MISSION
To strengthen competitiveness and catalyse the transformation of industries and enterprises

ROLE
To provide industrial land, space and information to support industries and enterprises
JOINt MESSAGE
FROM CHAIRMAN
AND CEO

Singapore’s economy remained resilient, expanding by 2.9% in 2014. The demand for industrial land and space also remained strong and we allocated a total of 188.2 hectares of land and 79,900 square metres of ready-built facilities to support our industries.

Marking Significant Milestones
JTC marked three significant milestones in FY2014: the opening of Jurong Rock Caverns (JRC) and JTC LaunchPad, and the merger of JTC and Temasek subsidiaries.

In September 2014, Prime Minister Lee Hsien Loong opened the JRC, Southeast Asia’s first commercial underground rock cavern storage facility. This mega-engineering project, located 150 metres below Jurong Island and 130 metres below the seabed, will provide a total underground storage space of 1.47 million cubic metres, and help free up 60 hectares of surface land for high value-added economic activities.

The Prime Minister also opened JTC LaunchPad @ one-north in January 2015, a multi-agency initiative to boost entrepreneurship in Singapore. LaunchPad, comprising three blocks, currently hosts a vibrant mix of 36 incubators and 540 start-ups across industries and at various stages of entrepreneurship. By 2017, JTC will complete three more blocks to support a new generation of budding entrepreneurs.
In February 2015, JTC and Temasek entered into an agreement to merge four operating subsidiaries: Ascendas, Singbridge Group, JURONG International Holdings (JIH), and Surbana International Consultants Holdings, into an integrated platform for sustainable urban development that will strengthen their value proposition and provide them with the scale and capabilities to tap urbanisation opportunities. The merged group is jointly owned by JTC and Temasek through a 49:51 partnership.

Developing Next-Generation Industrial Solutions
In FY2014, JTC continued to create innovative space solutions to support industries and enterprises.

At the estate level, we have enhanced our specialised parks with innovative facilities to cluster and support the growth of targeted industry sectors. For instance, the JTC CleanTech Two caters to heavy research and prototyping of advanced manufacturing technologies and remanufacturing, and further enhances CleanTech Park’s value proposition as a ‘living laboratory’ for companies to test-bed cutting-edge sustainable solutions. To balance the hard infrastructure in the Park with nature, the Jurong Eco-Garden provides a unique green space for the working population and the surrounding communities.

At the development level, JTC completed and broke ground for a number of next-generation facilities. These include developments such as the JTC Surface Engineering Hub and JTC nanoSpace @ Tampines, which come with shared facilities and services that have helped our customers reduce upfront capital investments and also tap economies of scale to save up to 20% of operating costs. Developments such as the JTC Food Hub @ Senoko will also allow companies to transform their operations and practices, resulting in significant productivity improvements. We have also been developing specialised facilities for key clusters, to catalyse collaborations, encourage the exchange of ideas and best practices, and sharing of resources among companies. Some of these upcoming specialised facilities include the JTC Furniture Hub and JTC Integrated Logistics Hub.

We have also pushed ahead to develop future-ready high-rise facilities that cater to a wide range of industries. JTC Space @ Tampines North, for example, is designed with high technical specifications for heavier manufacturing activities that are traditionally land-based. Its flexible design with designated vibration-sensitive space will also cater to new and emerging industries such as additive manufacturing and robotics.

Creating New Land and Space
To support quality economic projects that the government is continuing to attract to Singapore, JTC has been exploring new ways to create land and space. Aside from going underground, as in the case of Jurong Rock Caverns, we also reclaimed 88 hectares at Jurong Island and Tuas to create more industrial land to support the growth of existing and new industries. Other approaches to create new space include decking over and utilising air spaces above major roads, and pursuing more innovative use of underground space.

Driving Innovation, Construction Productivity and Sustainability
As a leading developer of industrial space, JTC has been driving efforts in innovation,
construction productivity and sustainability. Besides launching joint grant calls with SPRING Singapore, and providing funding for innovative projects, estates like one-north and CleanTech Park were designated for our partners to test-bed new urban solutions such as LED street light solutions and Solar Thermal Façade which lowers building heat in buildings.

To raise construction productivity for our new developments, we strive to achieve high scores for buildability and constructability by standardising building components and infrastructure elements, adopting precast construction technologies, and implementing more mechanisation and automation at our construction sites. Some of our projects have achieved scores higher than those set by the Building and Construction Authority. For example, the JTC Space @ Tampines North achieved a buildability score of 91 and constructability score of 70.

**Promoting a Stable and Sustainable Industrial Property Market**

JTC adopted a multi-pronged strategy to ensure a stable and sustainable industrial property market. In 2014, 27 hectares of industrial sites, including 13 hectares of single-user sites and 14 hectares of multiple-user sites, were sold under the Industrial Government Land Sales Programme to provide a steady supply of space to end-user industrialists as well as developers. This has helped to stabilise prices and rents in the industrial property market.

As part of our on-going efforts to ensure that our policies remain relevant and meet the needs of industrialists, we tightened our subletting policy in October 2014 by reducing the sublet
quantum from 50% to 30%. This change was also extended to third-party facility providers like Real Estate Investment Trusts (REITs), requiring them to sublet at least 70% of their space to quality anchor subtenants for five years after the TOP date. These moves aim to ensure that valuable industrial space is put to productive use and to curb speculation in the industrial property market.

To improve market transparency and help industrialists make better decisions when buying or renting industrial properties, we have been providing comprehensive and timely quarterly statistics since 2014. More detailed rental and pricing information was made available for different zoning and geographical areas, in response to industry feedback for more granular data. We also released new Industrial Property Price and Rental Indices, compiled using an expanded coverage and improved methodology.

Financial Performance
The Corporation’s operating revenue was $1.7 billion in FY2014, 8% higher than the previous year. JTC’s net surplus was $1.2 billion, an improvement of 16% over FY2013 on the back of higher land disposal gains and higher dividend income from Ascendas. JTC also continued to invest in the purchase of industrial land and development of projects as its capital expenditure increased by 15% to $1.6 billion in FY2014.

The JTC Group turned in a good performance in FY2014 as net surplus increased to $1.4 billion, 7% higher than the previous year. This was achieved on the back of higher operating revenue of $1.8 billion due to increase in land and building rental income.

