



TA CORPORATION LTD

An Established Quality Property and Construction Group



Corporate Presentation

September 2014

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Agenda

- 1. Group Overview**
- 2. Our Business**
- 3. Financial Highlights**
- 4. Corporate Developments**
- 5. Prospects, Growth Strategies & Future Plans**
- 6. Q & A**
- 7. Appendix**



Group Overview



Estilo (Artist Impression)

Group Overview

An Established Quality Property and Construction Group

Construction

- Over 40 years experience
- Diverse portfolio of projects for government bodies and established real estate developers
- Air-conditioning mechanical ventilation systems
- BCA-approved workers' training and testing centres
- Complementary competencies:
 - Steel fabrication, erection of metal frameworks, managing the Group's fleet of construction equipment & machineries

Real Estate

- Over 16 years experience
- Reputation for delivering quality small to medium size residential developments
- Regional presence in the PRC, Thailand and Cambodia via JVs
- Worker dormitories

Others

- Distribution of:
 - High performance motor oils and lubricants in Singapore & Myanmar
 - Aviation lubricants in Myanmar
- Distribution of 'Continental' brand of passenger & light truck tyres in Myanmar



Our Business



Gambir Ridge (Artist Impression)

Real Estate Development & Investment

Real Estate Development

- **Gained reputation as a developer targeting the middle to upper middle markets**
 - Quality developments at competitive prices
- **Focused on small to medium size residential & mixed developments**
- **Leveraged on competencies in construction business**
 - Cost efficiencies, quality & reliability
- **Overseas projects via JVs (in PRC, Thailand and Cambodia)**



Real Estate Investment

- **Recurring income via:**
 - Worker dormitories
 - Leasing out of JTC factories
 - Rental income from commercial building (New World Centre)



Construction

- **Established track record of over 40 years**
 - Reputation as a reliable builder
 - Ability to undertake a wide spectrum of projects
 - Private and public sector
 - Iconic projects e.g. SOTA, St James Power Station and Ascott Raffles Place
 - ACMV⁽¹⁾ business
 - BCA approved training & testing centres
 - Complementary competencies
 - Our clients include:
 - Government bodies: URA, HDB, JTC
 - Major real estate developers: Allgreen Properties, CapitaLand, The Ascott Group, Keppel Land Realty, Wheelock Properties & Wing Tai Holdings



Others: Distribution of Lubricants & Tyres

Distribution of high performance motor & aviation lubricants; and Passenger & Light Truck Tyres

Sino Tac Resources (wholly-owned):

- Established since 1999
- Sole distributor of BP's high performance motor oils and lubricants in Singapore since 2007
- Presents opportunity for the Group to tap into expanding regional market

Que Holdings (51%-owned):

- Established via JV with Synergy Resources in Jan 2013
- In April 2013, appointed as a business-to-business distributor of Shell's automotive and industrial lubricant products in Myanmar
- In Oct 2013, awarded an extension of distributorship by Shell to include the business-to-consumer sector in Myanmar
- In Jun 2014, appointed distributorship for passenger & light truck tyres of the 'Continental' brand in Myanmar
- In August 2014, secured distributorship from Shell for aviation lubricant products in Myanmar



Financial Highlights



1H2014 Financial Snapshot

- 1H2014 net profit after income tax of S\$10.6 million on revenue of S\$136.0 million
- Gross profit margin healthy at about 16.5%
- Achieved EPS of 2.2 Singapore cents
- Strong balance sheet and working capital position with strong cash and bank balances at S\$133.6 million as at June 30, 2014
- Strong construction order book worth S\$428.4 million⁽¹⁾ for delivery over the next 3 years
- Low gearing ratio of 1.1x
- Raised S\$75 million through maiden fixed-rate bond issuance in April 2014



Financial Highlights

(\$' million)	2Q2014	2Q2013	Change (%)	1H2014	1H2013	Change (%)
Revenue	70.0	72.3	(3.2)	136.0	150.0	(9.3)
Gross profit	10.9	12.5	(12.8)	22.5	31.5	(28.8)
Share of profit/ (loss) from associates, net of taxes	0.5	0.5	(1.7)	(0.5)	0.1	NM
Profit before tax	7.0	8.6	(18.5)	12.9	23.3	(44.5)
Profit after tax	5.8	7.3	(20.7)	10.6	19.5	(45.7)
Profit attributable to Owners of the Company	5.7	6.4	(11.1)	10.2	17.1	(40.4)

