CREATING TOMORROW'S INDUSTRY SPACES
Joint Message from Chairman and CEO

Board Members

Senior Management

Land and Space Allocation

Developing Next-Generation Industrial Facilities to Support the Growth and Transformation of Industries

Creating New Land and Space to Catalyse New Industries

Promoting a Stable and Sustainable Industrial Property Market

Driving Innovation, Productivity and Sustainability

Key Initiatives for FY2016

Review of Subsidiary Company - Jurong Port

Financial Highlights and Review
MISSION
To develop industrial infrastructure to catalyse the growth of new industries and transform existing enterprises
Amidst the moderate 2.1% growth of Singapore’s economy in 2015, JTC saw a healthy demand for new industrial land and space. We allocated 150.8 hectares of land to 121 companies, and some 117,000 m$^2$ of space to 230 companies. This has facilitated investments that will not only generate more economic activities, but also create better jobs for Singaporeans.

We released a steady supply of industrial land and space to stabilise prices and rentals in the industrial property market, so as to ease business costs for industrialists. The total stock of industrial space increased by 1.6 million m$^2$, and we expect another 2.9 million m$^2$ of industrial space to come on-stream by the end of 2016, putting more downward pressure on prices and rentals.
Developing Next-Generation Industrial Parks and Developments

In FY2015, we continued our development of next-generation industrial facilities to support the growth of new industries and enable the transformation of existing ones. They cluster companies in similar industries together to encourage more collaboration between them, and provide shared infrastructure and common services to help industrialists reduce their capital and operating costs. Fusionopolis Two @ one-north and seven new land-based factories at Seletar Aerospace Park were completed. We also commenced the development of JTC Logistics Hub @ Gul, nanoSpace @ Tampines, Space @ Gul, three additional blocks at LaunchPad @ one-north, as well as the new LaunchPad @ Jurong Innovation District. Announced by Deputy Prime Minister Mr Tharman Shanmugaratnam in January 2016, the Logistics Hub is the first high-rise multi-tenanted facility integrating Inland Container Depots (ICDs), warehouses and a heavy vehicle park in a single development. During the FY, we signed agreements with partners, tenants and operators for Aviation Two @ Seletar Aerospace Park, Furniture Hub @ Sungei Kadut and Food Hub @ Senoko.

JTC also launched the development of the Punggol Creative Cluster (PCC) and Jurong Innovation District (JID), announced by Prime Minister Mr Hsien Loong at the National Day Rally 2015 and Finance Minister Heng Swee Keat in Budget 2016 respectively. Both PCC and JID are exciting next-generation industrial developments that will support Singapore’s future economy.

Ensuring Pro-Business Policies

We remain committed to ensuring the availability and affordability of industrial land and space to support the growth and needs of our industrialists.

In FY2015, we changed the way a new lease term is computed for lease renewals, such that the new lease term starts from the expiry of the current lease, instead of the point of renewal. This encourages industrialists to invest and seek lease renewal early so that they have a longer period to amortise their investments.

Driving Innovation, Productivity and Sustainability

In FY2015, we stepped up our efforts to drive innovation, productivity and sustainability across our buildings and estates.

Our buildings are designed with higher construction productivity and we specify higher productivity standards in our construction projects. For example, the adoption of the prefabricated pre-finished volumetric construction method for our Space @ Tuas development, and cross-laminated timber and steel hybrid construction for the LaunchPad @ one-north allowed us to reduce construction manpower by 20% to 25%. At Space @ Tampines North, the adoption of modular design has facilitated the extensive use of prefabrication, allowing us to achieve a buildable design score of 91 and constructability score of 70, higher than BCA’s requirement of 87 and 55 respectively.

We also piloted the Integrated Smart Estate and Building Operations System in three of our developments - The JTC Summit, MedTech Hub @ MedTech Park and CleanTech One @ CleanTech Park. The system leverages advances in big data, analytics and sensors to allow us to centrally and remotely monitor, analyse and optimise our estate and building systems. This in turn reduces energy usage, improves our tenants’ comfort and helps us be more efficient in managing our facilities. Other green building strategies and eco-friendly features are actively being incorporated in our developments. To date, we have achieved 14 projects awarded with BCA Green Mark.

We continue to make available more of our buildings and estates for companies to test-bed new innovations in urban solutions and sustainability. For example, Vtrium Energy Pte Ltd is currently test-bedding their organic solar PV films in CleanTech Two and Seletar Aerospace Park. During the FY, we launched our second Open Innovation Call to encourage more effective solutions such as automation, robotics and technologies to address current challenges in building management.
Creating a Vibrant and Conducive Work Environment

In FY2015, we worked with F&B partners to bring more food options and amenities to our estates. Timbre+ is the outcome of such collaboration, adding vibrancy and a variety of dining options to LaunchPad and one-north. We also worked with Timbre+ to improve productivity of the F&B operations by encouraging diners to return their food trays to a centralised and automated dishwashing point, where their deposits will be refunded. This has reduced the manpower needed for cleaning and dishwashing, and increased the hygiene level as well.