Co-creating the Future with our Customers and Partners
JTC is committed to create tomorrow’s industry spaces to support a future-ready economy. We remain focused on meeting the needs of our customers and partnering them as they transform their businesses and processes towards higher productivity. In FY2014, we organised two Land and Space Optimisation Forums to showcase the experiences of JTC and our customers in enhancing land productivity and optimising land use. Through such platforms, as well as on-going dialogues and networking sessions with customers, partners and trade associations, we will keep our policies and programmes in pace with market trends, and our facilities relevant to industry growth and transformation.

JTC’s demanding work and its achievements over the years would not have been possible if not for the guidance and support of the JTC Board and the Boards of our subsidiaries; and the dedication of our staff. To these JTC stalwarts, we owe our deep thanks and appreciation. Our thanks must also go to our customers and partners for their support in the past year. As we celebrate our nation’s 50th Anniversary in 2015, we remain focused and determined to push the limits in innovating and creating future-ready industry spaces for a strong and thriving Singapore economy.

Dr Loo Choon Yong
Chairman
JTC

Mr Png Cheong Boon
Chief Executive Officer
JTC
BOARD MEMBERS*

*as at 1 April 2015

Dr Loo Choon Yong
Chairman
JTC Corporation
Executive Chairman
Raffles Medical Group Limited

Mr Png Cheong Boon
Chief Executive Officer
JTC Corporation

Ms Chen Soon Bin
Former Managing Director
Government of Singapore Investment Corporation Pte Ltd

Mr Augustin Lee
Deputy Secretary
Ministry of Manpower

Lt-Gen Ng Chee Meng
Chief of Defence Force
Ministry of Defence

Mr Ngiam Shih Chun
Deputy Secretary (Industry)
Ministry of Trade & Industry

Mr Tan Chee Meng
Deputy Managing Partner
WongPartnership LLP

Mr Danny Teoh
Independent Director
Keppel Corporation

Ms Jessie Yeo
Executive Secretary, Union Centric Metal Industries Workers’ Union

Mr Yeoh Oon Jin
Executive Chairman
PricewaterhouseCoopers LLP

Mr Olivier Lim
Chairman
Certis CISCO Security Pte Ltd

Mr Guy Harvey-Samuel
Chief Executive Officer
HSBC Singapore

Mr Ng Lang
Chief Executive Officer
Urban Redevelopment Authority

Dr Moh Chong Tau
President & CEO
Makino Asia Pte Ltd
**SENIOR MANAGEMENT**

*as at 1 April 2015*

**Mr Png Cheong Boon**
Chief Executive Officer
JTC Corporation

**Mr Heah Soon Poh**
Assistant Chief Executive Officer
Cluster Group 1

**Ms Eunice Koh**
Assistant Chief Executive Officer
Cluster Group 2

**Mr Terence Seow**
Assistant Chief Executive Officer
Corporate, Policy & Planning Group
Director, Human Resources Division

**Mr David Tan**
Assistant Chief Executive Officer
Development Group

**Mr Seah Kee Pok**
Assistant Chief Executive Officer
JTC Academy

**Cluster Group 1**

**Mr Leow Thiam Seng**
Director
Aerospace, Marine & CleanTech Cluster

**Mr Dennis Tan**
Director
Biomedical & Chemicals Cluster

**Ms Khoo Wee Lin**
Director
Electronics, Infocomm & Media Cluster

**Mr Mark Koh**
Director
Facilities & Estate Management Division

**Mr Gerald Ng**
Director
Housing & Commercial Cluster
# Senior Management*

*as at 1 April 2015

<table>
<thead>
<tr>
<th>Cluster Group 2</th>
<th>Corporate, Policy &amp; Planning Group</th>
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<tr>
<td><strong>Ms Nang Peck Yan</strong></td>
<td><strong>Mr Anil Das</strong></td>
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<td>Director</td>
<td>Director</td>
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<td>Food &amp; Lifestyle Cluster</td>
<td>Corporate Planning Division / Organisation Excellence Department</td>
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<td><strong>Ms Siew Yim Cheng</strong></td>
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<td>Chief Information Officer</td>
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<td>Information Technology Division</td>
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<td><strong>Ms Susan Goh</strong></td>
<td><strong>Ms Siew Yim Cheng</strong></td>
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<tr>
<td>Acting Director</td>
<td>Chief Information Officer</td>
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<tr>
<td>Logistics &amp; Land Transport Cluster</td>
<td>Information Technology Division</td>
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<td><strong>Mr Mohd Hafiz Bin Sayuti</strong></td>
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<td>General Counsel</td>
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<td>Legal Services Division</td>
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<td><strong>Mr Cheang Tick Kei</strong></td>
<td><strong>Mr Mohd Hafiz Bin Sayuti</strong></td>
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<tr>
<td>Director</td>
<td>General Counsel</td>
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<td>Precision Engineering &amp; Construction Cluster</td>
<td>Legal Services Division</td>
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<td><strong>Mr Leong Hong Yew</strong></td>
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<td><strong>Ms Ma Ping Nee</strong></td>
<td><strong>Mr Leong Hong Yew</strong></td>
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<tr>
<td>Director</td>
<td>Director</td>
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<tr>
<td>SME Programmes Division</td>
<td>Policy &amp; Research Division</td>
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Development Group
Infrastructure Development

Mr Png Giok Hua
Group Director

Mr Teo Tiong Yong
Acting Director
Innovative Space Division

Ms Finn Tay
Acting Director
New Estates Division

Mr Calvin Chung
Acting Director
Reclamation & Infrastructure Division

Development Group

Mr Tham Wai Wah
Acting Director
Contracts & Procurement Division

Mr Koh Chwee
Director
Technical Services Division

Finance Division

Mr Ho Tuck Chuen
Group Chief Financial Officer
Finance Division

Audit & Advisory Division

Mr William Lim
Director
Audit & Advisory Division

Communications Division

Ms Christine Wong
Director
Communications Division

Land Planning & Redevelopment

Ms Josephine Loke
Group Director

Ms Tang Hsiao Ling
Acting Director
Land Planning Division

Ms Vivien Tan
Director
Land Redevelopment Division
LAND AND SPACE ALLOCATION

Prepared Industrial Land
Gross allocation of prepared industrial land, excluding industrial government land sales, was 188.2 hectares in FY2014.

Chart 1: Gross Allocation and Returns for Prepared Industrial Land, FY2010 to FY2014
- Gross allocation
- Returns

Chart 2: Gross Allocation of JTC Prepared Industrial Land by Industry, FY2014
- Manufacturing industries
- Manufacturing related and supporting industries

*includes real estate developers and investment holding companies
Ready-Built Facilities
Total gross allocation of ready-built facilities was 79,900 square metres in FY2014.