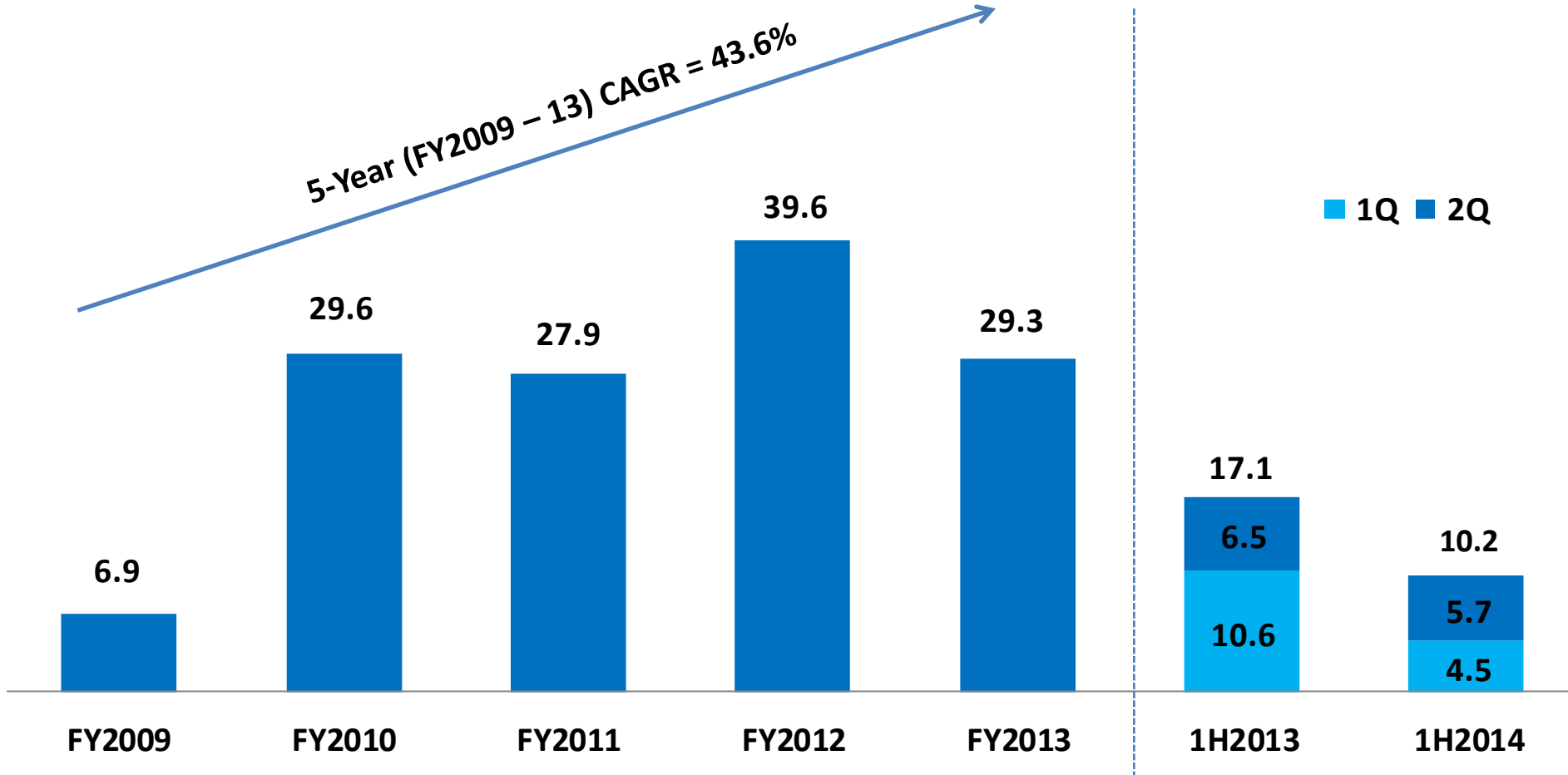
NM=Not meaningful



Earnings Growth: Profit attributable to Owners of the Company

(S\$' million)

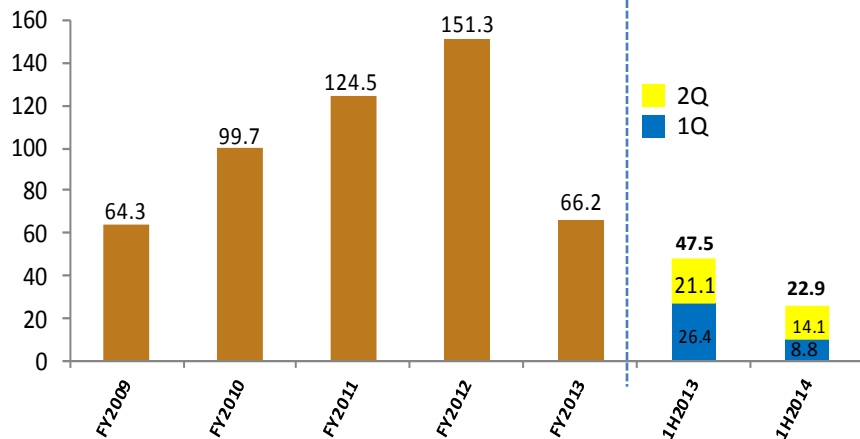
5-Year (FY2009 – 13) CAGR = 43.6%



Segmental Revenue

(\$ million)

