BLUEPRINT FOR THE FUTURE
JTC GROUP ANNUAL REPORT FY2008

REACHING FOR THE SKY

ADVANCING SEAWARD

STAGING A SOUND FUTURE

CREATING A NEW WORKSPACE

CHANGING HISTORY

The Architect Speaks
Charting New Clusters
Planning the Landscape
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Reaching for the Sky

Singapore might be small, but we’ve got our sights set on the world. By launching Asia’s premier aviation hub, we’re looking to become a focal point not only regionally, but globally as well. There’s no doubt we’re aiming high. How high? The sky’s the limit.
**Vision**

A dynamic industrial landscape; The choice investment location.

**Mission**

To plan, promote and develop a dynamic industrial landscape, in support of Singapore’s economic advancement.
Chairman’s message

Financial Overview for FY2008
Against the backdrop of a global downturn, the JTC Group achieved a total surplus of $914 million, representing a 23 per cent drop from the $1,183 million in the previous year.

Due to the downturn in the industrial property market and decline in the stock market, the Group registered impairment losses in properties and financial assets amounting to $385 million. These losses were partially cushioned by gains from the divestment of high rise ready-built properties to Mapletree Investments Pte Ltd in July 2008.

Forging Ahead in Challenging Times
The net take-up for prepared industrial land in FY 2008 was significantly lower at 101.3 hectares compared to 360.5 hectares in FY 2007 due to a softening of the industrial land market. Net allocation of ready-built facilities also declined to 60,300 sq m, about half the 120,700 sq m achieved in FY 2007. However, the overall occupancy rate for ready-built facilities remained healthy at 97.7 per cent in FY 2008.

In these unprecedented times, JTC will continue to forge ahead to invest in land infrastructure to ensure that Singapore will be ready to ride the next upturn when the economy recovers. Thus, we will continue to push ahead with a number of innovative projects that will alter the industrial landscape in the long-term, such as the Seletar Aero+sPace, Mediapolis at one-north and Jurong Rock Cavern.

At the same time, we are also rejuvenating our older industrial estates to keep pace with the changing business environment. Tanjong Kling in Jurong will be redeveloped into a focal point for high value-added manufacturing activities in food, electronics, environment technology, oil and gas. Work has commenced to transform Tukang into an Innovation Park for companies in manufacturing, warehousing and assembly activities that are innovation and knowledge-centric.

Breaking New Grounds in Innovation
JTC has to ensure that the nation’s scarce industrial land resource is maximized. To this end, the Corporation embarked on several cutting-edge projects to improve land use productivity. With the Jurong Rock Cavern project progressing smoothly and the first two caverns targeted for completion in 2013, JTC will be amongst the first to expand the potential of underground space. As such, the Corporation has started feasibility works with other agencies to explore building an underground Science City at Kent Ridge, and an underground Warehouse-cum-Logistics Facility at Tanjong Kling.

Besides digging underground, JTC is also looking to expand industrial space out at sea. Initial feasibility studies have concluded that the Very Large Floating Structure (VLFS) for oil storage is viable in Singapore waters. Feasibility studies for the project are on track. When completed, the VLFS will yield much needed storage capacity off-shore to meet the needs of the industry. Land intensification projects are critical in helping industrialists maximize resources and thus, save costs. With this in mind, JTC also embarked on other feasibility projects which will bring existing industrial products a step up the innovation ladder. These include feasibility studies to build multi-level wafer fab buildings and high-rise biologics manufacturing facilities which will enable JTC to support more wafer fab plants and biologics facilities in land-scarce Singapore. Other projects include feasibility studies to develop split-level access factory units which allow additional vehicular access on upper levels and thus double plot ratio; and the aerial driveway concept which achieves higher built-up space through aerial access at the upper level.
Strategic Review to Strengthen JTC
With the divestment of a major portfolio of high-rise ready-built properties in July 2008, JTC undertook a strategic and organizational review, with a view to position the Corporation for the future. The strategic review reinforced three strategic thrusts: focusing on economic clusters, optimizing long-term land resource, and continuing investments in innovation.

FIRST STRATEGIC THRUST: FOCUSING ON ECONOMIC CLUSTERS
JTC will focus on deepening its knowledge and expertise on the infrastructural and industrial space needs of Singapore’s economic clusters such as biomedical, oil and chemicals, electronics, cleantech and digital media.

JTC has reorganized its business units along cluster lines to better support these industries through integrated planning and infrastructural solutions. We will also deepen our cluster knowledge and enhance our capabilities to develop customized solutions for each strategic economic cluster.

SECOND STRATEGIC THRUST: OPTIMIZING LONG-TERM LAND RESOURCES
JTC will continue to place keen emphasis on managing our scarce land resource well; and ensure an optimal balance of supply and demand of industrial space in the market so that prices remain competitive. We will keep a close watch on projected demand through private developers and industry associations – pushing out concept price tenders as well as Government land sales as appropriate to cater to industrial demand for space.

THIRD STRATEGIC THRUST: CONTINUING INVESTMENTS IN INNOVATION
In order to constantly grow and be competitive, JTC embraces innovation as a part of our organizational DNA, constantly finding ways to add value and set ourselves apart. In particular, we will seek to widen sources of innovation by tapping on external networks, resources and ideas to achieve breakthroughs.

Listening and Changing to Help our Customers

REDUCING BUSINESS COSTS
JTC is doing our part to help our customers of industrial and commercial spaces tide over this downturn by reducing business costs. Market studies have shown that the Corporation’s rents and prices remained below market levels. Nonetheless, JTC reduced its rental rates by up to 10 per cent in January 2009. In addition, JTC extended a 15 per cent rental rebate to all our customers from 1 Jan to 31 Dec 2009. The rental rebate will cost the organization a total of $134 million in foregone revenue.

ENHANCING SERVICE STANDARDS
Being attentive to our customers’ needs remains JTC’s top priority, especially during these difficult times. The completed strategic review also means our customers will enjoy seamless and higher standards of service, from back-end planning and development for the business clusters, to front-end marketing and after-sales service such as lease management.

JTC will continue to strive to understand our customers’ businesses intimately, to provide timely and seamless solutions for their space and infrastructural needs. JTC will pro-actively engage other government agencies to provide customized solutions. Dialogue sessions and other networking platforms with JTC management and officers will also be stepped up so that the Corporation will continue to receive first-hand views and concerns from customers, including our SMEs.

I am pleased that JTC’s effort in understanding our customers paid off. The latest Customer Satisfaction Survey indicated that JTC officers were found to be trustworthy and professional in business dealings. Also, JTC’s frequent touch points with customers through dialogue sessions and regular updates translated to greater clarity and comprehension of our policies. We thank our customers for their feedback and will strive to work harder to meet their needs.
Rejuvenating the Organisation for Excellence
JTC employees form the bedrock of the organisation, contributing in every way so that JTC continues to excel. At JTC, we believe that happy employees are productive employees. That is why we have in place best practice human resource programmes to nurture employees.

