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

VISION
A dynamic industrial landscape; The choice investment location.

JTC IS BREAKING NEW GROUND AS AN INFRASTRUCTURE INNOVATOR. WITH THE PRIVATE SECTOR AND RESEARCH BODIES AS PARTNERS, WE ARE OPTIMISING SINGAPORE’S INDUSTRIAL LANDSCAPE. THE RESULT: INNOVATIVE NEW SPACES. EXISTING FACILITIES ENHANCED. THINK OF US AS A MODERN INDUSTRIAL SPACE PLANNER WITH FUTURE-READY SOLUTIONS.

CONTENTS
BREAKING BOUNDARIES

JTC is working hand in hand with the private sector to break boundaries and create a brand new industrial landscape. That’s why global companies and promising local enterprises are locating some of their most critical operations in Singapore. These diverse and dynamic companies include Rolls-Royce and Eurocopter at Seletar Aerospace Park; Shell at Jurong Island; Infinite Frameworks at Mediapolis; Sembcorp and Dril-Quip at Tuas; and IBM at Tampines Wafer Fab Park.
BREAKING BARRIERS

JTC breaks through barriers to be future-ready. From every inch of precious space, we are carving out pioneering new industrial spaces like Jurong Rock Cavern, the Very Large Floating Structure and the Offshore Marine Centre. We also spearhead cluster developments such as Jurong Island and Seletar Aerospace Park to reap the benefits of synergy. Going forward, we are excited about positioning CleanTech Park as a “living laboratory” for green technologies.
2009 was a turbulent year for the world economy. Singapore went through a deep recession in the first half of the year. Thankfully, the downturn was short-lived because we acted quickly as a government and as a people.

We introduced the ‘resilience package’, which served to ameliorate the severity of the recession. By the first quarter of 2010, recovery was clearly in sight and Singapore’s Gross Domestic Product (GDP) registered a performance of 16.9% year-on-year.

Against this backdrop, FY 2009 was a challenging year for JTC Group. The Group’s total surplus was $658 million, representing a 28 per cent drop compared to $914 million in the previous year. There was a decrease in total income mainly due to weaker performance in property, port and consultancy segments of the group and divestment of high-rise ready-built properties to Mapletree Investments in FY 2008. However, the decrease in income was partially cushioned by lower impairment expenses and lower operating expenses.

As things stand, the prospects for 2010 look promising. The strong start to the year combined with positive developments in the global economy saw the Ministry of Trade and Industry revising Singapore’s 2010 GDP growth forecast upwards from 7% to 9%, to 13% to 15% currently.

We must press on with the good work, mindful that continued growth is never assured and that an open economy like Singapore can never be fully insulated from the vicissitudes of the global economy.

STRATEGIC DIRECTIONS TO PAVE NEW WAY

On that note, let me point out that notwithstanding the strong showing of the manufacturing sector in the first quarter of 2010, recovery was not broad-based. Some sectors, like electronics and biomedical sciences, recovered sharply, while others, like aerospace and offshore marine engineering, have not performed quite as well.

On the international stage, recent developments have also cast a shadow on recovery in the global economy. Just when we thought the worst was over, the drastic turn of events unfolding in Greece has triggered a fresh round of the European debt crisis. These developments have set off a whole new wave of uncertainties for the global financial markets and raised the fear that a problem confined to Greece could have a contagion effect beyond Europe.

Another reality of our operating environment is that global competition is ever present and ever evolving. It is not just China and India which are progressing rapidly; today we must contend with competition from all over the world.

Singapore cannot maintain its edge by simply relying on working models that served us well in the past. In fact, just continuing on the course of ‘more of the same’ may well doom us to fail. We must step up to the task at hand, rethink the fundamentals and focus on new areas to achieve long term sustainable economic growth.

The Economic Strategies Committee has set out the broad directions for the economy for the next ten years. The key recommendation is to transform the economy by raising productivity and innovation. There are three key areas in which JTC can make a meaningful contribution in this journey of transformation.

First, we should purposefully deepen our cluster knowledge and capabilities so that we are able to offer far-sighted infrastructure solutions to our cluster customers in Singapore. This will pave the way for these clusters to enhance their productivity and competitiveness. Our customers and the industry clusters they belong to are constantly undergoing a process of change and renewal.
Singapore cannot maintain its edge by simply relying on working models that served us well in the past. In fact, just continuing on the course of ‘more of the same’ may well doom us to fail. We must step up to the task at hand, rethink the fundamentals and focus on new areas to achieve long term sustainable economic growth.