Real Estate Development



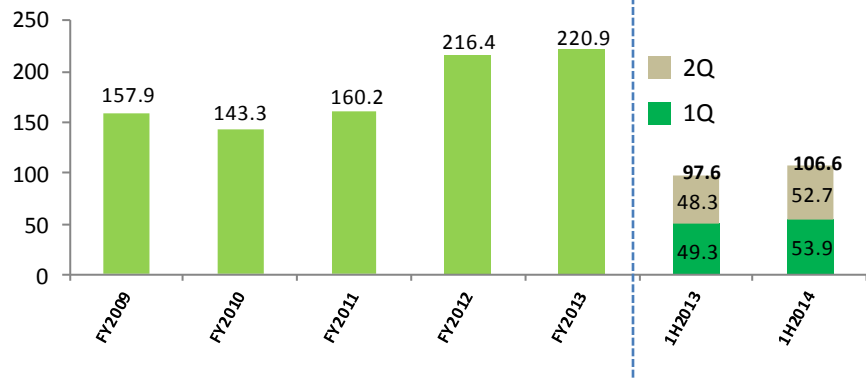
Real Estate Development contributions lower at S\$22.9 million in 1H2014, due to:

- Absence of revenue contributions from the TOP of *Auralis & Coralis* in 2013;

Partially offset by:

- Higher contributions from progressive constructive work completed in ongoing residential projects *i.e. Gambir Ridge & The Cristallo*;

