.6	-64%
Hotels Investment	9.1	0.8	+1032%
Industrial Services	2.4	2.5	-3%
Other Investments	7.8	13.8	-44%
Corporate & Others #	(2.8)	0.1	nm
Group Total	**53.1**	**117.8**	**-55%**

Property contributed 69% of the Group's profit after tax

 # Comprise mainly group-level services and consolidation adjustments

Property

- Property revenue fell 25% to $141.1m as Mont Timah was fully sold and Seletar Park Residence 88% sold in 2012
- Sennett Residence was launched in March 2013, Cluny Park Residence was soft-launched in August 2013. By the year-end, they were respectively 90% and 30% sold or booked
- Rental revenue slipped 12% as Robinson Towers and International Factors Building ceased operating as from end May 2013 to prepare for the redevelopment of the site
- Rental from Robinson Point commenced October 2013, after its acquisition
- A fair value gain of $17.9m was recorded including $11.4m for the increase in land residual value for Robinson Tower redevelopment site
- On the whole, Property contributed a profit after tax of $36.6m and remained the Group’s largest profit contributor

Hotels Investment

- GHG’s net property income remained about same level at A$43.1m
- Grand Hyatt Melbourne and Hyatt Regency Perth contributed a net property income of A$27.4m
- The combined RevPar remained relatively unchanged
- Non-hotel net rental income was A$15.7m
- GHG’s profit after tax increased to A$26.7m boosted by a net fair value gain as opposed to a net fair value loss a year ago
- As a result, share of GHG’s profit and fair value gain amounted to $16.3m
- After deducting mainly finance costs and deferred tax provision at the investment holding level, Hotels Investment contributed a profit after tax of $9.1m

Industrial Services

- Industrial Services reported revenue of $162.0m and profit after tax of $2.4m, as compared to revenue of $184.4m and profit after tax of $2.5m last year
- Revenue from SP Corp fell 12% due to lower sales in tyres and auto products and commodity trading
- Despite lower revenue, SP Corp's profit after tax increased as there was lower loss in geotechnical and soil investigation businesses following the scaling down of its Singapore operations since 2012

Other Investments

- Other Investments contributed a profit after tax of $7.8m, lower than last year's $13.8m due mainly to recognition of losses in Pan-West
- Share of GulTech's profit and fair value adjustment amounted to $13.5m
- GulTech posted revenue of US$261.3m and net profit attributable to shareholder of US$24.9m

LOOKING AHEAD

TUAN SING HOLDINGS LIMITED

Outlook

- The Group’s strategy remains focus on the property sector
- The Group will expand its property development business and acquire more investment and hotel properties when opportunities arise
- Outside Singapore, the Group will expand its property portfolio in the region, in particular, Indonesia
- Tuan Sing will be classified to “Real Estate Development” under the Global Industry Classification Standard (GICS®) w.e.f February 2014
- The newly-acquired Robinson Point is expected to bring in a steady flow of rental income
- Robinson Tower redevelopment has been on-going with demolition largely completed. More retail space and mechanised basement carpark will be added

Outlook (cont'd)

- The Group has sold about 580 units at Seletar Park Residence, Sennett Residence and Cluny Park Residence with order book amounting to $738.5m at end December 2013
- Construction costs locked in; most of such revenue and profit will be recognised in years 2014 and 2015
- Purchase of Gilstead Court site for residential development is pending for High Court's en bloc sale ruling
- GHG is expected to return a satisfactory performance
- Barring unforeseen circumstances, the Group is optimistic that it will deliver better operational results than that of 2013



THANK YOU

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