To guide the overall direction of the JTC Group going forward, we have retained domain experts and also added new members to the JTC Board. I am pleased that Dr Ernest Kan, partner at Deloitte & Touche, and Lt-General Desmond Kuek, Chief of Defence Force in the Ministry of Defence have agreed to be re-appointed. I also welcomed Mrs Ong Choon Fah, the Executive Director at DTZ Debenham Tie Leung (SEA) Pte Ltd to the JTC Board. Ms Chua Sock Koong, Group Chief Executive Officer at Singapore Telecommunications Ltd stepped down from the JTC Board on 23 February 2009 after five years of service. On behalf of JTC, I would like to extend our appreciation for her invaluable contributions over the years.

Finally, I extend my heartfelt thanks and appreciation to our management, staff and union for their strong support to JTC.

Cedric Foo
Chairman, JTC Corporation
Jurong Rock Cavern

Advancing Seaward

It's a fact – we're short on land. But definitely not short on ideas. Moulding carefully located areas under the sea into effective industrial storage spaces, we're all about thinking out of the box.
Seletar Aero+sPace

BLUEPRINT OBJECTIVE: REACHING FOR THE SKY IN AEROSPACE

WHAT IS IT?
Seletar Aero+sPace is a 300-hectare aviation hub – a strategic development that will launch Singapore’s goal to become a global aviation hub, where maintenance, repair and overhaul (MRO) services are provided, in an environment of world-class aerospace companies and facilities.

“Singapore’s MRO hub is the most comprehensive in Asia and demand remains strong despite the global downturn. JTC, together with the Civil Aviation Authority of Singapore, will take this opportunity to lay a strong foundation for Seletar Aero+sPace by investing in infrastructure development so that the Park is well poised to take off when the upturn comes.”

Tang Wai Yee
Director
Aerospace, Marine and CleanTech Cluster

FORM AND FUNCTION
Seletar Aero+sPace will host a wide range of activities over an area of 300 hectares. They are:

- Aerospace maintenance, repair and overhaul
- Design and manufacture of aircraft systems, components and, potentially, light aircraft
- Business and general aviation activities
- An aviation campus of research facilities, and educational and training institutes

Singapore’s aerospace industry has soared to new heights with an average growth rate of 13 per cent per year since 1990. The industry employed some 19,000 people and contributed $6.9 billion in output in 2007.

Fuelling the industry’s growth, Seletar Aero+sPace will add new market segments such as narrow-body and smaller aircraft to Singapore’s already strong MRO industry for commercial wide-body aircraft.

By laying a strong foundation for Seletar Aero+sPace, Singapore will attract emerging companies looking for cost-competitive and reliable manufacturing locations to produce and assemble aerospace components.

WORKING TOGETHER IN PROXIMITY
Companies at Seletar Aero+sPace will benefit from synergies in this integrated environment that include economies of scale and increased efficiency. There is also significant scope for new industry collaborations – alliances brought about by the Park’s shared infrastructure, and close proximity to suppliers, customers and partners within the tightly knit aerospace community.

SELF-CONTAINED LIFESTYLE
Seletar Aero+sPace provides a locale for companies to be nestled in greenery and the charm of old Seletar, making it a unique world-class aerospace hub. Heritage black-and-white houses – some of which will become food-and-beverage establishments – will be conserved and weaved among leading global and local aerospace corporations, to inject vibrancy into the aerospace lifestyle there.
BEFORE AND BEYOND – Report on 2008’s Progress and the Future

PHASE 1

1. **Infrastructure Works on Roads to Enhance Vehicular Traffic.** New roads have been constructed, such as West Camp Road, and work has commenced on a six-lane arterial road. The existing Piccadilly Road and Old Birdcage Walk have been widened in anticipation for an expected increase in traffic from 2009 onwards.

2. **Longer Runway.** The Civil Aviation Authority of Singapore (CAAS) has commenced work to extend the runway to 1,800 metres, and this will be completed by the end of May 2010. The runway extension will provide the capacity for larger aircraft such as the Boeing 757 and larger intercontinental-range business jets.

3. **Support Structures.** CAAS has started work to upgrade the West Camp apron, and construct new taxiways, an air traffic control tower and a fire station.

4. **Demolishing to Make Way.** The Water Reclamation Plant and some of the houses were demolished to make way for industrial land which will help to bring in new investments to Singapore.

5. **Reuse of Houses.** The conserved black-and-white houses will undergo improvement works to ensure that they comply with the latest building codes, for safety reasons.

PHASE 2

1. **Business Aviation Complex.** This multi-tenanted Complex will be built to anchor existing business aviation tenants handling aviation insurance, logistics, flight chartering and fixed-based-operator services which do not require direct access to the runway.

2. **Aviation Campus.** Talks are in progress with a training consortium to develop an Aviation Campus for classroom and simulated trainings.

3. **New Site Launches.** Sites will be launched for private developers to build and manage ready-built facilities for aircraft systems and components MRO & manufacturing and servicing. A hangar on a site with runway access will be offered to the private sector to develop as a shared facility for aircraft parking. It will serve as a garage for jets, offering owners exclusive and comprehensive one-stop services such as parking, maintenance and other business aviation activities.

When completed in 2018, SAP and its suite of aerospace-related activities will create more than 10,000 jobs and contribute more than $3 billion annually to the economy.

An international aerospace player that has already signed on to be anchored at this unique development is home-grown ST Aerospace, the largest third-party MRO company in the world. ST Aerospace has opened new hangars for airframe maintenance and modifications, including passenger-to-freighter conversions. Another key aerospace company is Jet Aviation Asia Pacific, which has service centre authorisations from a wide range of original equipment manufacturers. Other companies in the pipeline include British aerospace company Rolls Royce which will manufacture large-scale civil engines for Boeing and Airbus; and global MRO player Pratt and Whitney.
Offshore Marine Centre

RISING UP TO STAY AFLOAT
Singapore leads globally in the production of jack-up rigs for the marine and offshore industry, commanding an impressive 70 per cent of the global market. In 2007, output from the marine and offshore industry – which employed close to 60,000 workers – grew to $13 billion.

To support the needs of this growing industry, JTC is increasing Singapore’s limited waterfront land resource by building an Offshore Marine Centre at Tuas View. The 12-hectare facility will accommodate a minimum of 10 offshore and marine companies in the manufacture of large sea-bound equipment and heavy structures. These companies will share a common wharf and jetty facility – key features of the Offshore Marine Centre that will allow companies on inland sites to enjoy the benefits of sending their completed products via sea.

PROGRESS UPDATE:
- Targeted for completion by the first quarter of 2011, the management and operations of the facility will be outsourced to an experienced operator.

CleanTech Park

CLEANING UP FOR A BRIGHTER FUTURE
Singapore aims to be a global hub in the development and manufacture of clean technology products. This promising new industry – the cleantech cluster – is expected to contribute $1.7 billion to Singapore’s gross domestic product and create 7,000 jobs across a broad range of areas, including solar power, fuel cells, wind power, energy efficiency and carbon services, by 2015.

To grow the cleantech industry, the government has mapped out a blueprint comprising five key pillars: R&D, manpower development, the grooming of Singapore-based enterprises, the branding of the industry and the nurturing of a vibrant industry ecosystem.