Chart 3: Gross Allocation, Returns and Occupancy Rate for JTC Space, FY2010 to FY2014

Chart 4: Gross Allocation of JTC Space by Industry, FY2014
STRENGTHENING INDUSTRY CLUSTERS
In FY2014, we allocated 188.2 hectares of land in FY2014 with half of these sites going to the chemicals, precision engineering, transport engineering and electronics industries. Together with key agencies such as the Economic Development Board and SPRING Singapore, we supported many key projects through direct land allocation.

Jurong Island
Despite the recent volatility in oil prices, Jurong Island continued to remain as a vibrant and attractive petrochemical hub for new investments. Key projects that took up new land included Afton Chemical for its new chemical additives manufacturing facility, ExxonMobil for its synthetic rubber and patented adhesive plants, Vopak Terminals for its Liquefied Petroleum Gas terminal, and Huntsman for its polyol manufacturing facility.

Companies that celebrated plant openings included: Zeon Corporation for its full-scale commercial production of solution styrene-butadiene rubber (SSBR); Infineum for its new salicylate manufacturing facility; Chevron Oronite for the expansion of its Singapore plant; Nalco Asia for its oxyalkylate manufacturing plant; Petrochemical Corporation of Singapore for its second butadiene plant; Katoen Natie for the extension to its Jurong Logistics Terminal; and Evonik for its fifth global methionine production complex which at €500 million is its largest chemical investment to date.

Tuas Biomedical Park
Over at the Tuas Biomedical Park, JTC’s dedicated hub for global pharmaceutical and biotechnology companies, several companies celebrated their facility openings. Mead Johnson Nutrition for its new production and research campus supplying...
key paediatric nutritional ingredients and products to a number of fast-growing Asian markets. Abbott Nutrition for its Asia Pilot Plant to produce prototypes and formulations tailored to the preferences of Asian consumers.

Amgen, an American biopharmaceutical company, for its next generation bio-manufacturing plant that produces drug substances used to treat osteoporosis and bone-related disorders in cancer patients. Alcon, a global leader in eye care, for its new state-of-the-art manufacturing facility to produce ophthalmic pharmaceutical products to address eye conditions.

one-north
one-north, JTC’s 200-hectare R&D hub at Buona Vista, continued to host a vibrant community of research institutes and companies in the biomedical sciences, infocomm technology, science and engineering, and media industries. JTC’s Fusionopolis Two, which comprises three new blocks of research facilities, office floors and retail space, has obtained its Temporary Occupation
Permit (TOP) and will celebrate its official opening in October 2015. Other completed projects include Galaxis @ Fusionopolis, developed by Ascendas, and BASF Learning Campus @ Rochester Park which is a hub for regional and global leadership and business-related programmes. Over at Biopolis, A*STAR set up the Diagnostics Development (DxD) Hub to accelerate local development and production of medical diagnostic devices, and Japanese drug giant Takeda Pharmaceutical Co opened its new office housing the headquarters of its emerging markets business unit, its regional R&D centre, and its vaccine business unit.

**Seletar Aerospace Park**
Seletar Aerospace Park (SAP) continued to attract major players and SMEs in the aerospace industry. Jet Aviation Asia Pacific opened its new hangar facility next to its existing hangar to serve the growing demand for large, long-range business jets in the region. Turbomeca, a subsidiary of Safran Group, will be moving from its Loyang premises to its new expanded facility at SAP in 2016. Its new premises will house its marketing, sales and technical support teams as well as its regional training centre. Matcor, a local SME, took up a unit at JTC aeroSpace (Phase 1) to set up a new laboratory and workshop. Another home-grown company, JEP Precision Engineering, will build its new facility, redesigned to improve productivity. Airbus and Singapore Airlines also took up land after signing an agreement to jointly develop a new flight training centre, Airbus Asia Training Centre (AATC) at SAP.
DEVELOPING NEXT-GENERATION INDUSTRIAL FACILITIES
In FY2014, JTC rolled out a suite of next-generation industrial facilities that were designed with inputs from industrialists.

**JTC Surface Engineering Hub** was officially opened on 9 October 2014. Costing $59-million, the high-rise facility is a unique development comprising 63 units to host an integrated ecosystem of companies in the surface engineering industry. It features a centralised wastewater treatment plant that not only helps to reduce space requirements, operational cost and upfront capital investment for SMEs, but also will enable quick start-up.

**JTC LaunchPad @ one-north** was officially opened by Prime Minister Lee Hsien Loong on 23 January 2015. Comprising Blocks 71, 73 and 79, JTC LaunchPad offers a range of facilities such as co-working, incubator and start-up space that can support the various stages of entrepreneurship. Sports and recreational facilities, shared meeting rooms, an events hall as well as F&B outlets have also been provided to promote networking amongst the start-ups. The privatised Action for Community for Entrepreneurship (ACE) has also located at the LaunchPad as a one-stop hub for the organising of activities to engage the business community. In addition, there will be an Ideation Lab set up at ACE for aspiring entrepreneurs to tap on its resources.
JTC BioMed Hub @ Tuas Biomedical Park (TBP) was completed in February 2015. The eight-storey integrated development will bring vendors and suppliers together under one roof to provide supporting services to the TBP companies. It has industrial units, laboratories, shared meeting and training facilities, and supporting amenities such as F&B outlets, a gymnasium, a clinic and childcare services.

JTC CleanTech Two @ CleanTech Park was officially opened on 28 January 2015. The facility is specially designed with workshop-like spaces for heavy research and prototyping of advanced manufacturing technologies, as well as fitted laboratories and offices for start-ups.

JTC Space @ Tampines North integrates land-based facilities with high-rise, multi-user factories. Launched on 21 May 2014, the development features higher floor loading, greater ceiling height and wider corridors for heavy manufacturing activities. It is also designed to be future-ready with designated vibration-sensitive space for new and emerging industries such as additive manufacturing and robotics. The project is targeted for completion in 2016.

JTC broke ground for JTC Chemicals Hub @ Tuas View on 31 October 2014. The project is Singapore’s first multi-user and high-rise development designed to house chemicals companies involved in the manufacturing, blending and distribution of chemicals, including chemicals classified as Dangerous Goods. It is targeted for completion in 2016.
On 14 January 2015, JTC nanoSpace @ Tampines was launched. The multi-tenant four-storey development is designed with high technical specifications such as a floor vibration criterion of VC-B, heavy industrial floor loading of 20kN/square metre and a high ceiling of up to 9.0 metres. It will have centralised common utilities such as bulk gases and chilled water, as well as space for specialty chemical storage and waste water treatment plants to help companies save on their operating costs and improve their productivity. The project is scheduled to be completed in early 2017.