Construction

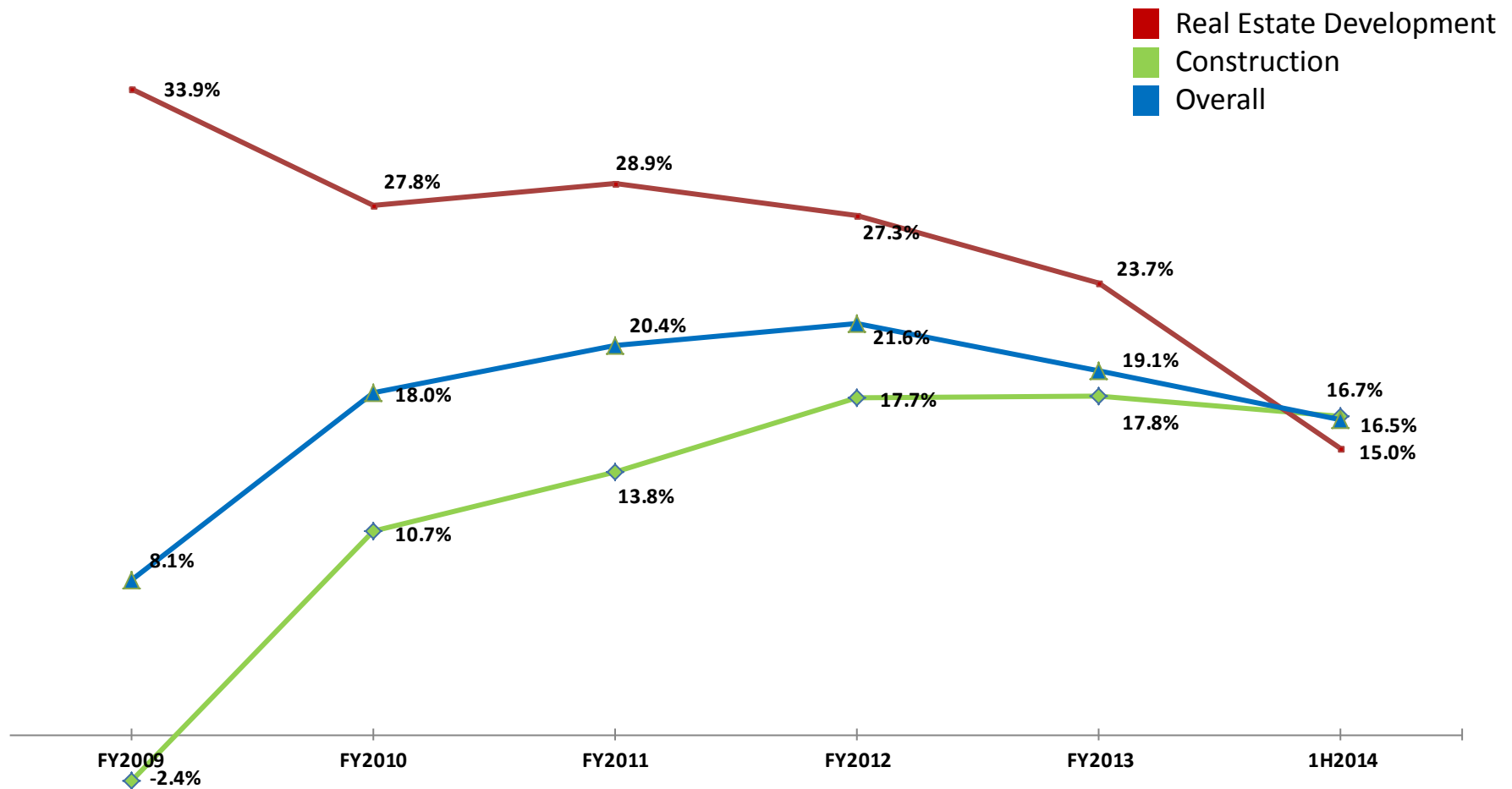


Construction business contributions higher at S\$106.6 million in 1H2014, contributed by:

- Higher revenue recognised from progressive completion of on-going projects *i.e. Riversails, The Skywoods, Starlight Suites and Marine Blue*
- Contributions from:
 - ACMV business; and
 - BCA approved construction workers training and test centres in India and Singapore



GP Margins



Key Financial Indicators

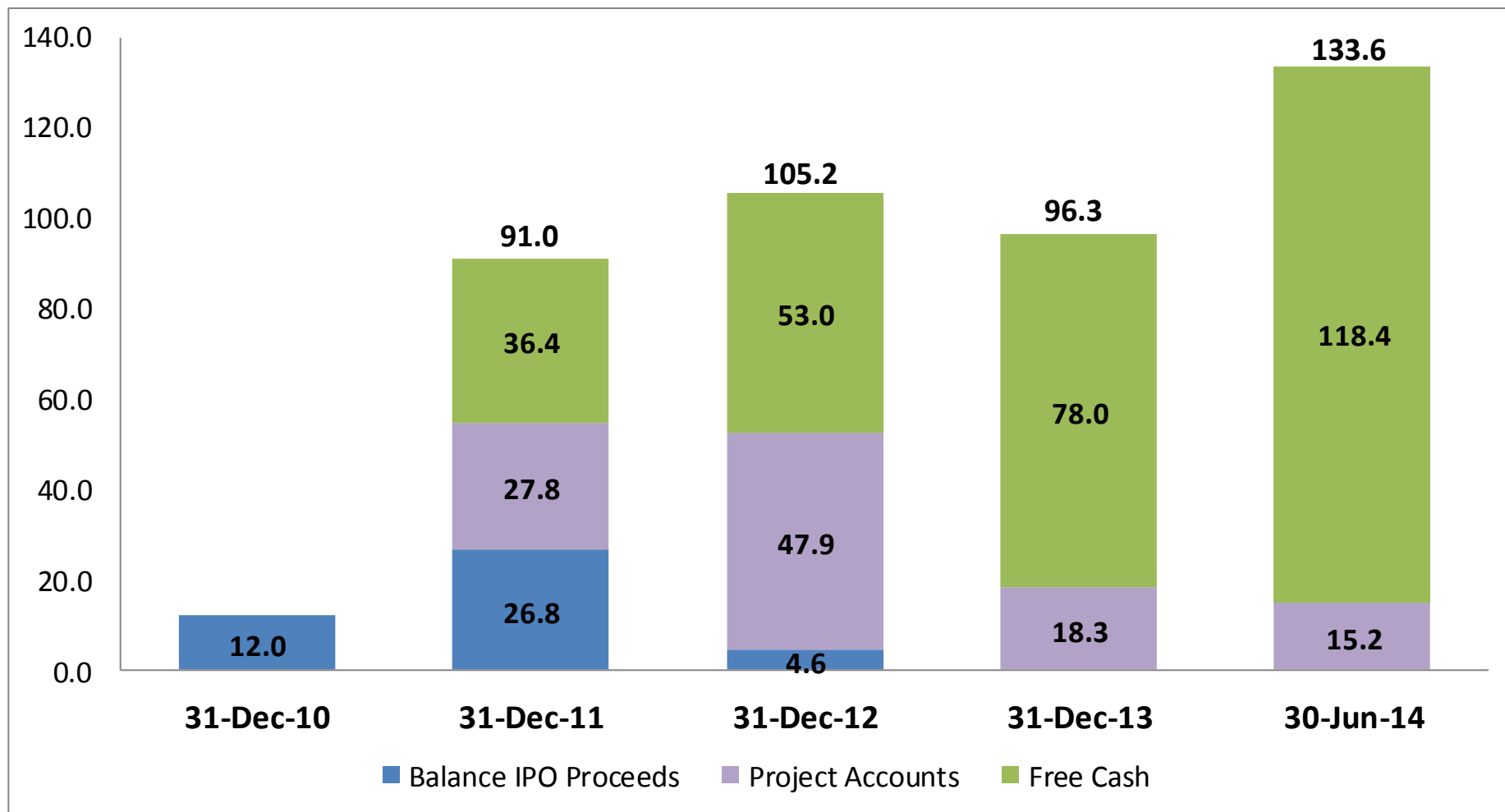
	30 Jun 14	31 Dec 13	Change +/(-)
Equity attributable to owners of the Company (S\$' million)	232.9	227.6	5.3
Gearing Ratio (times)	1.1	0.8	0.3
NAV Per Share (cents)	50.1	48.9	1.2
Dividend Per Share (cents)	N.A.	1.0	N.A.
Dividend Yield (%)	N.A.	2.6 ⁽¹⁾	N.A.