JTC has been working together with other government agencies to develop a CleanTech Park at Jalan Bahar catering to companies focusing on R&D, test-bedding and prototyping activities with regard to clean technology.

PROGRESS UPDATE:
- In FY2008, JTC commenced on the master-planning of the site located at Jalan Bahar.
Jurong Rock Cavern

BLUEPRINT OBJECTIVE: BUILDING UP STORAGE BY GOING DOWN DEEP

WHAT IS IT?
As the age-old adage goes, necessity is the mother of invention. In land-scarce Singapore, when aboveground space runs low, we have to think of either looking out to the sea or under it. Our first underground project called the Jurong Rock Cavern (JRC) – at a depth of 128 metres below sea level – will be the first underground oil-storage facility in Southeast Asia.

“JTC will revolutionise oil storage solution by digging underground to create the cavernous Jurong Rock Cavern. This innovative underground storage is yet another dimension of the infrastructural support enjoyed by the chemical companies on Jurong Island.”

Heah Soon Poh
Director
Biomedical and Chemicals Cluster

FORM AND FUNCTION
With a strong demand from the oil storage industry, JRC will meet the shortage of about 3 million cubic metres of storage volume. It will provide safe and secure storage for liquid hydrocarbons such as crude oil, condensate, naphtha and gasoil, in a space that is equivalent to a nine-storey building – 27 metres high, 20 metres wide and 300 metres long.

The construction of JRC is currently taking place beneath the seabed of Banyan Basin on Jurong Island. The first phase of JRC will create 1.47 million cubic metres of storage when completed in 2014, and the second phase, which is on the drawing board, could generate a further 1.32 million cubic metres.

BEFORE AND BEYOND
Phase 1 of the JRC project has reached a milestone. The first contract, involving the construction of two access shafts and start-up galleries, is near completion.

JTC is progressing to the next milestone – the construction of the tunnels, caverns and the associated facilities. This second contract, worth $890 million, has been awarded to Hyundai Engineering and Construction.

The project is targeted for completion in stages, with the first two caverns slated for completion in 2013.

Before Phase 1 of JRC is even completed, there is already keen interest from industry players – especially specialist chemical manufacturers on Jurong Island – regarding the next phase.

Beyond JRC, JTC is already exploring the use of underground caverns for other purposes, such as power plants and data or logistics centres.
Jurong Island

PUMPING UP FOR THE NEXT GROWTH PHASE

As global demand increases for basic petrochemicals and speciality chemicals, Jurong Island will remain a magnet to draw leading chemical companies to Singapore. To date, the island hosts more than 94 world-class companies totaling about $34 billion in investments.

The success of Jurong Island lies in the web of mutually beneficial partnerships connecting companies on the island, and an integrated infrastructure which allows for quick start-up. Jurong Island offers a “Plug & Play” environment where companies can quickly ramp up their operations and reap synergies from the shared infrastructure, such as the common services corridor and utilities. This will allow them to focus on their core business while benefitting from cost and production efficiency.

Another unique offering of Jurong Island that will sharpen the competitive edge is “Sustainability”. By enhancing R&D to meet evolving market needs, Jurong Island will ensure long-term sustainability by developing competitive feedstock options, and creating higher value through speciality chemicals and advanced materials.

PROGRESS UPDATE:

Floating Fuel Storage
- Feasibility study of VLFS for Fuel Storage out at sea to create new seafront space and an alternative for storing oil is in progress.
- JTC is carrying out Stage 2A studies to assess the environmental impact of VLFS and how it can be managed on a selected site off Pulau Sebarok.
- If Stage 2A studies are successful, JTC will commence on Stage 2B, which focuses on basic engineering design and specialised studies on hazard, security, pollution control and risk assessment.

Subsea Pipelines
- To support Shell’s cracker project, JTC has embarked on the construction of a bundle of submarine pipelines to achieve produce pipeline integration between Pulau Ular and Jurong Island.

Checkpoint Upgrading
- Implementation of Reversible Traffic Flow Scheme for quicker clearing of morning peak traffic due to increased construction activities.
- Upgrading of queueing system to smoothen the flow of human traffic of 25,000 people per hour.

Land Allocation for New Companies
- Proteus Petrochemicals – Merlimau, 10.4 hectares, for Normal Paraffin and MTPA LAB Plants
- Stolthaven Singapore (wholly owned by the Netherlands) – Tembusu, 15.06 hectares, for bulk liquid or gas storage terminal
- Soxal – Pulau Ayer Merbau, 4.6 hectares, for gas manufacturing plant
Biopolis

GROWING THE BIO-INDUSTRY
Biopolis, the first major complex within one-north, is now an established biomedical nucleus hosting industry players from the private and public sectors.

PROGRESS UPDATE:
Phase 1: The 185,000 sq m seven-building development enjoys more than 95 per cent occupancy. Two of the buildings are occupied by biomedical players from the private sector while the others house the biomedical research institutes of the Agency for Science, Technology and Research (A*STAR).
Phase 2: Launched in 2006, Phase 2 of Biopolis yielded an additional 37,000 sq m of biomedical R&D space for research institutes and biomedical companies. It is almost fully occupied.
Phase 3: Phase 3 of Biopolis broke ground in April 2008. This multi-tenanted research facility is intended to extend basic research activities regarding translational and clinical research as well as medical technology research. The facility is scheduled for completion in 2010.

Tuas Biomedical Park

SYMBIOSIS OF SCIENCE AND INDUSTRY
Tuas Biomedical Park was developed to support Singapore’s vision to grow a world-class manufacturing hub for the biomedical industry. Located at Tuas View, the Park is now home to 11 global biomedical companies.

The shared infrastructure and cluster development at Tuas Biomedical Park provide economies of scale to companies through the shared infrastructure, targeted management of niche requirements and close industry ties.

Novartis Singapore Pharmaceutical Manufacturing and Alcon Singapore Manufacturing are the latest additions to the Park’s tenants. Novartis invested $310 million in a biologics facility – comprising R&D, manufacturing and commercial-scale facilities – to support the growth of its biologics sector. This facility is Novartis’ largest worldwide investment in manufacturing capacity. Alcon’s $150 million facility is the first ophthalmic pharmaceutical drug manufacturing investment in Singapore. It is scheduled to be fully operational in 2011.

PROGRESS UPDATE:
• With the success of Tuas Biomedical Park, an adjacent 188-hectare site is being master-planned for the park’s expansion.
Mediapolis@one-north

BLUEPRINT OBJECTIVE: STAGING A SOUND FUTURE IN DIGITAL MEDIA

WHAT IS IT?
Mediapolis, a 19-hectare development in the one-north research hub, is a collaboration between four agencies: JTC Corporation, the Media Development Authority (MDA), the Infocomm Development Authority (IDA) and the Economic Development Board (EDB). Mediapolis will be the centre of expertise housing the media ecosystem, which includes content production and post-production, distribution and playout. These strategic activities will be supported by dedicated media infrastructure, facilities and technologies such as sound stages with green screen capabilities, digital production and broadcast facilities, and media schools.