Through our placemaking efforts, we will continue to enhance and activate the public spaces in one-north, and curate a series of social and intellectual events to bring the community together and make one-north an attractive workplace.

Financial Performance

JTC achieved operating revenue of $1.8 billion and operating surplus of $0.7 billion in FY2015. In June 2015, we completed the merger of our subsidiaries Ascendas Pte Ltd and Jurong International Holdings Pte Ltd with Singbridge Group Pte Ltd and Surbana International Consultants Holdings Pte Ltd of Temasek. At the group level, JTC Group achieved a healthy net surplus of $1.3 billion with $19.6 billion in net assets in the balance sheet.

In Appreciation

The JTC Board, management and employees were deeply saddened by the demise of board member Dr Moh Chong Tau in August 2015. The Board sincerely appreciates Dr Moh’s dedication and service.

We would like to express our appreciation to the Board for its counsel and contributions to our work and various achievements. On behalf of the Board and management, we would like to extend our heartfelt thanks to then-Chief of Defence Force Lieutenant-General Ng Chee Meng, who stepped down in August 2015, for his invaluable stewardship. We welcome two new members, Mr Lee Chong Kwee and Lieutenant-General Perry Lim Cheng Yeow, who were appointed to the Board in September 2015.

Last but not least, we would like to express our gratitude to all JTC colleagues for their passion, commitment and hard work, and to all customers and partners for their confidence and support. The continued partnership with our stakeholders will allow us push boundaries to create new industry spaces for Singapore’s future economy.

Dr Loo Choon Yong  
Chairman  
JTC Corporation

Mr Png Cheong Boon  
Chief Executive Officer  
JTC Corporation
Board Members

Dr Loo Choon Yong  
Chairman  
JTC Corporation  
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

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

Mr Olivier Lim  
Chairman  
Certis CISCO Security Pte Ltd

Mr Tan Chee Meng  
Deputy Chairman  
WongPartnership LLP

Mr Danny Teoh  
Non-Executive and Independent Director  
Keppel Corporation Limited

Ms Jessie Yeo  
Executive Secretary  
Metal Industries Workers’ Union

Mr Yeoh Oon Jin  
Executive Chairman  
PricewaterhouseCoopers LLP

Mr Guy Harvey-Samuel  
Chief Executive Officer  
HSBC, Singapore

Mr Ng Lang  
Chief Executive Officer  
Urban Redevelopment Authority

then-Lieutenant-General Ng Chee Meng  
Chief of Defence Force  
Ministry of Defence  
(Till 18 August 2015)

Dr Moh Chong Tau  
President and CEO  
Makino Asia Pte Ltd  
(Till 18 August 2015)

Lieutenant-General Perry Lim  
Chief of Defence Force  
Singapore Armed Forces  
(Since 1 September 2015)

Mr Lee Chong Kwee  
Chairman  
Jurong Port Pte Ltd  
(Since 1 September 2015)
Mr Png Cheong Boon
Chief Executive Officer
JTC Corporation

Mr Alvin Tan
Assistant Chief Executive Officer
Cluster Group 1

Ms Eunice Koh
Assistant Chief Executive Officer
Cluster Group 2

Mr David Tan
Assistant Chief Executive Officer
Development Group

Mr Heah Soon Poh
Assistant Chief Executive Officer
Engineering & Operations Group

Mr Terence Seow
Assistant Chief Executive Officer
Corporate, Policy and Planning Group