	30 Jun 14	30 June 13	Change +/(-)
Earnings Per Share (cents)	2.2	3.7	(1.5)
Return On Equity (%)	4.3	8.3	(4.0)

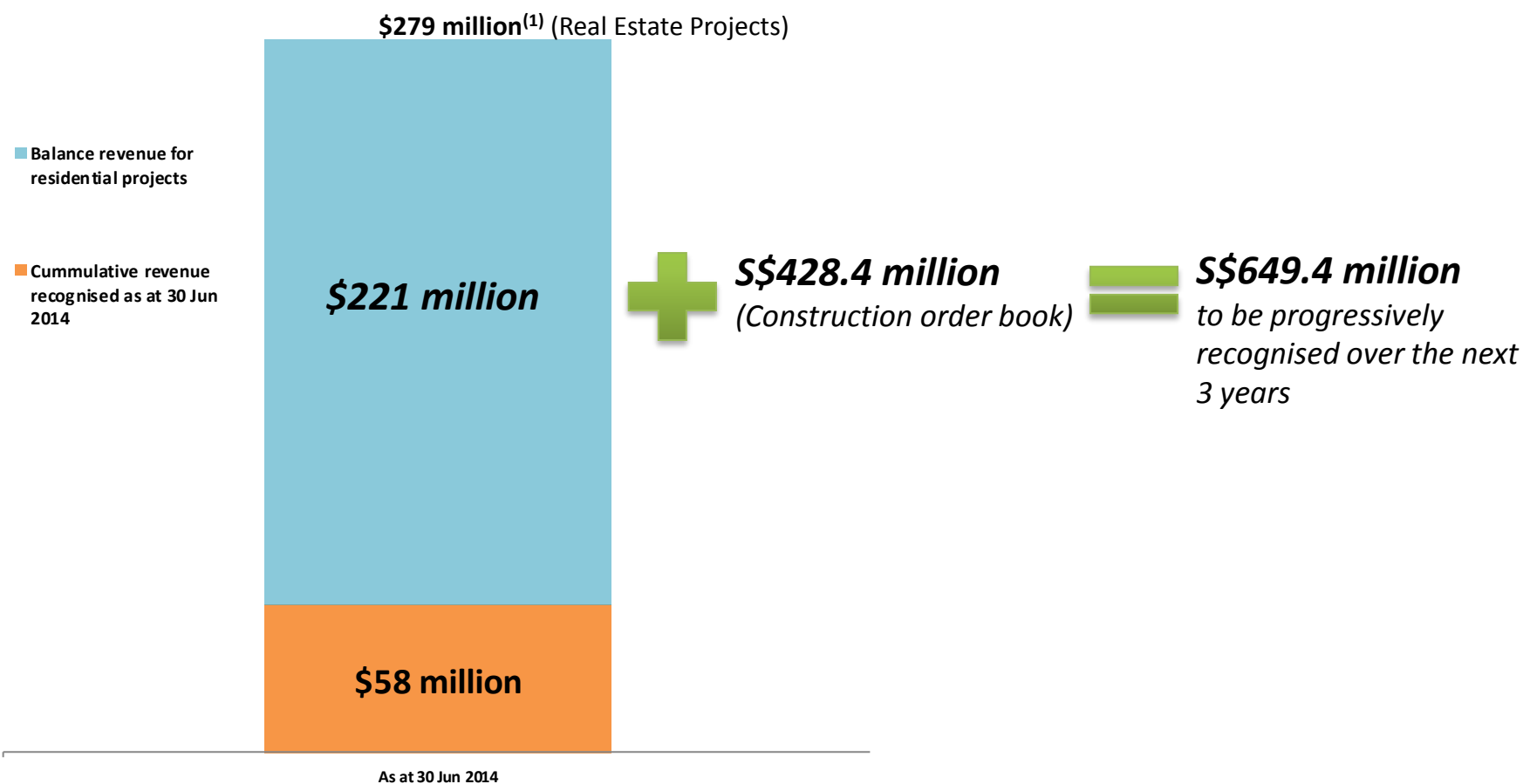


Strong Cash Flow

(\$' million)



Ongoing Projects: Progressive Revenue Contributions



Corporate Developments



Developments in 2014

MARCH

- Successfully registered TA Construction (Myanmar) Company Limited with the Directorate of Investment and Company Administration of Myanmar
- Obtained a 5-year permit from The Ministry of National Planning and Economic Development of Myanmar for construction related services and project management services