"Mediapolis@one-north will be the third strategic industry cluster in one-north, after Biopolis for the biomedical sciences; and Fusionopolis for infocommunications, media, engineering and physical sciences. Mediapolis will be able to leverage on the creative community in the neighbouring Wessex Estate, and tap on the synergies and world-class expertise within one-north."

Philip Su
Assistant CEO
Electronics, Infocomm and Media Cluster

FORM AND FUNCTION
Beyond a computer-generated imagery (CGI) green screen studio, Mediapolis will have a complete suite of capabilities and resources as well as the network to produce films like “300” – a film adaptation of a comic genre shot with cutting-edge digital technology. Mediapolis will have facilities including:

- Strategic media infrastructure such as sound stages
- Interactive digital media (IDM) R&D labs
- Centres for IDM, CGI, games and animation
- Intellectual property creation
- Digital rights management
- Industry-responsive media training and education

LOOKS LIKE NOTHING WE’VE SEEN BEFORE
Internationally renowned architect Bernard Tschumi was clear that he wanted to preserve Singapore’s tropical uniqueness even as he incorporated elements from downtown Manhattan and Tokyo.

The Mediapolis master plan, conceptualised by Bernard Tschumi as the lead designer, CPG Consultants and Lekker Design, will have a unique concept of new-style urban blocks with a vibrant “streetscape” on one side and free form spaces on the other.
Vibrant Streets

The “streetside” loop is a vibrant precinct dedicated to all active traffic – shops, restaurants and entertainment, with multimedia awnings visible at all times of the day. This side of Mediapolis will be as lively as the streets of the biggest cities in the world.

Creative Relief

Away from the street life, the ultimate in creativity and revolutionary architecture will prevail. Here, the sky is the limit in terms of expression, as an ambience of innovative free form is encouraged.

The two sides will instil an artistic tension that will bring out the best in film-makers and multimedia designers, as they proceed with their breakthroughs.

BEFORE AND BEYOND

As the master-planner of one-north, JTC plays a key role in laying the infrastructure for Mediapolis. Phase 1 work on an initial 1.2-hectare plot of land has started. A local media company, Infinite Frameworks, will invest and develop a sound stage complex costing $80 to $120 million, with the capacity for three sound stages when it is completed in two years.

In 2005, Singapore’s media industry reported an annual turnover of $18.2 billion, contributing $4.9 billion of added value to the country’s gross domestic product, and employing close to 55,000 people.

Media funding has also grown, with about $1 billion anchored here. This is because Singapore has a talent pool unlike any other in Southeast Asia, with ideas, languages and artistic directions that are well-travelled and well-amalgamated between eastern and western ideologies. For this reason, local productions have won international awards, and major international co-productions such as Mark Burnett’s “The Contender Asia” were done out of Singapore.

The media landscape is changing and growing, along with a host of global media giants setting up shop here – Lucasfilm Animation, Linden Lab, EA, Ubisoft and, most recently, Italian gaming and animation company Rainbow SpA, just to name a few.
Wafer Fab Parks

HIGH-TECH FOR HIGHER UPTURN
Wafer fab companies in Singapore account for about 10 per cent of the world’s wafer foundry output and hold 5 per cent of the worldwide wafer fabrication capacity.

JTC has four wafer fab parks and one advanced display park located in Woodlands, North Coast, Tampines and Pasir Ris. To date, some 10 leading semiconductor plants and two display fabrication plants have invested a total of $29 billion in the parks.

Fusionopolis

AN R&D CITY, IN THE CITY
Infocomm specialists and engineers are fusing not only their work but also their recreation and lifestyle routines. Commonly referred to as the R&D hothouse for these knowledge-intensive sectors, Fusionopolis is a 200-hectare development at one-north that will provide an exceptional environment for the integration of working, living, playing and learning. Three phases of development have been launched since 2003.

This R&D city will also serve the needs of global MNCs in the infocomm business seeking a regional presence in Singapore, businesses involved in media creation and distribution, as well as the research and development sector in the commercialisation of science and engineering products for the infocomm industry.

PROGRESS UPDATE:

• Phase 1: The $560 million two-tower-cum-podium development obtained TOP in March 2008. It has been fully taken up by private and public sector tenants, as a focal point for test-bedding the latest technologies in infocomm and media, environmental technology and construction.

• Phase 2A: This development will boast the world’s first four-stack vibration-sensitive clean-room facilities. Its 103,600 sq m of space will be used for dry and wet laboratories, ground-floor retail units and district cooling plants and is expected to be completed by 2013. More than half of this space will be taken up by A*STAR to consolidate the research institutes in its stable.

• Phase 2B: Targeted for completion in 2010, Phase 2B – developed by Soilbuild Group Holdings – will yield 50,000 sq m of space to be taken up by agencies and companies collaborating synergistically with the existing tenants of Phases 1 and 2A. The development’s green and sustainable concepts were conceived as a vibrant focal point for the one-north community, with open interactive public and semi-public spaces, the creative use of skylights in courtyards, and cascading landscaped garden terraces.
**iPark at Paya Lebar**

**BLUEPRINT OBJECTIVE: MAKING INDUSTRIAL OFFICES FEEL LIKE HOME**

**WHAT IS IT?**

Inspired by California’s high-tech but homely Silicon Valley, iParks are next-generation industrial parks that combine function with aesthetics. iPark workers transit seamlessly between working, learning and playing areas, in a landscaped environment that feels warm and inspiring. The pilot project for iPark is at Paya Lebar.

"iPark at Paya Lebar is the test bed for next-generation industrial parks. With Paya Lebar iPark as the blueprint, JTC will work on incorporating work, learn and play elements to create buzzing hot spots in tomorrow’s industrial estates."

Eunice Koh

Director
Engineering, Logistics and SME Cluster

**FORM AND FUNCTION**

iPark at Paya Lebar reflects JTC’s industrial parks of the 21st century with:

- Green spaces
- Brighter buildings
- No fencing between buildings

To propel today’s industrial estates into the next generation, JTC focused on the three “I”s — Idyllic, In-touch and Integrated.

Some 15 per cent of the estate will be landscaped with greenery to create an idyllic verdant space that is lush with trees and shrubs.

There will be no fences separating the plots in the estate. This will not compromise on security as surveillance will be carried out for individual buildings and throughout the estate.

Lastly, to give the community there a focal point, a Business 2 white site has been identified as the park’s networking hot spot. It is reserved for F&B outlets, where workers can come together and network. Social integration enhances business integration, especially where value chains are concerned. The site can be linked to an upcoming MRT station via an underpass.

Fresh, new urban design guidelines and broad rules have been drawn up to ensure a unified look for iPark at Paya Lebar and guide individual developments to keep within an overall theme. For example, to minimise unsightly clutter, companies have to locate loading and unloading bays away from the main roads or conceal them with landscaping.

**BEFORE AND BEYOND**

iPark at Paya Lebar has a plot ratio of 2.5 for relatively high-density use, and attracting companies in light manufacturing and lifestyle-related sectors, such as shoe retailer Charles & Keith, air-conditioning provider Natural Cool Holdings and Luxasia Distribution Services.

The Print Media Hub is also located at iPark. The hub houses different companies in the printing value chain, providing an integrated environment for the print industry.