JTC Space @ Tuas broke ground on 11 February 2015. The development with seven land-based factories for heavy manufacturing and height clearance of 13.5 metres has amongst JTC’s multi-tenant developments, the highest floor loading of 30 kN/square metre for manufacturing. Another 36 ramp-up units and 95 flatted factories will be stacked above the land-based units to support lighter manufacturing industries. Scheduled to be completed in 2017, the development will also house supporting amenities such as a heavy vehicle park, a workers’ dormitory and an amenity centre.

We also started construction work on the JTC Food Hub @ Senoko, which will be Singapore’s first multi-tenant ramp-up development for the food manufacturing industry. The seven-storey development will cluster food companies in 50 modular factory units in a single location, with an integrated cold-room warehouse facility. Food companies can outsource logistics services to a service provider located within the same building. With the potential sharing of delivery fleet, the number of trips and drivers required will be reduced. This signifies transformation and productivity improvement in their operations and practices. The project is expected to be ready in 2017.
CREATING NEW LAND AND SPACE
Jurong Island and Tuas
In FY2014, JTC reclaimed a total of 88 hectares at Jurong Island and Tuas, and we will continue to create more land over the next few years to meet industrial demand.

Jurong Rock Caverns
On 2 September 2014, Prime Minister Lee Hsien Loong officially opened the Jurong Rock Caverns (JRC), Southeast Asia’s first commercial underground storage facility for liquid hydrocarbons. The project is the deepest known public works project so far, and its five caverns have a total capacity of 1.47 million cubic metres.

Master-planning new Industrial Districts
JTC is master-planning new industrial districts of the future, including a new innovation district in the west that will revolutionise the liveability and sustainability of industrial estates. It will be a mixed-use district connecting Nanyang Technological University, CleanTech Park, Jalan Bahar, Tengah and Bulim.

1. Located at 150 metres below Jurong Island, Jurong Rock Caverns is the deepest public works project.
2 & 3. Prime Minister Lee Hsien Loong officiated at the opening of JRC in September 2014.
4. Reclamation works in progress.
PROMOTING A STABLE AND SUSTAINABLE INDUSTRIAL PROPERTY MARKET
JTC continued to release land through the Industrial Government Land Sales (IGLS) programme to meet the demand of industrialists while ensuring a stable and sustainable industrial property market. We also reviewed our policies to discourage speculation and ensure that industrial land sites allocated to companies were put to appropriate and productive use. Detailed data on industrial property prices and rentals will continue to be provided on our website to further improve market transparency.

**Releasing Industrial Land**

In 2014, 27 hectares of industrial land sites were sold under the IGLS programme as part of the Government’s continuing efforts to stabilise rents and prices in the industrial property market. JTC also revised the technical conditions on electrical provision and provision of goods lift to better meet the needs of industrialists. For the first time, a site (at Tanjong Penjuru) was launched with a shorter tenure of 20 years to meet the needs of industrialists for multiple-user development at affordable prices.

**Policy Reviews**

During the year, JTC reviewed and tightened its subletting policy to reinforce the message that industrial space should be for lessees’ own productive use. Under the revised policy, lessees would be able to sublet up to 50% of their premises within five years after obtaining TOP. The quantum would be cut to 30% thereafter.

This change was also extended to third-party facility providers like Real Estate Investment Trusts (REITS), requiring them to sublet at least 70% of the built-up space to quality anchor subtenants for five years after the TOP date. To ensure a smooth transition, lessees, tenants and third-party facilities providers were given until end 2017 to align their sublet quantum with the new cap.

**Enhancing Market Transparency**

To enhance market transparency, we released new Industrial Property Price and Rental Indices that used an expanded coverage and improved methodology. A wider range of sub-indices were also included to provide industrialists with information on price and rental movements based on property attributes and to help them make more informed decisions in purchasing or renting industrial properties.
DRIVING INNOVATION, SUSTAINABILITY AND CONSTRUCTION PRODUCTIVITY
JTC stepped up its efforts to push the boundaries in sustainable infrastructure innovation to create value for our customers. Under our Environmental Sustainability Plan, we continue to promote green practices and introduce eco-friendly features in all our existing and future developments and industrial estates.

**Industrial Infrastructure Innovation (I³) Centres**

In addition to the two I³ Centres at the Nanyang Technological University (NTU) and National University of Singapore (NUS), JTC launched its third I³ centre with the Singapore University of Technology and Design (SUTD) in July 2014. The SUTD-JTC I³ Centre will focus on three key research thrusts — urban innovation, integrated architecture and engineering, and design and technology.

**Driving Sustainability in our Developments**

JTC signed a three-year Memorandum of Understanding (MOU) with the Sustainable Energy Association of Singapore (SEAS) to collaborate in driving green initiatives for JTC developments. Under the MOU on Energy Efficiency Solutions for Industrial Buildings, JTC will collaborate with SEAS to help identify, develop and implement sustainable solutions in our developments.

**Test-bedding of Green Solutions**

JTC and SPRING Singapore jointly launched their first grant call inviting proposals from industrialists and companies on sustainable solutions for test-bedding in JTC’s developments or facilities. The aim was to provide companies with a platform for large-scale experimentation in a real world environment, and allow them to develop their track record. In January 2015, six local small and medium-sized enterprises (SMEs) were awarded a total of $2.5 million to support the test-bedding of their sustainable technologies and solutions.

**Opening of Jurong Eco-Garden**

JTC opened the Jurong Eco-Garden located in the heart of CleanTech Park, JTC’s eco-business park on 1 June 2014. Special efforts were made to recreate the habitats to support and preserve the rich biodiversity found in the park. The five-hectare garden boasts a freshwater swamp forest, a butterfly garden, and excavated rocks from Jurong Rock Caverns which were used for landscaping and art sculptures. Jurong Eco-Garden serves as a green lung for the working community and nearby residents to enjoy.