APRIL

- Incorporated wholly-owned subsidiary – Prime Industries Pre-Cast Pte Ltd
 - Manufacture & distribution of concrete pre-cast components
- Incorporated TA Development Myanmar
 - For real estate development & investment activities in Myanmar
- Issued S\$75 million bond, 5.25% coupon due 24 October 2016

MAY

- Secured land tender for a 9,200 bed worker dormitory in Tuas

JUNE

- Que Holdings appointed as the distributor for Passenger & Light Truck tyres by Continental Tyre for Myanmar market



Developments in 2014 (Continued)

JULY

- Incorporated TACC (C.R) in Cambodia
 - To carry out real estate development and investment in Cambodia
- Incorporated Alpha Air
 - To carry out ACMV⁽¹⁾ business in Cambodia
- Wholly-owned subsidiary Sinotac Builder obtained approval from BCA to upgrade its tendering limit for general building work to Grade B1 by BCA

AUGUST/SEPTEMBER

- Awarded S\$174.4 million construction contract for a proposed condominium development at Kim Tian Road
- Que Holdings appointed as distributor by Shell Eastern Petroleum for its aviation lubricant products in Myanmar
- Successfully obtained shareholders' approval at EGM held on September 2, 2014 to further expand the Group's businesses in Southeast Asia



Expansion of Dormitory Business

Secured a 9,200-bed worker dormitory at Tuas South Street 13

- 20-years lease term; 37,105.5 sq m plot awarded by JTC
- Proposed development into one of the larger fully integrated & modern workers' accommodation facilities in Singapore
- To be outfitted with communal facilities such as games rooms, gymnasiums, reading rooms, a fitness corner, basketball courts, cricket fields
- Includes commercial facilities such as minimart, canteen, beer gardens and ATMs
- Conveniently located opposite one of the four planned recreation centers by the government for foreign workers
- Paves the way for further recurring income when operational
- Two strategic JV partners each holding 19% equity



Proposed dormitory at Tuas South Street (Artist's Impression)



Real Estate Development: Ongoing Projects

Project name	Project type	Tenure	Number of units	Estimated date of TOP	Balance units as at Jun 30, 2014
Singapore					
The Cristallo	3 blocks of 5-storey apartments with communal facilities	Freehold	74	January 2015	16
Gambir Ridge	2 blocks of 5-storey apartments with communal facilities	Freehold	77	December 2015	Fully Sold
Ascent @ 456	7-storey Residential & Commercial mixed development	Freehold	45	Dec 2017	31
Terra Villas	3-storey strata terrace houses with attic & basement	Freehold	7	June 2015	7
Thailand					
De Iyara	3.5 storey townhouses	Freehold	65	April 2014	Fully Sold
De Iyara Share	3.5 storey townhouses	Freehold	42	March 2015	Fully Sold
De Iyara Grande	3.5 storey townhouses	Freehold	72	May 2015	45



Real Estate Development: Ongoing Projects by Associates

Project name	Project type	Tenure	Number of units	Estimated date of TOP
Singapore				
Starlight Suites	35-storey apartment with communal facilities	Freehold	105	Completed
The Skywoods	Condominium	99-yrs leasehold	420	December 2016
PRC				
Singapore Garden Phase 7	11- and 18- storeys residential apartments cum retail shops with communal facilities and basement carparks	70-yrs from November 2007 and March 2006	721	2014/2015
Cambodia				
Serene Villas	21 Semi-detached villas	Freehold	21	Completed



Land Bank for Future Development

Location	Type of Planned Development	Approximate Site Area (sq m)	Approximate Planned GFA (sq m)	Tenure	Effective Equity Interest (%)
Singapore (Subsidiary)					
Shan Road	14/15 -storey residential flats	1,917	5,906	Freehold	100
The PRC (Owned by PRC Associate)					
Singapore Garden Phase 8 Xiaonan Village, Shuishiying Street, Lvshunkou District, Dalian	Commercial, shopping complex and hotels	N.A.	96,398	50-yrs from March 2006 and November 2007	25.37



Land Bank for Future Development (cont'd)

Location	Type of Planned Development	Approximate Site Area (sq m)	Approximate Planned GFA (sq m)	Tenure	Effective Equity Interest (%)
Thailand					
Lot No 416, Klong Nueng Subdistrict, Klong Luang District, Pathum Thani	Proposed Condotel	1,580	To be advised	Freehold	70
Cambodia					
Prayshisak/Chrey Koang village, Sangkat Chom Chao, Khan Poarsen Chey, Phnom Penh.	Shophouses	20,515	To be advised	Freehold	49