Since 2005, 17 of the 20 land parcels at iPark at Paya Lebar have been taken up.

The iPark 21 concept can be adapted to new or existing estates undergoing redevelopment, such as Tukang Innovation Park and Tanjong Kling. Currently, JTC is searching for suitable sites for the second iPark.
Tukang Innovation Park

CLIMBING THE INNOVATION LADDER
To bring Singapore’s manufacturing sector up the knowledge and innovation ladder, Tukang Innovation Park will be redeveloped for greater value-added activities.

While Fixed Asset Investments remain important, greater emphasis is given to knowledge and innovation. Tukang Innovation Park will target companies that complement core manufacturing, warehousing and assembly activities with innovation-centric and knowledge-driven activities. This includes:

• Regional HQ functions in product management, finance, marketing, strategic planning and IT
• HR and training
• Distribution
• Product R&D
• Product customisation and localisation
• Engineering and technical support services
• Technical competency centres or laboratories

Measuring to Attract the Right Companies
The assessment indicators used to keep the branding and vision of the Park aligned with the proposed company activities may include:

• Total research expenditure
• Company’s track record in innovation (for example, the number of patents owned and reputation for innovation)

Allocations to Companies in Knowledge-driven Activities
1. Headquarters, Warehousing and Training for Cargo Handling Solutions
Hiab Pte Ltd is a wholly owned subsidiary of Cargotec and is a $3 billion leader in cargo handling solutions from Finland. It will set up its regional HQ, warehouse and training academy in the Park, and will undertake product assembly and upgrading – typically applying safety features, new ecological solutions, new technology or new materials to improve existing equipment.

2. Product Assembly, Marketing and Management for Pump Systems
Grundfos Singapore Pte Ltd is a subsidiary of water pump manufacturer Grundfos AG of Denmark. Its facility at Tukang will be the Asia-Pacific HQ, responsible for product assembly, sales and marketing, regional distribution, IT support, and financial services management and administration. It will set up a competency centre to provide technical support, field service and commissioning of specialised pumping systems in the region.

3. Regional Remanufacturing and R&D for Construction Machinery
Caterpillar S.A.R.L.’s Singapore branch will be setting up its remanufacturing operations to serve the regional mining equipment market. Their facility at Tukang will serve as the source for the remanufacturing of major components that include mining truck engines, transmissions, final drives and torque converters. It will also house its remanufacturing R&D centre here to find innovative ways of salvaging used parts and components that would otherwise be discarded.
Rochester Park and Wessex Estate

BLUEPRINT OBJECTIVE: TURNING HERITAGE INTO CULTURE

WHAT IS IT?
Rochester Park and Wessex Estate are two of Singapore’s more prominent heritage sites, refurbished by JTC for adaptive reuse. Set amid lush greenery, black-and-white colonial houses dot the estates, formerly used as housing for British soldiers. Both are within JTC’s one-north development and benefit from the open concept and unique landscape for socialising and the sharing of artistic and cultural ideas.

“The lifestyle and arts enclave at Rochester Park and Wessex Estate will become a centerpiece of one-north, adding vibrancy and dynamism to the research hub. As one-north is being developed, organic growth of this enclave will further fuel the potential of one-north as a work-live-play-learn hub.”

Leow Thiam Seng
Director
Housing and Amenity Development Cluster

FORM AND FUNCTION
Rochester Park’s and Wessex Estate’s histories go back to Singapore’s colonial days. The original houses stand amid tropical greenery.

JTC made every effort to maintain the integrity of these two areas, as they are considered part of Singapore’s heritage. At the same time, the Corporation enhanced and allowed them to blossom with F&B and lifestyle outlets, in order to provide a nearby getaway for the community in one-north.

ROCHESTER PARK
Eleven large bungalows sit in this park and are occupied by a number of top-end restaurants and bars offering a variety of cuisines. From familiar names like Da Paolo and Min Jiang to unique establishments such as Cassis (modern French cuisine), Pinchos (tapas), North Border (Tex-Mex cuisine), wine and bistro outlet One Rochester, and Graze, which offers contemporary cuisine, Rochester Park offers a unique dining ambience for those seeking an out-of-city experience. Among the outlets is a holistic spa – Body and Soul – which provides full-body as well as psychological therapies.

WESSEX VILLAGE SQUARE
This artistic enclave is taking shape organically in the estate, with an eclectic mix of painters, musicians, photographers and craftspeople. The former Judo Federation Clubhouse, with 10,000 sq ft of space, is being reused and transformed into separate establishments, including Klee, a cocktail bar; Ristorante Pietrasanta, an Italian restaurant; and Laurent’s Café, a chocolate bar. Adding to this estate’s spirit of creativity, Fringe Benefits, an art gallery, showcases cutting-edge art and hosts events for like-minded artists to gather and share ideas and inspiration.
BEFORE AND BEYOND
JTC’s vision of adaptive reuse for Rochester Park and Wessex Village Square is driven by the potential of these locations within one-north.

In the near future, these two clusters will be part of a larger community of cultural enthusiasts, with the completion of a Civic, Cultural and Retail Complex at one-north. This 5,000-seat entertainment centre at one-north, jointly developed by Rock Productions Pte Ltd and CapitaLand Retail Ltd, is slated for completion by 2011. It is envisioned to become a new centre for artistic and cultural events, as well as meetings, conventions and exhibitions, in Singapore.

The complex will be served by the Buona Vista MRT station and the future Circle Line. Eight levels are dedicated to the civic and cultural zone, and the other four floors to retail and entertainment. This new complex offering cultural and retail activities will cater to professional, academic and residential communities, which are the natural catchment in one-north. Further enhancing its attraction are the surrounding estates and tertiary institutions close by.

Charting New Clusters

SHiFT and Dormitories

MAKING ROOM FOR FOREIGN TALENT
JTC provides housing for foreign professionals and employment-pass holders. The landed housing and apartments under JTC’s charge have had good take-up rates by foreign talents and workers, as well as employers of very large foreign worker populations.

For foreign talent requiring affordable quality housing, JTC has implemented the Scheme for Housing of Foreign Talent (SHiFT) since 1997. Demand continues to remain high, as this scheme is popular with workers from India, China and other Southeast Asian countries.

Chip Bee Gardens, managed by JTC since July 2002, also enjoys a high occupancy rate from both locals and foreigners. Its prestigious and strategic location in District 10 and proximity to one-north create a strong interest in the development.

Given the strong demand for foreign worker housing, JTC also provides land via tenders to private developers. The developers can then build, own and operate the dormitories to cater to the demand.

PROGRESS UPDATE

- **SHiFT**: 96.1 per cent occupancy rate
  A total of 135 units sold to our sitting tenants under the SHiFT Scheme.

- **Chip Bee Gardens**: 95.3 per cent occupancy rate
Staging a Sound Future

Who says movie magic only happens in Hollywood? With our long-term investments in developing a media hub, we’ll be at the forefront of film-making technology, catering to production powerhouses from around the world.
INDUSTRIAL FACILITIES REVIEW
Against the backdrop of global economic uncertainties and a very challenging environment towards the latter part of the year, the net take-up for prepared industrial land in FY2008 was significantly lower at 101.3 hectares, compared to 360.5 hectares in FY2007. The net allocation for ready-built facilities also declined to 60,300 sq m – about half the 120,700 sq m achieved in FY2007. However, the overall occupancy rate for ready-built facilities remained healthy at 97.7 per cent in FY2008.