**Improving Construction Productivity**

To raise construction productivity, JTC pushed for higher productivity in the construction of its projects. In FY2014, we implemented several productivity measures, including the adoption of standard gridlines, precast construction technologies, M&E and architectural productive technologies during the design stage to improve construction productivity and to achieve high buildability and construction scores. We also adopted mechanisation and automation at our construction sites. Some of our projects have achieved scores higher than those set by the Building and Construction Authority. For example, the JTC Space @ Tampines North achieved a buildability score of 91 and constructability score of 70.
CREATION OF AN INTEGRATED URBAN SOLUTIONS PLATFORM

In February 2015, JTC and Temasek entered into an agreement to merge their four subsidiaries, Ascendas, Singbridge Group, JURONG International Holdings (JIH), and Surbana International Consultants Holdings Pte Ltd, into an integrated platform for sustainable urban development. Following the agreement, regulatory approvals were obtained and the merger was completed in June 2015.

The four subsidiaries were reorganised to create two independent operating arms. Ascendas and Singbridge, as the asset investment and holding arm, will originate, aggregate and provide urban solutions. Surbana and JIH will form the building and engineering specialist services unit, enabling sustainable solutions through technology. This integrated platform creates greater scale and synergies, and provides flexibility and nimbleness in pursuing projects across the entire urban development value chain.

1. A partnership between JTC and Temasek was inked in February 2015 to merge their four subsidiaries.
2. The merged entities of Ascendas-Singbridge and Surbana-Jurong will have the flexibility to pursue projects across the urban development value chain.
KEY INITIATIVES FOR FY2015

Moving ahead in FY2015, JTC will continue to raise the bar to support a future-ready economy by creating tomorrow’s industry spaces. We remain committed to develop innovative facilities to meet the needs of our customers as they transform their businesses and processes towards higher productivity.

Upcoming projects include:

**JTC Furniture Hub**
A high-rise, multi-tenanted development targeted at furniture manufacturers, interior furnishing companies and their materials suppliers.

**JTC Poultry Processing Hub**
A high-rise, multi-tenanted development with automated high-speed poultry slaughtering lines and shared services such as boilers and a waste water treatment plant.

**JTC Integrated Logistics Hub**
A high-rise, multi-tenanted logistics facility with inland container depot, warehouse, and supporting facilities such as heavy vehicle carpark and IT management system.

**JTC Space @ Gul**
A development which offers three-storey factory units with unique structural provisions to allow production activities traditionally carried out on land to be vertically integrated over multiple floors.
For the FY ending March 2015, Ascendas’ total assets under management grew approximately 12% year-on-year to S$16.8 billion, while total space managed grew over 4.4% to 58.9 million sq ft.
Korea
Ascendas’ Korean portfolio comprises four office buildings, which are held and managed through four independent single asset funds, namely Ascendas Korea Office Fund (AKOF), Ascendas Korea Office Fund 2 (AKOF2), Ascendas Korea Office Private Real Estate Trust (AKO-PREIT) and Ascendas Korea Office Private Real Estate Trust 2 (AKO-PREIT2).

In FY2014, Ascendas attracted and retained major tenants such as Kyobo Life and Samsung F&M, achieving an average occupancy rate of 98% as at 31 March 2015.

Southeast Asia
In June 2014, Ascendas broke ground for the 210-hectare Nusajaya Tech Park, Iskandar Malaysia. A 28-hectare start-up phase comprising ready-built facilities and land plots for Build-to-Suit developments will be completed by 2016.

In Vietnam, Ascendas partnered with Saigon Bund Capital Partners to develop OneHub Saigon, a 12-hectare integrated business park in Ho Chi Minh City. The joint venture received the Investment Certificate to commence planning and development at an official ceremony graced by Singapore’s Emeritus Senior Minister Goh Chok Tong. In Binh Duong, 15 of the 27 companies invested in Ascendas-Protrade Singapore Tech Park have commenced operations as at 31 March 2015, with the remaining expected to commence by 2016 and beyond.
Real Estate Fund Management

Ascendas Real Estate Investment Trust (A-REIT)

A-REIT is Singapore’s largest business space and industrial Reit with a diverse portfolio of 105 properties in Singapore and two in China. As at 31 March 2015, its total assets amount to about S$8.2 billion. A-REIT achieved a full-year distribution per unit (DPU) of 14.60 cents, a 2.5% increase over the previous year’s DPU of 14.24 cents. This was underpinned by positive rental reversions of 8.3%
over preceding contracted rental rates. Net asset value (NAV) per Unit increased year-on-year from S$2.02 per unit to S$2.08.

During the year, A-REIT enhanced its Singapore portfolio with the acquisition of three high quality industrial properties for a combined value of S$770.6 million. Highlights include the acquisition of Hyflux Innovation Centre and Aperia. One of the 30 constituents of the FTSE Straits Times Index, A-REIT won the “Most Transparent Company Award” in the REIT category for the tenth time at the Securities Investors Association (Singapore) Investors’ Choice Awards 2014.

Ascendas India Trust (a-iTrust)
a-iTrust manages about 8.1 million sq ft of business space in India. The Trust’s portfolio comprises six world-class IT business parks in India, namely the International Tech Park Bangalore, International Tech Park Chennai and CyberVale in Chennai, and CyberPearl, The V and aVance Business Hub in Hyderabad. a-iTrust’s portfolio achieved an occupancy rate of 97% as at 31 March 2015.

a-iTrust’s revenue grew 6% to ₹6.1 billion in Indian Rupee terms in FY2014. Its topline growth was supported by income from Aviator building, which became operational in January 2014, and positive rental reversions in Chennai. Current developments include Victor, a new IT building in Bangalore, as well as a new IT building and a multi-level car park at The V in Hyderabad. In December 2014, a-iTrust announced the acquisition of BlueRidge Phase Two, a 1.5 million sq ft IT Special Economic Zone (SEZ) in Pune. In March 2015, the Trust acquired CyberVale in Chennai, from its sponsor Ascendas.

Ascendas Hospitality Trust (A-HTRUST)
A-HTRUST, one of the first pan-Asian hospitality trusts, is a stapled group comprising Ascendas Hospitality Reit (A-HREIT) and Ascendas Hospitality Business Trust (A-HBT). As at 31 March 2015, it owns 12 quality hotels with over 4,500 rooms across 8 key cities in Australia, China, Japan and Singapore.