Mr Seah Kee Pok
Assistant Chief Executive Officer
JTC Academy

Mr William Lim
Director
Audit & Advisory

Clusters

Mr Leow Thiam Seng
Director
Aerospace, Marine & Clean Tech

Mr Dennis Tan
Director
Biomedical & Chemicals

Ms Khoo Wee Lin
Director
Electronics, Infocomm & Media

Ms Susan Goh
Director
Logistics & Land Transport

Mr Cheang Tick Kei
Director
Precision Engineering & Construction

Mr Leong Hong Yew
Director
Food & Lifestyle

Ms Ma Ping Nee
Director
SME Programmes
**Development**

**Ms Josephine Loke**  
Group Director  
Land Planning & Redevelopment

**Ms Tang Hsiao Ling**  
Director  
Land Planning

**Ms Vivien Tan**  
Director  
Land Redevelopment

**Ms Finn Tay**  
Director  
New Estates 1

**Mr Aaron Tham**  
Director  
New Estates 2

**Mr Tham Wai Wah**  
Director  
Contracts & Procurement

**Engineering and Operations**

**Mr Png Giok Hua**  
Group Director  
Infrastructure Development

**Mr Koh Chwee**  
Director  
Technical Services

**Mr Calvin Chung**  
Director  
Reclamation & Infrastructure

**Mr Teo Tiong Yong**  
Director  
Innovative Space

**Corporate**

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

**Mr Ong Chia Choong**  
Director  
Security

**Mr Ho Tuck Chuen**  
Group Chief Financial Officer

**Ms Siew Yim Cheng**  
Chief Information Officer

**Mr Anil Das**  
Director  
Corporate Planning, Organisational Excellence and Innovation Programme Office

**Mr Mohd Hafiz Bin Sayuti**  
General Counsel

**Ms Christine Wong**  
Director  
Communications

**Ms Lee Chuay Noi**  
Acting Director  
Human Resources

**Ms Yvonne Lim**  
Acting Director  
Policy & Research

**Mr Harold Soong**  
Acting Director  
Corporate Finance

**Ms Chee Wan Chin**  
Acting Director  
Finance Operations
### Prepared Industrial Land

Gross allocation of prepared industrial land, excluding industrial government land sales, was 163.9 hectares in FY2015.

<table>
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<th>Manufacturing Related and Supporting Industries</th>
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- Manufacturing Industries: 17% (28.2 ha)
- Manufacturing Related and Supporting Industries: 16% (25.9 ha)
- Logistics: 16% (25.9 ha)
- Biomedical Manufacturing: 4% (7.2 ha)
- Electronics: 1% (0.9 ha)
- Precision Engineering: 1% (2.4 ha)
- General Manufacturing: 4% (6.5 ha)
- Transport Engineering: 7% (10.8 ha)
- Chemicals: 18% (30.0 ha)
- Information & Communication: 15% (24.9 ha)
- Real Estate Activities: 2% (3.8 ha)
- Others: 14% (22.3 ha)
Ready-Built Facilities
Total gross allocation of ready-built facilities was 85,600 m² in FY2015.
DEVELOPING NEXT-GENERATION INDUSTRIAL FACILITIES TO SUPPORT THE GROWTH AND TRANSFORMATION OF INDUSTRIES

In FY2015, JTC focused on the planning and development of innovative land and space solutions to enhance the productivity of enterprises and meet the evolving needs of industries.
JTC adopts a cluster development approach in the planning and building of our specialised industrial parks to meet the unique needs of different industries. This creates synergies by co-locating both MNCs and local enterprises together within each industry’s value chain.

**Seletar Aerospace Park**

A world class aerospace park, home to a working community of 5,000 and over 60 global and local companies.

- Attracted $21 million in new investments in new plants and machinery from 12 global and local companies.
- Completed Phase 3 which added 55 hectares of land, bringing the total allocable industrial land to 120 hectares.
- Provided new infrastructure, including new roads, covered linkways and utilities.
- Developed seven more ready-built land based factory units, enabling quick start-up for component manufacturing and MRO companies.
Jurong Island
Singapore’s energy and chemicals hub, home to an integrated ecosystem of more than 100 global petroleum, petrochemical and specialty chemical companies.

- Attracted $890 million in new investments in new plants and machinery from 11 companies.
- Implemented estate enhancements such as the new checkpoint expansion to improve traffic conditions, retrofitting of the amenities centre - Oasis @ Sakra - to serve the working population, and a new private Emergency Ambulance Service to increase ambulance coverage and ensure faster emergency response.
one-north

An integrated work-live-play-learn R&D hub that is conducive for collaboration, innovation and business growth. Home to some 400 companies and global institutions, five institutes of higher learning and corporate universities, 16 world-class public research institutes, and over 43,000 talents.

- Fusionopolis Two was officially opened by Prime Minister Lee Hsien Loong on 19 October 2015. Comprising three buildings, it houses the first multi-storey cleanroom in Singapore built to a vibration sensitivity standard of VC-E for high performance equipment and advanced R&D activities. The 103,600 m$^2$ development will bring together several A*STAR research institutes under one roof, and also many private companies and laboratories.
- Mediacorp’s new 80,000 m$^2$ campus was officially opened on 8 December 2015 by Prime Minister Lee Hsien Loong.
- Completed the Multi-Utility Hub which will provide parking spaces and shared facilities, including warehouse storage facilities for media companies as well as a district cooling system plant to support the cooling needs of new developments in the vicinity.
- The JTC LaunchPad @ one-north has attracted about 48 incubators with more than 600 incubatees and 120 independent start-ups, bringing the total number of start-ups to over 700. The construction of the additional three blocks has commenced and will be completed by early 2017 to provide another 12,000 m$^2$ of space to house 250 more start-ups.
To help local enterprises increase productivity, improve operational efficiency and reduce operating costs, JTC develops next generation industrial facilities that feature shared infrastructure and services.