Prepared Industrial Land
The net allocation of prepared industrial land declined to 101.3 hectares in FY2008, down 72 per cent year-on-year from the record high of 360.5 hectares achieved in FY2007. The lower net allocation of prepared industrial land in FY2008 was attributable to a 63 per cent fall in gross allocation to 175.2 hectares from 466.7 hectares in FY2007. Termination was also lower, but the decline was more moderate at 31 per cent to 73.9 hectares (see Chart 1).

The generic land segment was the main contributor to the performance of prepared industrial land in FY2008, accounting for 68 per cent (68.9 hectares) of total net allocation. For the specialised land segment, there was a drop in net allocation of 84 per cent year-on-year to 32.4 hectares in FY2007. Termination was also lower, but the decline was more moderate at 31 per cent to 73.9 hectares (see Chart 1).

In FY2008, 66 per cent of the net allocation came from the manufacturing-related and supporting industries sector, with the major take-up of land by companies in the logistics and clean technology industries. The manufacturing sector contributed to 34 per cent of the net allocation of land, where the key contributors were the biomedical manufacturing segment with 20 per cent (19.8 hectares) and the chemicals segment with 10 per cent (9.6 hectares).

JTC’s total stock of prepared industrial land was 5,956 hectares, while demand rose to 5,192 hectares in FY2008.
Ready-built Facilities
In FY2008, JTC completed the successful divestment of a selected portfolio of its high-rise ready-built facilities to Mapletree Investments Pte Ltd for $1.71 billion. The properties divested comprised 39 blocks of flatted factories, 12 amenity centres, six stack-up buildings, one ramp-up building, three multi-tenanted business park buildings (the Synergy & the Strategy at the International Business Park and the Signature at the Changi Business Park) and one warehouse building.

Affected by weaker economic conditions in the second half of the year, the net allocation of ready-built facilities fell by about 50 per cent to 60,300 sq m in FY2008, from the 120,700 sq m achieved in FY2007. The lower net allocation was due to the lower gross allocation of 155,600 sq m, which was 31 per cent lower than that achieved in FY2007. Termination decreased by 9 per cent year-on-year to 95,200 sq m (see Chart 2). The overall occupancy rate for ready-built facilities remained healthy at 97.7 per cent, increasing by 3 percentage points from FY2007.

Flatted factory space and business park space were the key contributors to the gross allocation of ready-built facilities, accounting for 45 per cent (70,300 sq m) and 32 per cent (49,100 sq m) of total gross allocation respectively. Within business park space, the bulk of the gross allocation in FY2008 was for infocomm and media companies. The manufacturing sector contributed 31 per cent (48,800 sq m) to the gross allocation of ready-built facilities, with key contributions coming from electronics at 9.5 per cent (14,700 sq m) and general manufacturing at 8.1 per cent (12,600 sq m).
Creating a New Workspace

Conventional offices are for conventional people. We have developed the working space of tomorrow, combining elements of work and play. The result? A sizzling hot spot buzzing with activity, creativity and vibrancy.
Building a Sound Foundation

One Board Member stepped down from the JTC Board in FY2008. JTC would like to express its appreciation to Ms Chua Sock Koong, Group Chief Executive of Singapore Telecommunications Ltd, for her invaluable contributions to the organisation.
Corporate Governance

JTC’s Board comprises 10 members, with Mr Cedric Foo as Chairman. The Members include representatives from leading private-sector companies, as well as senior government and union officials.

Members provide advice for JTC Management to steer the Corporation towards fulfilling its vision. They meet with external auditors – without the presence of JTC Management – at least once annually. They also provide guidance to ensure that JTC functions efficiently.

The Board met six times in FY2008 to review major policies and approve financial statements, the annual budget and major projects.

The Board has established four committees to assist it in carrying out its duties: the Audit Committee, the Board’s Staff Committee, the Divestment Committee, and the Finance & Investment Committee. The appointment of Members for the Committees of the Corporation is made annually, and the term of their appointments is from 1 January to 31 December each year.

Audit Committee

Chairperson: Dr Ernest Kan

Members: Mr Jen Kwong Hwa
Mr Gary Kee
Mrs Cheong Koon Hean

Terms of Reference:
1. To review the annual accounts of JTC before its submission to the Board for approval.
2. To review the Corporation’s risk and crisis management practices and polices.
3. To review and approve the internal audit function and plan.
4. To review and approve the annual audit plan with external auditors.
5. To review the external auditors’ evaluation of internal controls.
6. To review the results of the internal audit and guide the Management on the actions to be taken.
7. To review the internal and external auditors’ reports for submission to the Board.
8. To recommend external auditors (unless the external auditor is the Auditor General) for approval by the Board and appointment by the Minister.
9. To meet with external auditors to have open exchanges, without the presence of the Management, at least annually.
10. To review the independence of the external auditors annually.
11. To consider any matter which the Committee believes should be brought to the attention of the Board.

The Audit Committee met four times in FY2008.
Building a Sound Foundation

Board’s Staff Committee
Chairperson: Mr Cedric Foo
Members: Lt-Gen Desmond Kuek
Ms Cham Hui Fong
Mrs Ong Choon Fah (wef 01/01/09)
Mrs Ow Foong Pheng

Terms of Reference
1. To consider issues on the development and management of key talents in JTC, including issues related to leadership renewal and retention, to ensure that JTC remains a high performance outfit in years to come.

2. On HR administration:
   a. To approve the Professional Officers Scheme of Service.
   b. To approve the appointment of Heads of Group and above other than the Chief Executive Officer, and direct reports (senior officers) to the Chief Executive Officer.
   c. To approve the promotions of senior officers into Grade 3 and above other than the Chief Executive Officer.

3. To review and approve recommendations on disciplinary matters affecting senior officers in Grade 3 and above.

4. To consider and approve any staff matter related to senior officers, which may be referred to the Committee from time to time.

The Board’s Staff Committee met four times in FY2008.

Divestment Committee
Chairperson: Mr Cedric Foo
Members: Mr Jen Kwong Hwa
Mr Gary Kee
Mr Tan Gee Paw
Mrs Ong Choon Fah (wef 01/01/09)
Mrs Ow Foong Pheng

Terms of Reference:
1. To advise and assist the Board in overseeing and setting directions and policies in relation to the divestments.

2. To evaluate and approve or make a recommendation to the Board regarding any commercial, policy or operational matter, as well as any other matters, relating to, arising from or ancillary to the divestment.

3. To advise the Management regarding any commercial, policy or operational matter, as well as any other matters, relating to, arising from or ancillary to the divestment.