The electronics cluster is a case in point. In the ‘60s, Singapore started with simple semiconductor packaging, moving into consumer electronics assembly in the ‘70s. We then moved on to higher value-added hard disk drive production in the ‘80s and then wafer fabrication and disk media production.

Today, the electronics sector remains as one of the key drivers of the manufacturing sector but its activities are very different from those in the ‘60s or ‘70s. The electronics story will continue to evolve.

For the sector to grow further in Singapore, the activities undertaken here have to move higher up along the value-chain. We must also address global trends to stay relevant. With rising concerns about climate change, there is increased awareness and need for green electronics products. This is a potential new growth area for the sector. The future of electronics is by enhancing land productivity. As the largest industrial landlord in Singapore, JTC has the responsibility to ensure that industrial land is put to optimal use. The corollary of this is that activities which are no longer competitive or suitable for Singapore have to be gradually phased out to be replaced by businesses which are more productive and competitive.

There are various routes that JTC can take to enhance land productivity. Firstly, we can improve our existing allocation mechanism to ensure optimum use of future land. Today, we have a robust framework to encourage land intensification. However, we must do more.

To take a holistic approach to land productivity, we should look beyond plot ratio and value-add to include resource efficiency. JTC can also take a fresh look at our maturing industrial estates and step up estate rejuvenation in a comprehensive way. Our first estate rejuvenation started out in the late ‘90s with Tukang industrial estate. Today, Tukang has been transformed to become a high-tech park housing a cluster of higher value-add and innovative companies.

Our new tagline, ‘Breaking New Ground’ suggests JTC’s third strategy, that is, to truly embrace innovation. Innovation is the single most important attribute that will set us apart from other locations that can offer cheaper and larger land resources.

Among other things, JTC is well-placed to promote innovation in the area of energy optimisation. As highlighted in the report by the Economic Strategies Committee, Jurong Island can be developed into an energy-optimised industry cluster. We can provide low-cost and low-carbon energy solutions for the Island’s petrochemical cluster by introducing innovative system-level solutions. For example, waste heat from the industry can be used to desalinate sea water. The desalinated water can then be re-channelled back to industry for use as part of the cooling processes, thus putting in place a virtuous cycle.

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This idea can be applied further with more far-reaching results. Studies have estimated that the level of waste heat being generated by Jurong Island’s petrochemical industry alone can power some 200,000 households. If we are able to find some ways to harness all these waste heat, we can use the energy to power other industrial estates and also to reduce the amount of carbon emitted into the atmosphere.

The world has changed dramatically after the global financial meltdown. And it will continue to change in ways we may or may not foresee. That is why it is imperative for us to foster a mindset that will help transform JTC into an innovative and dynamic organisation that is future-ready.

This journey of transformation is not going to be easy. But with strong commitment and passion from all, we can overcome the odds and challenges.

A DYNAMIC JTC BOARD

Our Board Members have been instrumental in guiding the Management and their support will be even more invaluable in the years ahead. I would like to thank JTC’s Board Members and look forward to their continued support.

Mrs Ong Foong Pheng stepped down after serving as Chief Executive Officer of JTC since August 2006. Under her able leadership, JTC smoothly completed the divestment of JTC’s high-rise ready-built properties to Mapletree Investments Pte Ltd. She also initiated a number of large scale and specialised projects to support the growth of new industry clusters. I thank her for her leadership.

Mr Manohar Khiatani was appointed as Chief Executive Officer of JTC from 1 October 2009. He brings with him a wealth of experience to the JTC Board and I trust that under his helm, JTC will enter into a next wave of cluster competencies and innovation.

Several new members joined the JTC Board in FY 2009. They are Ms Chen Soon Bin, Mr Dilhan Pillay Sandrasegara, Lt-General Neo Kian Hong and Mr Ong Ye Kung.