Construction: Ongoing Projects

Project Name	Project Description	Approximate Contract Value ⁽¹⁾ (S\$'million)
Nouvel 18	Proposed residential flats at 18 Anderson Road	163
Foresque Residences	Proposed condominium development at Petir Road	135
Starlight Suites	Proposed apartments at River Valley Close	41
Riversails	Proposed condominium development at Serangoon Crescent/Upper Serangoon Road	231
The Sorrento	Proposed condominium at West Coast Road	40
The Skywoods	Proposed condominium at Dairy Farm Road	117
Marine Blue	Proposed condominium at Marine Parade Road	60
Whitley Road	Proposed mixed landed housing development at Whitley Road	17
Highline Residences	Proposed condominium development at Kim Tian Road	174



Prospects, Growth Strategies & Future Plans



The Cristallo (Artist Impression)

Prospects: Real Estate Development & Investment

Singapore

Real Estate Development

- While sentiments in the Singapore private residential property market remains weak, the Group remains positive on underlying demand for quality well-located residential properties in Singapore
- According to the Urban Redevelopment Authority's 2Q2014 real estate statistics¹, prices of private residential properties decreased by 1.0% in 2Q2014
- Developer sales of private residential units were lower at 4,409 units in 1H2014, compared to 9,950 units sold in 1H2013
- The Group will continue to be prudent and remains on the lookout for opportunities to grow its land bank in Singapore and the region

Real Estate Investment

- Expects demand for quality purpose-built accommodation for foreign workers to be backed by growth in demand for foreign labour, which is supported by:
 - Promising outlook for Singapore's offshore and marine industries⁽²⁾; and
 - strong demand for public sector projects⁽³⁾



(1) Release of 2nd Quarter 2014 real estate statistics, URA (<http://www.ura.gov.sg/uol/media-room/news/2014/jul/pr14-44.aspx>)

(2) Marine and Offshore Engineering, EDB (<http://www.edb.gov.sg/content/edb/en/industries/industries/marine-offshore-engineering.html>)

(3) Construction demand for 2014 to remain strong, BCA (http://www.bca.gov.sg/Newsroom/pr09012014_BCA.html)

Prospects: Real Estate Development & Investment

Regional

- **Thailand:** The Asian Development Bank forecasts 2014 GDP growth of 4.9% for Thailand, compared to an estimate 3.8% for 2013. Despite the weak external environment, Thailand's growth is being driven by strong domestic demand on the back of loose fiscal and monetary policies post the 2011 flood. The Thai economy has also remained resilient despite the recent political tensions
- **PRC:** Economic growth is expected to be at 7.4% in 2014; rising income levels and rapid urbanisation is also favourable to the real estate development business
- **Cambodia:** Cambodian Development Resource Institute expects Cambodia's GDP growth to reach 7.5% in 2014 (2013 estimate: 7.2%)



Prospects: Construction

- BCA's outlook on private sector construction demand:⁽¹⁾
 - 2014: S\$12 to S\$16 billion
- Backed by strong construction order book
 - S\$428.4 million⁽²⁾ worth of construction contracts for delivery over the next 3 years



Prospects: Distribution of Lubricants & Tyres

- Sino Tac Resources (wholly-owned) is a distributor of high performance motor oils and lubricants to the automotive industry in Singapore
- As the exclusive distributor of British Petroleum lubricating fluids in Singapore since 2007, the Group enjoys strong recognition and leadership position in Singapore with BP's Castrol brand of products.
- Que Holdings (51% owned) has been appointed by Shell Eastern Petroleum as the distributor in Myanmar for the following:
 - Automotive and industrial lubricants and ancillary petroleum based products (B2B & B2C sectors);
 - Distribution of aviation lubricant products
 - Distribution of 'Continental' brand of passenger & light truck tyres in Myanmar
- Seek earnings accretive opportunities in neighbouring countries to expand our existing businesses



Growth Strategies & Future Plans

Continue to focus on our core business and markets

- Build niche residential developments targeted at middle to upper middle markets
- Seek opportunities for the construction business in both the private and public sectors

Acquisition of new development sites for our land bank

- Source for development sites located at vibrant and accessible areas with well-developed amenities
- To expand project profiles and capitalise on suitable development opportunities
- Monitor emerging market trends to adjust land acquisition strategy accordingly

Expand our business overseas

- Real Estate Development & Investment: Via partnerships with local partners in the PRC, Thailand, Cambodia and other neighbouring countries, with a focus on the mid-range market
- Construction Business : To render project management services on building projects mainly in South & Southeast Asia
- Distribution of lubricants: To tap into expanding regional market

Expand our complementary businesses

- On active lookout for synergistic complementary businesses in Singapore and the region
- Establishing concrete precast components manufacturing plant in Johor, Malaysia



Investment Summary

Established reputable player in Singapore with complementary business segments

Strong construction order book and revenue yet to be recognized from real estate projects

Recurring income via real estate investment and distribution businesses

Footprint in promising emerging markets

Dividend Yield



Q & A



Riversails (Artist Impression)