The Divestment Committee met once in FY2008.
Finance & Investment Committee
Chairperson: Mr Tan Gee Paw (wef 27/02/09)
Members: Dr Ernest Kan
Mrs Ow Foong Pheng

Terms of Reference:
1. To provide oversight and direction for the Corporation’s investment of surplus funds through:
   a. Formulation and review of investment objectives, policies and guidelines for the Board’s approval;
   b. Evaluation of investment proposals for the Board’s approval; and
   c. Monitoring investment performance.
2. Supervision of the funding activities of the Corporation and its subsidiaries through:
   a. Evaluation of funding proposals by the Corporation and its subsidiaries for the Board’s approval; and
   b. Review of the subsidiaries’ funding requirements and debt-equity structure.
3. To review changes to the financial regulations and authorities as provided for in the JTC Financial Manual and Corporate Governance Handbook for the Board’s approval.
4. Any other responsibilities as decided by the Board.

The Finance & Investment Committee met four times in FY2008.
Building a Sound Foundation

JTC Senior Management
Mrs Ow Foong Pheng
Chief Executive Officer

Mr Ong Geok Soo
Assistant Chief Executive Officer, Technical & Professional Services Group

Mr Seah Kee Pok
Assistant Chief Executive Officer, Corporate Services Group

Mr Philip Su
Assistant Chief Executive Officer, Electronics, Infocomm & Media Cluster

Ms Tang Wai Yee
Director, Aerospace, Marine & CleanTech Cluster

Mr Heah Soon Poh
Director, Biomedical & Chemicals Cluster

Ms Eunice Koh
Director, Engineering, Logistics & SME Cluster

Mr Leow Thiam Seng
Director, Housing & Amenity Development Cluster

Mr Koh Chwee
Director, Engineering Planning Division

Ms Josephine Loke
Director, Land Planning Division

Mr Leong Hong Yew
Director, Market Research Division

Mr Png Giok Hua
Director, Project Management & Contracts Division

Ms Kelly Wee
Director, Communications Division

Mr Ho Tuck Chuen
Group Chief Financial Officer, Finance Division

Mr Jeffrey Kwek
Group Human Resources Director, Human Resources Division

Mr Lawrence Ang
Chief Information Officer, Information Technology Division

JTC Subsidiary Companies' Senior Management
Ms Chong Siak Ching
President & Chief Executive Officer
Ascendas Pte Ltd

Er Tang Tat Kwong
Group President & Chief Executive Officer
JURONG International Pte Ltd

Mr Matthew Chan
Chief Executive Officer
Jurong Port Pte Ltd
Rochester Park and Wessex Estate

Singapore’s colonial past is now our cultural future. Transforming the colonial houses of today into a cultural and lifestyle enclave with alfresco dining, holistic spa therapies and art exhibitions, we have breathed new life into old spaces.
Ascendas

Expanding its Global Footprint
Ascendas enjoyed a robust performance in the first half of FY2008, expanding its key markets in Singapore, China and India while enhancing its portfolio in real estate fund management. A rebranding campaign was launched in April 2009 to reinforce its industry leadership as the “Space” to be – a positioning which exemplifies Ascendas’ belief in the infinite possibilities in real estate, and its role as an innovator of business space.

Real Estate Fund Management
FY2008 saw Ascendas marking a new milestone with the acquisition of Goodman’s shareholding in Ascendas Real Estate Investment Trust (A-REIT). It also took over Goodman’s stake in the A-REIT Manager, namely, Ascendas-MGM Funds Management, to make it a wholly owned unit of the Ascendas group. In October 2008, A-REIT won the “Most Transparent Company” award in the REIT category of the Securities Investors’ Association (Singapore) Investors’ Choice Awards 2008. In December, Ascendas increased its unit-holding in Ascendas India Trust (a-iTrust) by 7.75 per cent to 24.88 per cent.

Singapore
In October, Ascendas embarked on a regional green movement, with the launch of its first Ascendas Green Month in Singapore. As part of the month-long campaign, Ascendas collaborated with the Singapore Environment Council’s Eco-Office programme to sponsor its tenant companies to go for Eco-Office certification – a first in Singapore. The event also celebrated the partnership between Ascendas and Singapore Polytechnic to develop and test-bed new energy-efficient and eco-friendly technologies for Ascendas properties in Singapore. The polytechnic’s first project is to design and test-bed solar kiosks for different contexts and users in Ascendas’ buildings in the Singapore Science Park.

Green was the buzzword as Ascendas won numerous awards for its environment-friendly projects and practices. The Galen building at the Singapore Science Park was awarded the Public Utilities Board (PUB) Water Efficient Building certification for its water conservation efforts. Ascendas was also certified to be an Eco-Office by the Singapore Environment Council, for its headquarters at The Galen building.

In the area of green developments, Ascendas also won the Building and Construction Authority, BCA’s, “Green Mark Platinum” awards for its Build-To-Suit buildings for Citibank and Standard Chartered, as well as the “Green Mark Gold” award for DBS Asia Hub. All three buildings are located at the Changi Business Park. Ascendas has also been awarded “Green Mark Gold Plus” for the upcoming Icon@IBP, which is at the International Business Park.

In December 2008, Ascendas Frasers Pte Ltd, a joint venture between Ascendas and Frasers Centrepoint Ltd, was awarded the JTC tender for the development of an integrated business park with retail and hotel elements at the Changi Business Park. When completed, the park will provide over 70,509 sq m of high quality business space, and 47,006 sq m of space dedicated to retail and commercial activities.

India
In India, Ascendas announced the development of two new integrated development projects. Ascendas is partnering IREO, a leading foreign investor in Indian real estate, to develop an integrated project comprising an IT Special Economic Zone (IT SEZ) and mixed-use development in Coimbatore, in the state of Tamil Nadu in southern India. The 50:50 joint venture spreads over 53 acres, and will have a developmental potential of more than 3 million sq ft of IT SEZ space that can accommodate over 30,000 IT professionals when fully completed. The remaining 25 acres are earmarked for residential, commercial and hospitality uses.
In Gurgaon, northern India, Ascendas is partnering Dr Fresh Healthcare Services to develop a 62-acre integrated project comprising an IT SEZ as well as residential and commercial space. When fully completed, the project will provide over 4.27 million sq ft of IT space to accommodate over 40,000 skilled professionals. In addition, 2.6 million sq ft of space will be developed for residential and commercial uses.

In July 2008, Ascendas celebrated the completion of The V in Hyderabad with the inauguration of Vega, the fifth and final building in the park. The V provides a total of 1.3 million sq ft of quality space, housing over 10,000 skilled IT and ITES professionals on its campus-like premises within the HITEC City IT zone. In October, Ascendas announced the expansion of International Tech Park Chennai, in response to demand for business space. The completion of Phase 3 will add 802,000 sq ft of new business space to the park.

China

In October 2008, the company strengthened its presence in Suzhou with the launch of Ascendas iHub Suzhou, a new 33-hectare integrated park project within the Suzhou Industrial Park (SIP). Ascendas iHub Suzhou will be Ascendas’ second large-scale project within SIP, after Ascendas–Xinsu, its industrial space flagship there. Ascendas iHub Suzhou will offer a vibrant and eco-friendly work-live-play environment to accommodate some 40,000 knowledge workers when it is fully completed. Its key green features include run-off water recycling systems to water the park’s plants, and specially designed roof gardens to reduce solar heat build-up.