In FY2014, A-HTRUST’s revenue, net property income and distributable income grew by 6.0%, 11.8% and 3.0% respectively from a year ago. The growth was mainly due to contributions from Osaka Namba Washington Hotel Plaza and Park Hotel Clarke Quay, as well as the overall improvement in portfolio performance. On average, its hotels under management contracts in Australia, China and Japan posted growth in revenue per available room of 5.1%, 2.2% and 57.7%, respectively, over the same period last year.
Jurong International

Against a competitive landscape that is changing rapidly, JURONG International Group continued to focus on delivering value to its clients. China remains a promising growth region for the Group, with its consulting business remaining robust, winning eight projects in the first quarter of FY2014.

Consulting

China

JURONG Consultants (JCP) signed a 6-month consulting contract with Hunan Hengyang Xidu Hi-Tec Zone to deliver industry positioning, conceptual master planning, control planning and urban design services. Subsequent notable projects were secured with Zhejiang’s Ningbo Bonded Area Xiangbao Cooperation Zone, Guangxi’s Hezhou Wanggao Industrial Park, Yunnan’s Yuxi Hi-tech Industry Development Zone, China Fortune Land Development for Dachang Jiutong Foundation Investment Advisory Co Ltd, Tianjin Xiqing Economic Development Corporation and Guilin Linsu EDZ for consulting services rendered in industry positioning, master planning, control planning and investment studies.

Leveraging on its consulting expertise in petrochemical master planning and development, China’s Nanshan Group signed a Memorandum of Understanding with JCP in June, to develop the Nanshan Artificial Island Petrochemical Industrial Base.

India

JCP continued to extend its reach in India. Diligent Pink City Center Pvt. Ltd commissioned Team India to deliver urban design and concept infrastructure engineering design services to 1.2 million sq ft Jaipur Exhibition and Convention Center in a bid to revitalise the 40-acre land area into a commercial hub. Similar consulting services were also called for in SunTec IT Campus at TechnoCity, Trivandrum project, the first of its kind in India designed to meet Green Mark Platinum.

In another development with Tata Steel, JCP was appointed to master plan for Gopalpur Industrial Park in Odisha as well as design for the proposed 1000-square metre gateway TATA Steel plant at Kalinganagar Project Office in Duburi.

One key achievement was the master planning of the new capital city of Andhra Pradesh state (together with Surbana International Consultants) which was jointly announced in January 2015 by the ministers of Singapore and Andhra Pradesh. The plan outlined the city’s future urban growth in building commercial and residential properties, public facilities, transport and infrastructure and identifying joint venture and private investment opportunities for Singapore companies as well as growing the Singapore brand in India.

Emerging Markets

In June 2014, the Brazil’s Governor of the Federal District, Agnelo Queiroz, unveiled ‘Brasilia 2060’ — a strategic plan proposed by JCP, to develop Brasilia into a world-class financial and commercial hub, enhancing employment and income levels and raising the overall competitiveness of the federal district.

Following its first management model project in Moglino, Pskov Region in Russia, JCP signed a contract with Kaznex Invest in July, to deliver management model services to the Park of Innovative Technologies Special Economic Zone (PIT SEZ) in Kazakhstan. JCP also partnered Kazakhstan’s Ministry of Industry and New Technologies to develop an innovative model for managing SEZs in Kazakhstan.
In August 2014, JCP secured a conceptual and detailed master plan and infrastructure plan with Hua Chou Investment for Yaeni Industrial Park in Myanmar. Combining industrial, commercial and residential amenities, the integrated development will provide a work-live-play extension to the nearby capital city of Naypyidaw.

**Home Front**

As uncertainty in major economies continued to prevail, the consulting team focused on value-add and delivering results to the local customers. One noteworthy mention was the commendation award received for Jurong Rock Caverns (JRC) project in the category ‘Industrial or Process Structures for excellent achievement in the structural design of offshore facilities, chimneys, barrages, petrochemical works, wafer plants, water treatment plants and power stations’ — the team’s first award since the engineering feat kicked off Phase 1 in April 2014. This followed after the appointment of the JRC operatorship in January 2014.

**Design and Build (D&B) Safety Accomplishments**

The Group’s D&B arm, Jurong Primewide (JPW), was successful in the execution and delivery of projects and safety milestones. In April, JPW’s HTTC Project (Phase 1) recorded a remarkable one million accident-free man-hours and subsequently launched a Working-At-Height Safety Campaign for fall prevention at worksites. In June 2014, a ground-breaking ceremony organised by Land Transport Authority (LTA) at Woodlands Station Project site was held to mark the start of construction works on the Thomson Line (TSL) project. The line’s S$329 million Mandai Depot, built by JPW, housing the Operation Control Centre and maintenance and berthing of trains
running on TSL, will be the largest of the five MRT depots when completed.

JPW also won two awards for Workplace Health and Safety (WSH) - WSH Safety and Health Award Recognition for Projects (SHARP) and the WSH Performance (Silver) Award, presented in July in recognition of its commitment and outstanding performance in promoting a safe and healthy working environment.

Similar recognition was also acknowledged by LTA who awarded JPW with the Accident-Free Million Man-Hours (Category 1) Award in October at the 16th Annual Safety Award Convention.

**Facilities Management (FM)**

**Making Headway in Healthcare and Defence**

In another significant step towards establishing itself as a leading FM services provider in the healthcare sector, SMM secured its first healthcare project from Singapore General Hospital for Alteration and Addition (A&A) works at the new rehabilitation centre for physiotherapy, occupational therapy and speech therapy. Another FM contract secured with Ang Mo Kio-Thye Hua Kwan Hospital involved A&A works to convert part of its Level 2 wards into 110 units of new ‘Class C’ beds. For defence, the Defence Science and Technology Agency (DSTA) commissioned SMM to upgrade its firearm shooting ranges in October.

Among the various achievements, the most exceptional honour was the endorsement received from the Institute of Mental Health (IMH) for SMM’s services delivered during the preparation for its fourth on-site Joint Commission International (JCI) accreditation audit in May 2014.

**Corporate Responsibility**

**Sustainability in Value Creation**

A collaboration team, comprising Sustainability Development and Team India, competed in a national-level design competition organised by the Indo-Swiss Building Energy Efficiency Project (BEEP) in New Delhi, January 2015. Their proposal was among the six entries out of a total of 15 received in the Residential category to successfully qualify for Stage 2 of the competition. BEEP, a bilateral co-operation between India and Switzerland, sets out to reduce energy consumption in new commercial buildings and to disseminate best practices for energy-efficient construction.