**JTC Furniture Hub @ Sungei Kadut**

Targeted for completion by end 2018, the eight-storey Hub will house a thriving ecosystem of furniture industry players in areas such as manufacturing, interior fit out, design and distribution. Built to high technical specifications and served by direct access via ramp, the units will offer furniture companies a seamless transition from land-based factories to high-rise space.

- The Hub was unveiled to local and international players at the International Furniture Fair Singapore on 10 March 2016.
- Signed a Memorandum of Understanding with the Singapore Furniture Industries Council to establish and manage a Furniture and Furnishings Experience Centre at the Hub, which will comprise a trade showroom, training institute, e-commerce fulfilment centre and design studio to nurture talents in the industry.

**JTC Logistics Hub @ Gul**

Targeted for completion in 2019, the Hub will integrate Inland Container Depots (ICDs), warehouses and a heavy vehicle park to improve land productivity. The stacking of ICD operators across multiple floors will reduce the amount of land required for ICD operations. The Hub will also be the first indoor ICD in Singapore, enabling all-weather operations.

- Announced by Deputy Prime Minister Tharman Shanmugaratnam on 4 January 2016.
JTC Food Hub @ Senoko

Targeted for completion in 2017, the seven-storey ramp-up development features a shared integrated cold room and warehouse facility (CWF) that helps reduce companies’ initial start-up and operations costs as they do not need to build and maintain their own cold rooms, or invest in their own delivery fleet.

- Appointed StorBest @ Senoko Pte Ltd on 28 March 2016 as the CWF operator to provide the full suite of cold room, warehousing and distribution services to the Hub’s tenants.
- Signed tenancy agreements with three food companies - Tenderfresh Fried and BBQ Chicken Pte Ltd, Deli Asia (S) Pte Ltd and Kemin Industries (Asia) Pte Ltd.

JTC Metals-Machinery-Timber (MMT) Hub

To be completed in 2020, the five-storey Hub will cluster small and medium enterprises (SMEs) in the metals, machinery and timber industries. The development’s high specifications will accommodate tenants’ heavy automation machinery and products and allow them to explore productivity-enhancing initiatives like installing overhead cranes to reduce their reliance on fork lifts.

- Announced by Dr Koh Poh Koon, Minister of State for Trade and Industry, during the Committee of Supply debate on 7 April 2016.
CREATING NEW LAND AND SPACE TO CATALYSE NEW INDUSTRIES

To enable our industries to be positioned for the future, our next generation developments - such as the Jurong Innovation District - aims to bring together industries and disruptive technologies of tomorrow.
**Master-planning New Estates**

**Jurong Innovation District (JID)**

- Announced by Finance Minister Heng Swee Keat at his Budget Speech on 24 March 2016.
- The 600 hectare District is one of the largest greenfield developments in Singapore, covering Nanyang Technological University (NTU), CleanTech Park and the neighbouring areas of Bulim, Bahar and Tengah.
- To be developed in phases over the next 20 years, JID will host the entire value chain for global companies in the manufacturing sector, including R&D, design, prototyping, production and supply chain management.
- Envisioned to be Singapore’s largest living lab for innovators, makers, entrepreneurs and new businesses, the District will also provide opportunities for test-bedding and the exploration of new ideas and technologies.
- Targeted for completion in 2017, the JTC LaunchPad @ JID will house start-ups, incubators and accelerators, and include maker’s and co-working spaces, with a focus on advanced manufacturing.

**Punggol Creative Cluster**

- Announced by Prime Minister Lee Hsien Loong during the National Day Rally on 23 August 2015.
- The 23 hectare development in Punggol will house industries and businesses that will leverage Singapore Institute of Technology’s (SIT) strengths and disciplines such as information communications and security, computing and user design, and will focus on activities that create value and new innovations. Such integration will encourage closer collaboration between academia, students and industries.

**Land Reclamation**

- Some 107 hectares of land at Jurong Island and Tuas were reclaimed to create more land to support our industries.

**Underground Spaces**

- Commenced a feasibility study for an underground inter-estate goods mover system (IGMS) linking the future Tuas Port to the industrial estates at Tanjong Kling, Jurong West and Gali Batu to facilitate the movement of goods from point to point without having to rely on roads.

**Rejuvenating Old Estates**

- Continued land recycling and redevelopment efforts of older estates to enhance infrastructure and create new conducive work spaces to support the growth and transformation of industries.
- Developed innovative facilities with shared infrastructure and services to encourage the transition of companies from land-based facilities to high-rise spaces.
PROMOTING A STABLE AND SUSTAINABLE INDUSTRIAL PROPERTY MARKET

JTC continued to release sufficient industrial land through the Industrial Government Land Sales (IGLS) programme. We have also worked towards enhancing market transparency for the industrial property market by releasing more granular data, e.g. transactional data, rentals by floor level/area to facilitate cost comparisons across the island. The new data enables industrialists to make better and more informed decisions.
Revised computation of the new lease term upon the approval of lease renewals.