JURONG International

Leading the Way Overseas

JURONG International gained new ground in FY2008 with a steady stream of new projects as well as deeper market penetration in Singapore and overseas. Due to JURONG International’s proven track record in a wide range of expertise ranging from master-planning consultancy to construction, the company secured projects such as Brazil’s Multimodal Corridor, Nigeria’s Warri Industrial Business Park, and Saudi Arabia’s Sudair City Development.

South America

Focusing on its strengths, JURONG International engaged in more infrastructure works for petrochemical and marine facilities in FY2008. The company’s involvement in the Centro Energetico de Las Americas (CELA) Park in Panama began with an appointment to conduct feasibility studies on the petrochemical facility. Sustained efforts led to the completion of more downstream work, such as master-planning for the facility.
China
In China, JURONG International clinched projects in Port Industrial Park in Tianjin and Da Nan Hai International Petrochemical Park in Guangdong, attesting to the company’s international standards and sound industry knowledge.

Buoyed by a strong presence in 61 Chinese cities, JURONG International leveraged its expertise in master-planning to secure consultancy works for the Sino-Singapore Tianjin Eco-Business Park, the Dalian Huayuankou Economic Zone and the Maoming Coastal Region.

As a market leader in multi-disciplinary consultancy services, JURONG International remains strong in China. With its design and build (turnkey) services, JURONG China saw breakthroughs in Becton Dickinson Medical Devices Suzhou. It also gained a strong foothold in the luxury hospitality industry with a new contract for Shanghai Li Xing Hotel, located in Xintiandi, within thriving downtown Shanghai.

India
Into its eighth year of operation, JURONG India is still striving to extend niche offerings to newly focused industries. The company made its first foray into the life sciences sector with the 100-acre Biotech Park at Gurgaon.

JURONG India was also appointed as master-planner for the Manesar-Bawal region of the Delhi-Mumbai Industrial Corridor (DMIC), marking its first step into industrial township planning in India.

Singapore
In Singapore, JURONG International continued to build a credible portfolio with significant milestones in FY2008. The company clinched a design and construction project at the NEWATER service reservoir in Mandai, and is also the main contractor to install special lighting facilities along the Singapore River.

JURONG International’s signature projects in Singapore include the F1 Pit Building and Fusionopolis. The F1 Pit Building was completed in a record nine months, achieving the green mark standard in deploying innovative construction methods. Fusionopolis, the iconic media and infocomm hub at one-north, represents yet another of JURONG International’s contributions to Singapore’s industrial development.

Giving Back
On the Corporate Social Responsibility (CSR) front, JURONG International reached a new milestone when it raised more than $47,000 in the financial year for its adopted charity, Melrose Children’s Home. This was achieved through internal and external fund-raising events, such as the Annual Charity Golf Challenge, Movie Nite and Bowling Night.
JURONG PORT

Positive Growth
With strong progress in the first half of the year in review, Jurong Port registered positive growth for container throughput and general and bulk cargo in FY2008.

Container throughput rose by 13.7 per cent to 929,000 teus in FY2008, from 817,000 teus in FY2007.

General and bulk cargo recorded an increase of 6.8 per cent to 14.2 million tonnes in FY2008, from 13.3 million tonnes in FY2007.

Awards and Accolades
The Port continued to win international recognition for its Container Terminal when it was once again awarded the “Best Container Terminal Operator – Asia” (under 1 million teus) in April 2009, at the Asian Freight and Supply Chain Awards 2009.

Progressive Changes and Upgrades
During the year, a number of operators smoothly relocated their conventional cargo operations from Pasir Panjang Wharves to the Port. The remaining operators will be relocated by October 2009.

Several infrastructure and facility upgrades were completed during the year. They include a new 12-lane Main Gate, a new Pass/Permits Office building with ample parking lots, Penjuru Terminal@Sungei Jurong for Singapore’s lighterage industry and Off-Port-Limit vessel operators, a Small Craft Terminal at J1 Basin, and new, extended and upgraded warehouses, berths and open yards.

In addition to these physical infrastructural developments, the IT infrastructure for conventional cargo handling was also upgraded to boost operational efficiency, berth productivity and storage utilisation efficiency.

These IT upgrades help to achieve smoother, faster and smarter ways of operating, such as efficient cargo storage planning with the new Cargo Space Planning System, easy payments via NETS or Cashcards with the new Self-Service Terminals, the automation of warehouse applications and billings with the improved General & Bulk Management System, booking and manifest detailing using the Electronic Data Interchange (EDI), and online permit applications.

Work Safety
A safe and healthy workplace is a key priority of the Port. In June 2008, the Port developed a Safety Vision and a three-pronged strategy to instil a safety culture for the Port’s users. Its relentless commitment to safety was recognised when it achieved the Occupational Health and Safety Assessment Series (OHSAS) 1800:2007 and the Singapore Standard (SS) 506:2004 Part 1 Certification on March 2009.

Strategic Review and Business Process Re-engineering
In the year in review, the Port underwent a strategic review exercise to ascertain its growth options. It also went through a business process re-engineering exercise for its general and bulk cargo operations, to further upgrade its core competencies in the area.
FINANCIAL REVIEW
FINANCIAL REVIEW
FY2008 was a challenging year for the JTC Group, given the financial meltdown and the ensuing global economic downturn. The Group’s total surplus was $914 million, a 23 per cent drop from the $1,183 million in the previous year. Due to the downturn in the industrial property and stock markets, the Group registered impairment losses during the year. However, the loss was cushioned by the gains from the divestment of high-rise ready-built properties to Mapletree Investments Pte Ltd.

Income
The Group’s net rental income increased mainly due to the increase in land income, which was in line with positive net allocation for prepared industrial land. However, this was diminished by a drop in the Group’s building rental income, which was due to the divestment of high-rise ready-built properties. The sluggish industrial property market resulted in lower sales of developed properties in FY2008. The drop in fund management fees was attributed to the recognition of carry fees from the listing of Ascendas India Trust (a-iTRUST) in the previous year. Income from our port operations rose due to the increased volume in bulk and general cargo throughput. The increase in engineering income was attributed to more design and build projects during the year, such as Fusionopolis Phase 1 and Biopolis Phase 3.

Gains from the divestment of high-rise ready-built properties increased the Group’s income, but were diminished by the Group’s disposal of subsidiaries and associates.

Expenditure
The Group’s operating expenditure increased by 59 per cent. This was mainly attributed to impairment losses for properties and available-for-sale financial assets. However, the increase was partially cushioned by a drop in the cost of sales for developed properties, because of the lower sales volume. There was also less depreciation after the divestment exercise in July 2008.

The Group invested a total of $1,589 million in capital expenditure. Our significant acquisitions included properties in Singapore and Korea.

Group Return on Average Total Assets

![Graph showing Group Return on Average Total Assets (ROTA) from FY04 to FY07]
Group Operating Income, Expenditure and Surplus

- Operating income
- Operating expenditure
- Operating surplus

Group Capital Expenditure

- Computer, furniture, renovation & equipment
- Building development
- Land development
Value-added Distribution

FY04 FY05 FY06 FY07 FY08

- Retained in Business
- Government
- Employees
- Suppliers of capital