To improve the quality and professionalism in the construction life cycle, JCP established its own Building Information Modelling (BIM) guidelines and standards manual aligned with the national BIM requirements. The ‘JCP-BIM Execution Plan’ and ‘JCP-BIM Manual’ which aim to raise the productivity and level of integration across the various disciplines, provided a baseline document in guiding the project team to achieve goals set to BIM deliverables.
FY2014 marked a significant milestone for Jurong Port. The organisation witnessed the handing over of the leadership mantle to its new CEO Mr Ooi Boon Hoe who joined in August 2014. Over the course of the financial year, the organisation has also seen other new members join the management team. Since January 2015, a new organisational structure has been in place that is centred on the port’s core competencies as a multi-purpose port operator. The fourth quarter of FY2014 also marked the 50th anniversary of Jurong Port.

The general and bulk cargo business faced challenging market conditions in FY2014 as a result of a slowdown in the local construction industry. As a result, the general and bulk cargo throughput handled by the main terminal saw a 5% decrease in cargo volumes to 17.33 million tonnes. As a multi-purpose port operator, the port continued to handle about 320,000 TEUs mainly to and from general cargo vessels and barges.

The Offshore Marine Centre and Lighter Terminals contributed 776,000 tonnes of throughput for FY2014. This represented a 2.1% increase in volume over FY2013 for this segment.

In FY2014, the port continued to emphasise the enhancement of port infrastructure as well as to pursue green initiatives. One such project was the upgrading of two general cargo berths which would increase their capacity to handle bigger vessels with higher cargo volumes.

Sustainable methods were used for the construction of the berths such as concrete from the existing
berths and yards were cut up, crushed and recycled for use in the upgrading, pre-cast beams and slabs were used to obviate the need for substantial formworks. Certified green construction materials also helped reduce the carbon footprint of the project. These materials include green cement, green steel mesh and green reinforcement bars. The pre-casting of slabs and beams was done on site to minimise the need for their transportation off-site, thus reducing carbon emissions. The construction of the “World's First Green Berths” is underway and it is expected to be completed in August 2015.

Another green initiative underway is the building of the world's largest port-based solar panel facility in Jurong Port. The electricity generated from the solar panels will reduce the amount of carbon footprint that would have been accomplished by planting about 300,000 trees. The system is expected to generate 10 megawatts of electricity at its peak capacity; the electricity produced is equivalent to the consumption of 2,800 units of 4-room HDB flats annually. More than 95,000 square metres of warehouse roof space, equivalent to 13 football fields, will be installed with solar panels. The project is expected to complete by end 2015.

In FY2014, the port renewed three safety certificates after undergoing an audit conducted by Certification International Singapore, an MOM approved safety auditor. The re-certification recognises the port’s compliance with Singapore and International standards for occupational health and safety management system (OHSAS 18001 and SS 506 – Part 1:2009) and international environment management system (ISO 14001).

Overseas Ventures
China, Rizhao
Rizhao Jurong Port Terminals is Jurong Port’s first joint venture port located in Shandong Province, China. In FY2014, the terminal handled a total throughput of 8.5 million tonnes, comprising mainly soya beans, tapioca and woodchips. The port also completed and put into operation its state of the art automated train loading facility for grains, supported by 24 new silos which allow the port to better serve inland markets.

China, Yangpu
SDIC Jurong Yangpu Port is Jurong Port’s second joint venture in Hainan Province, China. This joint venture handled a total throughput of 8.1 million tonnes in FY2014, of which general and bulk cargo accounted for 4.9 million tonnes. The port has positioned itself in FY2014 as a new gateway for the import of grains into Hainan. The port, in collaboration with a key shipping line customer, introduced a new direct international service connecting Yangpu to Vietnam. Container volumes grew 5% to 268,000 TEUs.

Indonesia, Marunda
Marunda Center Terminal, a multi-purpose terminal located in Bekasi, West Java, Indonesia, is Jurong Port’s third overseas joint venture. In July 2014, the construction of a 300-metre berth and ancillary facilities was completed successfully and commercial operations began in August 2014. From August 2014 to March 2015, the terminal handled 331,000 tonnes of bulk cargo.

Awards
Frost & Sullivan – Asia Pacific Multi-Purpose Terminal Operator of the Year
For the fifth year running, Jurong Port was awarded the Frost & Sullivan Asia Pacific Multi-Purpose Terminal Operator of the year. The award recognises the port’s achievements and performance in areas such as leadership, technological innovation and strategic development as a multi-purpose terminal operator.

BCA – Green Mark (Gold)
Jurong Port received the Green Mark Award (Gold) for the completion of the first of the two “Green Berths”. The award recognises the berths’ green construction methods and environmental sustainability features.

PUB – Active, Beautiful and Clean (ABC) Waters Certification
Jurong Port’s green berths J10 & J11 and storage yard upgrading project has been endorsed as an ABC Waters Certified project by PUB. It was able to satisfy the requirements of the certification which requires the project to meet PUB’s Active, Beautiful, Clean and Innovation standards.
FINANCIAL HIGHLIGHTS

Overview

JTC Group
The JTC Group turned in a healthy performance in FY2014 demonstrated by its robust operating surplus.

The Group’s operating revenue grew 7% to $1.8 billion — primarily due to higher land and building rental income. Non-operating income rose by 32%, largely contributed by gains from Industrial Government Land Sales by JTC. The Group achieved a net surplus of $1.4 billion in FY2014.

During the year, the Group invested a total of $2.3 billion in capital expenditure for the purchase of industrial land and development of projects such as Fusionopolis Two and Galaxis @ one-north, JTC BioMed Hub @ Tuas Biomedical Park and JTC CleanTech Two @ CleanTech Park.

JTC Corporation
JTC’s operating revenue grew by 8% to reach $1.7 billion. Net surplus was $1.2 billion, an improvement of 16% over the previous year. This was achieved on the back of higher disposal gains from Industrial Government Land Sales.