The renewed lease period will start from the expiry of the current lease instead of at the point of renewal. This aims to encourage industrialists to invest and seek lease renewal early so that they have a longer period to amortise their investment.

Efforts to make more industrial land and space available have provided industrialists with more choices, resulting in downward pressure on prices and rentals which translates to lower business costs for them.
DRIVING INNOVATION, PRODUCTIVITY AND SUSTAINABILITY

In today’s fast changing global environment, JTC has to be innovative and respond quickly to the evolving needs and expectations of our stakeholders. We leverage technology to increase productivity and overcome challenges like resource constraints and rising costs.
Enhancing Construction Productivity

- Partnered NTU’s Robotics Research Centre (R2C) on the Spray Painting Robot and Construction Quality Inspection Robot to reduce the dependency on foreign labour, improve safety and upskill the construction work force. Target to achieve a reduction in the quality inspection time by 15% and manpower needed by 50%.
- Adopted Prefabricated Prefinished Volumetric Construction (PPVC) for JTC Space @ Tuas. This modular construction method can potentially achieve up to 50% savings in terms of manpower and time.
- Block 81 at the LaunchPad @ one-north is the first development in Singapore to be built with Engineered Wood Systems. Its lighter components and simpler construction method will enable us to achieve further manpower savings of about 30% as compared to steel construction.

Test-bedding Green Solutions

- Piloted the JTC Integrated Smart Estate and Building Operations System in 3 of our buildings – The JTC Summit, MedTech Hub @ MedTech Park and CleanTech One @ CleanTech Park.
- The cloud-based system allows JTC to centrally and remotely monitor, analyse and optimise our estate and building services across all our estates and buildings.
- The system also leverages data, analytics and sensors to provide better insight into how our buildings are operating, thus allowing us to make decisions to ensure our buildings’ essential services and systems are operating optimally.
- The system is linked to 19,000 data points from 21 mechanical and electrical systems. The 5,472,000 data transactions generated every 24 hours are analysed in real-time to identify faults and sub-optimal configurations.

Improving Efficiency for Facilities Management

- Collaborated with the Land Transport Authority (LTA) to allow the testing of Autonomous Vehicles (AV) on a public road network. The trial sites in one-north and CleanTech Park offer opportunities to test and optimise the technical capabilities and infrastructural requirements necessary for AVs to operate safely on public roads.
- Installed smart bins at selected JTC developments to efficiently manage the process of collecting solid waste and recycling. The smart bins are able to gauge waste levels and activate clearing of the bins only when they are full. This optimises the collection response time and reduces the frequency of waste collection, thereby reducing the manpower required to clear the bins.
- Launched the second JTC Open Innovation Call in January 2016 to seek sustainable solutions to increase the productivity and efficiency of managing our expanding suite of industrial buildings. Some of these solutions could include the latest sensor technologies, drones, robotics systems and intelligent building management systems.
Creating Tomorrow’s Industry Spaces

We will continue to develop future-ready industrial solutions for our customers to meet their business needs. Here are some other projects in the planning stage:

**CleanTech Three** will feature specialised space to anchor key sectors in cleantech, urban solutions and advanced manufacturing as well as support new growth sectors. Serving as a platform to foster collaborations and innovations, it will provide spaces for R&D, prototyping laboratories, micro-offices, start-up spaces and amenities.

The **Automotive Hub** is conceptualised to be a high-rise multi-tenanted facility that clusters land-based heavy vehicle workshops, car workshops as well as supporting facilities such as a heavy vehicle park under one roof. It aims to improve the land productivity of the industry when companies transit from land to space.

The **MUY** concept aims to cluster marine companies in a multi-user environment with shared waterfront facilities. It will also intensify land use through the provision of high specification double-storey workshops that will bring shipbuilding/repair activities onto the second floor. This double-storey workshop concept will be the first in the world for marine activities.

Two separate MUYs – Aluminium and Steel - are being planned for aluminium and steel vessels to prevent cross-contamination between the materials used in the respective yards.
REVIEW OF SUBSIDIARY COMPANY - JURONG PORT

Double-banking operations for ship to ship transfer of cargo
Jurong Port

Despite a challenging global economic outlook, especially for the oil and gas industry and maritime shipping sector, the general and bulk cargo business saw a relatively muted 4% year-on-year reduction in cargo volumes to 16.7 million tonnes. The downside effects of the economic conditions were countered by active commercial engagement resulting in new customers and volumes in Jurong Port (JP). In FY15, 305,000 TEUs of container cargo were handled at JP, mostly contributed by combi vessels and regional feeder services. The Offshore Marine Centre and Lighter Terminals segment contributed 865,000 tonnes of throughput for FY15 representing an 11% growth over FY14 for this segment.