Appendix



Serene Villas



Auralis

The Cristallo

The Cristallo (Artist Impression)



Pool View (Artist Impression)



Gambir Ridge



Gambir Ridge (Artist Impression)



Pool View (Artist Impression)



Real Estate: Completed Projects



Leonie Hill Residences (Freehold)

Type: 29-storey apartment with communal facilities

No. of units: 80

TOP: 5 December 2005

The Citrine (Freehold)

Type: 22 storey apartment with communal facilities

No. of units: 54

TOP: 26 June 2008



Real Estate: Completed Projects



Parc Seabreeze (Freehold)

Type: 20-storey apartment with communal facilities

No. of units: 94

TOP: June 2012



The Inspira* (Freehold)

Type: 13-storey apartment with communal facilities

No. of units: 120

TOP: 24 December 2009



Construction: Completed Projects

Private Residential – Condominiums



Belle Vue Residences

Contract Value: S\$137.0 mil*

Completed: June 2010

Client: WinQuest Investment Pte Ltd (a member of the Wing Tai Holdings Ltd group of companies)



The Shelford

Contract Value: S\$56.7 mil*

Completed: July 2005

Client: CapitaLand Residential Ltd



Park Infinia

Contract Value: S\$112.9 mil*

Completed: March 2008

Client: Keppel Land Realty Pte Ltd



TA Corporation Ltd

**Contract values are approximate & excludes the value of works carried out pursuant to variations orders*

Construction: Completed Projects

Commercial/Industrial Developments



Ascott Raffles Place (Serviced Apartments)

(conversion of an existing office building)

Contract Value: S\$50.8 mil*

Completed: November 2008

Client: Ascott Raffles Place Pte Ltd

St. James Power Station

(addition & alteration)

Contract Value: S\$17.9 mil*

Completed: June 2006

Client: The HarbourFront Pte Ltd (A member of the Mapletree Investments Pte Ltd group of companies)



Wilkie Edge (Office Concept Serviced Apartments)

Contract Value: S\$75.6 mil*

Completed: November 2008

Client: Capitaland Selegie Pte Ltd (A member of CapitaLand Commercial Ltd group of companies)



TA Corporation Ltd

**Contract values are approximate & excludes the value of works carried out pursuant to variations orders*

Construction: Completed Projects

Education Institution



School of The Arts (SOTA)

Contract Value: S\$99.8 mil*

Completed: October 2010

Client: *Ministry of Information, Communications and the Arts*



TAC Resources

Test Centre in Chennai, India



Dalian Shicheng PRC

Development in Dalian, the PRC



Dalian Shicheng PRC

Development in Dalian, the PRC



Overseas JV Project: Cambodia

Serene Villas



Overseas JV Project: Thailand

De Iyara (Artist Impression)



Awards & Accreditations

Year	Award / Accreditation	Awarded To Tiong Aik/Project
BCA		
Since 1995	ISO 9001:2008 and SS ISO 9001:2008	Tiong Aik
1996	Best Buildable Design Award	Jurong West N3 C25
2000	Best Buildable Design Award	Yusof Ishak Secondary School
Since 2002	OHSAS 18001:2007	Tiong Aik
Since 2002	ISO 14001:2004 and SS ISO 14001:2004	Tiong Aik
2005	BCA Construction Excellence Award (Merit)	The Tessarina
2007	BCA Construction Excellence Award (Merit)	The Shelford & The Waterina
2008	BCA Construction Excellence Award (Merit)	The Nexus
2009	BCA Green and Gracious Builder Award (Excellent)	Tiong Aik
2011	BCA Design and Engineering Safety Excellence Award	Tiong Aik/Ascott Raffles Place Singapore
2013	BCA Quality Mark (QM) For Good Workmanship	Tiong Aik/Viva



Awards & Accreditations

Year	Awards/Accreditations	Awarded To Tiong Aik/Project
HDB		
1996	Site Safety Suggestion Scheme Annual Awards – Top Contributor Award	Tiong Aik
1996	HDB Contractors Quality Award	Tiong Aik
1997	HDB Contractors Quality Award	Tiong Aik
1997	Clean & Green Competition for Construction Sites Certificate of Award – Merit Prize	Tiong Aik
URA		
2008	Architectural Heritage Awards – Category A	43 Amber Road (The Seaview)
2009	Architectural Heritage Awards – Category A	2 Finlayson Green (Ascott Raffles Place)
2010	Architectural Heritage Awards – Category A	3 Sentosa Gateway (St. James Power Station)
Others		
2010	Structural Steel Design Merit Awards for Community, Residential & Institution Structures	School of the Arts (SOTA)
2010	bizSAFE Partner Certificate	Tiong Aik
2011	bizSAFE Star Certificate	Tiong Aik
2012	President’s Design Award 2011 (Design of the Year for School of the Arts)	Tiong Aik