Capital expenditure during the year consisted of $1.2 billion in industrial land acquisition and $0.4 billion in infrastructure and building development.
## Group Financial Highlights

### FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th>For the year ($’Mil)</th>
<th>FY2014</th>
<th>FY2013 (Restated)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>1,848</td>
<td>1,725</td>
<td>7%</td>
</tr>
<tr>
<td>Non-operating income</td>
<td>604</td>
<td>459</td>
<td>32%</td>
</tr>
<tr>
<td>Net surplus</td>
<td>1,397</td>
<td>1,309</td>
<td>7%</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>2,331</td>
<td>1,781</td>
<td>31%</td>
</tr>
</tbody>
</table>

### FINANCIAL POSITION

<table>
<thead>
<tr>
<th>At year end ($’Mil)</th>
<th>FY2014</th>
<th>FY2013 (Restated)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment properties</td>
<td>12,074</td>
<td>14,146</td>
<td>-15%</td>
</tr>
<tr>
<td>Total assets</td>
<td>27,234</td>
<td>25,470</td>
<td>7%</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>494</td>
<td>2,472</td>
<td>-80%</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>7,866</td>
<td>7,627</td>
<td>3%</td>
</tr>
<tr>
<td>Total equity (excluding non-controlling interest)</td>
<td>18,340</td>
<td>16,866</td>
<td>9%</td>
</tr>
</tbody>
</table>

### KEY FINANCIAL RATIOS

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2013 (Restated)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt-equity ratio* (%)</td>
<td>2.6</td>
<td>14.7</td>
<td>-12%</td>
</tr>
<tr>
<td>Interest coverage (times)</td>
<td>134.8</td>
<td>111.8</td>
<td>21%</td>
</tr>
<tr>
<td>Return on total assets (%)</td>
<td>5.3</td>
<td>5.5</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Return on capital employed (%)</td>
<td>7.0</td>
<td>6.9</td>
<td>0.1%</td>
</tr>
<tr>
<td>Value added per employee ($’Mil)</td>
<td>0.8</td>
<td>0.7</td>
<td>14%</td>
</tr>
</tbody>
</table>

*FY2014 exclude debt classified under liabilities directly associated with disposal group classified as held for sale.
**Corporation Financial Highlights**

### FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>1,687</td>
<td>1,566</td>
<td>8%</td>
</tr>
<tr>
<td>Non-operating income</td>
<td>609</td>
<td>565</td>
<td>8%</td>
</tr>
<tr>
<td>Net surplus</td>
<td>1,190</td>
<td>1,027</td>
<td>16%</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>1,629</td>
<td>1,422</td>
<td>15%</td>
</tr>
</tbody>
</table>

### FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment properties</td>
<td>12,243</td>
<td>11,662</td>
<td>5%</td>
</tr>
<tr>
<td>Total assets</td>
<td>21,339</td>
<td>19,983</td>
<td>7%</td>
</tr>
<tr>
<td>Total borrowings</td>
<td>494</td>
<td>509</td>
<td>-3%</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>5,263</td>
<td>5,097</td>
<td>3%</td>
</tr>
<tr>
<td>Total equity</td>
<td>16,076</td>
<td>14,886</td>
<td>8%</td>
</tr>
</tbody>
</table>

### KEY FINANCIAL RATIOS

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt-equity ratio (%)</td>
<td>3.1</td>
<td>3.4</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Interest coverage (times)</td>
<td>129.0</td>
<td>112.8</td>
<td>14%</td>
</tr>
<tr>
<td>Return on total assets (%)</td>
<td>5.8</td>
<td>5.4</td>
<td>0.4%</td>
</tr>
<tr>
<td>Return on capital employed (%)</td>
<td>7.5</td>
<td>7.0</td>
<td>0.5%</td>
</tr>
<tr>
<td>Value added per employee ($’Mil)</td>
<td>2.7</td>
<td>2.5</td>
<td>8%</td>
</tr>
</tbody>
</table>
Operating revenue
Operating expenditure
Operating surplus

Group Operating Revenue, Expenditure and Surplus ($'Mil)

Corporation Operating Revenue, Expenditure and Surplus ($'Mil)
OPERATING REVENUE

Distribution of Group's Operating Revenue
- Land and building rental income
- Income from port operations
- Other operating revenue

Distribution of Corporation's Operating Revenue
- Land and building rental income
- Other operating revenue
## Financial Review

### OPERATING EXPENSES

Distribution of Group's Operating Expenses
- Property tax
- Maintenance and conservancy
- Employee compensation
- Depreciation
- Loss in recoverable amount of investment properties
- Finance expenses
- Other expenses

### Distribution of Group's Operating Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>FY2014</th>
<th>FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property tax</td>
<td>41%</td>
<td>38%</td>
</tr>
<tr>
<td>Maintenance and conservancy</td>
<td>12%</td>
<td>13%</td>
</tr>
<tr>
<td>Employee compensation</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>6%</td>
<td>2%</td>
</tr>
<tr>
<td>Loss in recoverable amount of investment properties</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>Finance expenses</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>19%</td>
<td>21%</td>
</tr>
</tbody>
</table>

### Distribution of Corporation's Operating Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>FY2014</th>
<th>FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property tax</td>
<td>45%</td>
<td>42%</td>
</tr>
<tr>
<td>Maintenance and conservancy</td>
<td>9%</td>
<td>12%</td>
</tr>
<tr>
<td>Employee compensation</td>
<td>6%</td>
<td>10%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Loss in recoverable amount of investment properties</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Finance expenses</td>
<td>1%</td>
<td>7%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>19%</td>
<td>20%</td>
</tr>
</tbody>
</table>
**CAPITAL EXPENDITURE, ASSETS & LIABILITIES**

Group Capital Expenditure (’Mil)

- Land
- Land and building development
- Others

- **FY2014**
  - 26
  - 1,077
  - 1,228

- **FY2013**
  - 14
  - 790
  - 977

Group Total Assets (’Mil)

- Assets of disposal group classified as held for sale
- Other assets
- Cash and cash equivalents
- Investment in associated companies and joint venture companies
- Investment properties

- **FY2014**
  - 27,234
  - 15,000
  - 10,000
  - 5,000
  - 226

- **FY2013**
  - 25,470
  - 15,000
  - 10,000
  - 5,000
  - 26

Group Capital, Reserves and Liabilities (’Mil)

- Liabilities directly associated with disposal group classified as held for sale
- Other liabilities
- Borrowings
- Deferred income
- Capital and reserves

- **FY2014**
  - 27,234
  - 30,000
  - 25,000
  - 20,000
  - 15,000

- **FY2013**
  - 25,470
  - 30,000
  - 25,000
  - 20,000
  - 15,000
Financial Review

CAPITAL EXPENDITURE, ASSETS & LIABILITIES

Corporation Capital Expenditure ($ Mil)
- Land
- Land and building development
- Others

Corporation Total Assets ($ Mil)
- Assets of disposal group classified as held for sale
- Other assets
- Cash and cash equivalents
- Investment in subsidiary companies
- Investment properties

Corporation Capital, Reserves and Liabilities ($ Mil)
- Other liabilities
- Borrowings
- Deferred income
- Capital and reserves