In the past 12 months, JP set about implementing its five-year strategic plan (2015-2020) in three key thrusts: core competencies building, growth and organisational excellence as well as a vision to be a world-class multi-purpose port operator.

Core Competencies Building

As a key outcome of the strategic review, JP is now actively seeking new business opportunities in areas such as project cargo in order to expand its footprint in the multi-purpose port market segment. Its commercial re-orientation in FY15 has already borne fruit and JP managed to secure its first semi-submersible heavy load carrier project. JP also coordinated and oversaw the conduct of a double-banking operation for ship to ship transfer of cargo. These are significant steps forward as it raises the profile of JP and Singapore as a regional maritime hub for project and special cargo operations. Working closely with all port users, JP aims to actively seek out new cargo that can use Singapore as a hub and gateway, and this will serve to increase the cargo diversity at JP as well.

In the domain of operations, JP set record high productivity levels in cement and steel handling. In combiterminal operations, container discharge rates have also improved substantially over the year. For its lighter terminal operations, it has completed the installation and operationalisation of four pedestal cranes at Penjuru Terminal.

JP has continued to follow through with various green initiatives. Key projects include the completion of one of its green berths at J11 and the successful installation of solar panels over 76,000 m² of warehouse roof space (equivalent to 13 football fields). The solar panel system is expected to generate 12 megawatts of electricity at its peak capacity; the electricity produced is equivalent to the consumption of 2,500 units of 4-room HDB flats annually. The solar panels will be switched on in phases, starting in 2016.
Organisational Excellence

New Corporate Social Responsibility Framework

In FY15, JP piloted a new Corporate Social Responsibility (CSR) framework with the theme of being “A port operator with a heart”. Its CSR strategy will be to focus on the environment, its people and the community. A key feature of the CSR strategy will be to directly involve the Port’s staff in CSR activities beyond just pure financial sponsorship and donations to charity organisations. The formal launch of the new CSR framework will take place in FY16 where JP will form partnerships with charity organisations in order to promote greater interaction and bonding between our staff and our community.

Local Growth

Liquid Bulk Terminal

JP and Oiltanking Singapore signed a joint venture agreement to develop, own and operate a new liquid bulk terminal that will be located on 16 hectares of existing land in the Port. JP will hold 60% of the shares in the joint venture and Oiltanking Singapore 40%. The terminal will be designed to store and handle both clean petroleum products and chemicals. The facility will support the increasing demand of storage needs in Singapore with its integration with Jurong Island, Asia’s petrochemical industry hub. It is also well positioned for synergy building and maximisation of operational efficiencies through the establishment of physical connectivity via pipelines.

Overseas Growth

China, Rizhao

Rizhao Jurong Port Terminals (Rizhao Jurong Port) is JP’s first joint venture port located in Shandong, China. In FY15, the terminal handled a total throughput of 10.7 million tonnes which is a 26% increase from the previous FY. The throughput figures comprise mainly soya beans, tapioca and woodchips. In the fourth quarter of FY15, the start of a regular fortnightly service liner from Portland, USA will contribute to more soya bean volumes at Rizhao Jurong Port. This service is expected to increase the terminal’s throughput by more than 100,000 tonnes of soya beans per month.

China, Yangpu

SDIC Jurong Yangpu Port is JP’s second joint venture in Hainan, China. In FY15, this joint venture handled a total throughput of 5.08 million tonnes for general and bulk cargo and 263,000 TEUs for containers.

The joint venture successfully implemented a pre-gate system for its container terminal in December 2015. The pre-gate system is a computerised platform that will allow the port users to register their container arrivals with the terminal. With the system in place, the terminal is now able to better optimise its yard resource deployment.

They were also certified to handle imported grains through one of its berths by the General Administration of Quality Supervision, Inspection and Quarantine, China. Announced on 25 December 2015, this is the first milestone that will lead the port forward in its efforts to becoming a grain hub in the future. The joint venture handled approximately 63,400 tonnes of grains in FY15 and this volume is expected to increase by 50% in the coming year.

Indonesia, Marunda Center Terminal

Marunda Center Terminal (MCT), an international common-user multi-purpose port located near Jakarta in Bekasi, West Java, Indonesia, is JP’s third overseas joint venture. On 6 November 2015, the contract for the development of Phase 1B at MCT was inked. Phase 1B will include the extension of the existing jetty by another 510 m with a deeper draft of 9.5 m. The construction is expected to be completed in the third quarter of 2017. Upon completion, MCT’s total cargo handling capacity will increase significantly from the current 2.5 million tonnes to approximately 8 million tonnes per annum. In FY15, the port handled a total throughput of 1.79 million tonnes of liquid bulk, dry bulk and general cargo.
Indonesia, Eastport

JP secured Eastport, its fourth overseas joint venture in FY15. Eastport is an international common-user multi-purpose port situated in Lamongan, Surabaya. The port will be jointly managed and operated with its partner, Eastlog Holdings. This is a greenfield project that will include the construction of a 500 m berth and a draft of 13.5 m. Construction is slated for completion by the third quarter of 2017.

Corporate Benchmarking, Awards and Certifications

JP seeks to benchmark itself in various ways and has achieved several awards in FY15 as part of ongoing efforts to measure itself against comparable leading organisations.

Frost & Sullivan Asia Pacific Multi-Purpose Terminal Operator of the Year

For the sixth year running, JP was awarded the Frost & Sullivan Asia Pacific Multi-Purpose Terminal Operator of the Year. According to the Frost & Sullivan citation, JP has continuously surpassed its performance year after year, despite stiff competition across comparable companies. JP’s expansion plans were also one factor for the award. It was mentioned that the Port’s joint ventures with foreign terminals in China and Indonesia have cemented its position as the leading multi-purpose terminal operator in the Asia Pacific.

ASEAN Energy Awards 2015

JP’s Administration Building was awarded first runner up in the category for retrofitting of office building infrastructure under the ASEAN Best Practice Energy Efficient Building Awards. It was one of the few selected by the Building and Construction Authority (BCA) to represent Singapore in the ASEAN Energy Awards 2015, recognised to be Southeast Asia’s highest reward for excellence in the field of energy efficiency and conservation in buildings.

Singapore Quality Class (SQC) re-certification

JP has successfully achieved its SQC re-certification from SPRING Singapore in FY15. The Port attained a higher banding during this SQC certification compared to 2012 and scored well in all areas, particularly in the areas of Senior Leadership and Strategy Development.
Financial Highlights

Overview

JTC Group

The JTC Group delivered a healthy performance in FY2015 demonstrated by its robust operating surplus.

Operating revenue grew 6% to $2.0 billion - primarily driven by land and building rental income - with a healthy net surplus of $1.3 billion achieved in the year.

During the year, the Group invested a total of $1.5 billion in capital expenditure for the purchase of industrial land and development of projects such as JTC Space @ Tuas, Food Hub @ Senoko and JTC Aviation Two @ Seletar Aerospace Park.

JTC Corporation

The Corporation’s operating revenue grew by 5% to reach $1.8 billion while operating surplus was $0.7 billion in FY2015.

Capital expenditure during the year comprised $0.9 billion in industrial land acquisition and $0.6 billion in infrastructure and building development.
Group Financial Highlights

### FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2014</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>1,953</td>
<td>1,848</td>
<td>6%</td>
</tr>
<tr>
<td>Non-Operating Income</td>
<td>410</td>
<td>604</td>
<td>-32%</td>
</tr>
<tr>
<td>Net Surplus</td>
<td>1,307</td>
<td>1,397</td>
<td>-6%</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>1,504</td>
<td>2,331</td>
<td>-35%</td>
</tr>
</tbody>
</table>

### FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2014</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Properties</td>
<td>12,706</td>
<td>12,074</td>
<td>5%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>25,440</td>
<td>27,234</td>
<td>-7%</td>
</tr>
<tr>
<td>Total Borrowings</td>
<td>480</td>
<td>494</td>
<td>-3%</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>5,839</td>
<td>7,866</td>
<td>-26%</td>
</tr>
<tr>
<td>Total Equity (Excluding Non-Controlling Interest)</td>
<td>19,601</td>
<td>18,340</td>
<td>7%</td>
</tr>
</tbody>
</table>

### KEY FINANCIAL RATIOS

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2014</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt-Equity Ratio (%)</td>
<td>2.4</td>
<td>2.6</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Interest Coverage (Times)</td>
<td>120.9</td>
<td>134.8</td>
<td>-10%</td>
</tr>
<tr>
<td>Return on Total Assets (%)</td>
<td>5.0</td>
<td>5.3</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Return on Capital Employed (%)</td>
<td>6.7</td>
<td>7.0</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Value Added Per Employee ($’MIL)</td>
<td>1.7</td>
<td>0.8</td>
<td>113%</td>
</tr>
</tbody>
</table>
### Corporation Financial Highlights

#### FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2014</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUE</strong></td>
<td>1,777</td>
<td>1,687</td>
<td>5%</td>
</tr>
<tr>
<td><strong>NON-OPERATING INCOME</strong></td>
<td>423</td>
<td>609</td>
<td>-31%</td>
</tr>
<tr>
<td><strong>NET SURPLUS</strong></td>
<td>3,131</td>
<td>1,190</td>
<td>163%</td>
</tr>
<tr>
<td><strong>CAPITAL EXPENDITURE</strong></td>
<td>1,473</td>
<td>1,629</td>
<td>-10%</td>
</tr>
</tbody>
</table>

#### FINANCIAL POSITION

<table>
<thead>
<tr>
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<th>FY2015</th>
<th>FY2014</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INVESTMENT PROPERTIES</strong></td>
<td>12,734</td>
<td>12,243</td>
<td>4%</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>25,108</td>
<td>21,339</td>
<td>18%</td>
</tr>
<tr>
<td><strong>TOTAL BORROWINGS</strong></td>
<td>480</td>
<td>494</td>
<td>-3%</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td>5,901</td>
<td>5,263</td>
<td>12%</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td>19,207</td>
<td>16,076</td>
<td>19%</td>
</tr>
</tbody>
</table>

#### KEY FINANCIAL RATIOS

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<tbody>
<tr>
<td><strong>DEBT-EQUITY RATIO (%)</strong></td>
<td>2.5</td>
<td>3.1</td>
<td>-0.6%</td>
</tr>
<tr>
<td><strong>INTEREST COVERAGE (TIMES)</strong></td>
<td>115.7</td>
<td>129.0</td>
<td>-10%</td>
</tr>
<tr>
<td><strong>RETURN ON TOTAL ASSETS (%)</strong></td>
<td>3.2</td>
<td>5.8</td>
<td>-2.6%</td>
</tr>
<tr>
<td><strong>RETURN ON CAPITAL EMPLOYED (%)</strong></td>
<td>4.1</td>
<td>7.5</td>
<td>-3.4%</td>
</tr>
<tr>
<td><strong>VALUE ADDED PER EMPLOYEE ($'MIL)</strong></td>
<td>2.5</td>
<td>2.7</td>
<td>7%</td>
</tr>
</tbody>
</table>
Financial Review

OPERATING REVENUE
Distribution of Group’s Operating Revenue

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and building rental income</td>
<td>8% 8%</td>
</tr>
<tr>
<td>Income from port operations</td>
<td>2% 2%</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>90% 90%</td>
</tr>
</tbody>
</table>

Distribution of Corporation’s Operating Revenue

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and building rental income</td>
<td>98% 98%</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>2% 2%</td>
</tr>
</tbody>
</table>
OPERATING EXPENSES
Distribution of Group’s Operating Expenses

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>44%</td>
<td>41%</td>
</tr>
<tr>
<td>11%</td>
<td>9%</td>
</tr>
<tr>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

- Maintenance and conservancy
- Property tax
- Employee compensation
- Depreciation
- Loss in recoverable amount of investment properties
- Finance expenses
- Other expenses

Distribution of Corporation’s Operating Expenses

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
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<tbody>
<tr>
<td>48%</td>
<td>45%</td>
</tr>
<tr>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>18%</td>
<td>19%</td>
</tr>
<tr>
<td>5%</td>
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<td>1%</td>
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- Maintenance and conservancy
- Property tax
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Financial Review

CAPITAL EXPENDITURE, ASSETS & LIABILITIES

Group Capital Expenditure (\$'Mil)

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>50</td>
</tr>
<tr>
<td>Land and building development</td>
<td>583</td>
</tr>
<tr>
<td>Others</td>
<td>871</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>26</td>
</tr>
<tr>
<td>Land and building development</td>
<td>1,077</td>
</tr>
<tr>
<td>Others</td>
<td>1,228</td>
</tr>
</tbody>
</table>

Group Total Assets (\$'Mil)

<table>
<thead>
<tr>
<th>FY2015</th>
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<tbody>
<tr>
<td>Other assets</td>
<td>25,440</td>
</tr>
<tr>
<td>Assets of disposal group classified as held for sale</td>
<td>27,234</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5,000</td>
</tr>
<tr>
<td>Investment in associates and joint ventures</td>
<td>0</td>
</tr>
<tr>
<td>Investment properties</td>
<td>0</td>
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<td>Investment properties</td>
<td>0</td>
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</tbody>
</table>

Group Capital, Reserves and Liabilities (\$'Mil)

<table>
<thead>
<tr>
<th>FY2015</th>
<th>FY2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other liabilities</td>
<td>7,650</td>
</tr>
<tr>
<td>Liabilities directly associated with disposal group classified as held for sale</td>
<td>7,650</td>
</tr>
<tr>
<td>Borrowings</td>
<td>0</td>
</tr>
<tr>
<td>Deferred income</td>
<td>0</td>
</tr>
<tr>
<td>Capital and reserves</td>
<td>5,000</td>
</tr>
</tbody>
</table>