At the same time, I thank Mr Tan Gee Paw, Lt-General Desmond Kuek, Ms Joanne Cham Hui Fong and Mr Gary Kee who stepped down from the JTC Board. I would like to place on record my appreciation for their contributions. Finally, my sincere thanks go to all our customers and JTC staff for their unwavering support.
The ripple effect of the global economic downturn was keenly felt by businesses the world over in FY 2009. Here in Singapore, the priority for businesses during the recession was to preserve jobs and to strengthen existing capabilities in readiness for economic recovery.

After a difficult first half of the year, the Singapore economy rebounded strongly in the second half. JTC’s performance for the year mirrors the performance of the Singapore economy. The net allocation of prepared industrial land for FY 2009 ended higher at 110.1 hectares compared to 100.1 hectares in FY 2008, supported by recovery in the second half of the year. However, the recovery in the second half of the year was insufficient to lift the full year performance of the net allocation of ready-built facilities which ended the year in negative territory at -10,500 sq m from 60,300 sq m achieved in FY 2008.

Despite the challenging business environment, I am heartened that Singapore remains an attractive business hub for investors. Our customers launched several major projects during the year. Some of these groundbreaking projects include Rolls-Royce’s integrated campus at Seletar Aerospace Park which marks the largest expansion investment in the company’s history; Sembcorp Marine’s New-Yard facility featuring a ‘custom-made’ waterfront profile that will enable a huge improvement in productivity; Dril-Quip’s manufacturing facility, which will allow Singapore to tap into new growth opportunities in the offshore and marine industry; and Singapore Freeport’s largest high-value cargo storage facility in the world dedicated to fine art and collectables.

Although Singapore has come through the economic downturn, we still need to review specific strategies to develop different sectors of the economy. The Economic Strategies Committee, formed in July 2009, was tasked with developing and recommending strategies to grow Singapore’s future as a leading global city in the heart of Asia.

The Economic Strategies Committee recommended making skills, innovation and productivity the basis for broad-based economic growth. As our Chairman has outlined in his message, the Corporation will support this transformation in the Singapore economy through three key focus areas: first, by deepening our cluster knowledge and capabilities; second, by increasing land productivity and finally, by expanding our innovation capacity. Let me take each of these three roles in turn.

CLUSTER EXPERTISE

Deepening our cluster knowledge requires JTC to review various aspects of our approach to industry players. We must understand the evolving needs of our clients and be up to speed on the trends and linkages in each industry cluster. We can then work together with our partner agencies to develop integrated cluster plans using infrastructure as a differentiating advantage.

In FY 2009, JTC consolidated its business arms into strategic clusters which include aerospace, biomedical, chemicals, marine, cleantech, electronics, infocomm and media.

One year on and it is clear that this focus on strategic clusters has paid off. We have made headway in infrastructure development and forged strong partnerships with customers in several key projects. Seletar Aerospace Park got off to a roaring start by sealing partnerships with aerospace giants such as Rolls-Royce, ST Aerospace and Eurocopter. JTC is currently stepping up infrastructure development at the Park in anticipation of new investors.

Working with the constraints of Singapore’s limited waterfront land, JTC created a unique ‘custom-
At JTC, we take feedback from our customers very seriously. Our customers are our partners and they drive us to achieve new breakthroughs in innovation. We listen to their needs and tailor solutions which achieve win-win outcomes.

One of the realities of doing business in Singapore is the sheer scarcity of land. JTC is continuing to push the boundaries of industrial space by exploring new, innovative ways in which land usage can be optimised.

To this end, JTC is designing high-rise facilities for biologics companies which meet the industry’s particular requirements without compromising on compliance or operational efficiency. To help the industry, JTC is exploring new, innovative ways in which space by exploring new, innovative ways in which land usage can be optimised.

With the progress of the Jurong Rock Cavern, underground space is now seen as a viable option for certain industrial activities. An underground warehousing and logistics facility at Tanjong Kling and Jurong Hill is currently being explored.

In addition, JTC is also developing the MedTech cluster, a key industry sector with the potential to bring Singapore’s biomedical industry to the next level. The industry is set to benefit from another 40,000 sq ft of space at Biopolis which has been earmarked for biomedical R&D activity.

One of the realities of doing business in Singapore is the sheer scarcity of land. JTC is continuing to push the boundaries of industrial space by exploring new, innovative ways in which land usage can be optimised.

Another approach JTC is taking to optimise land usage is by promoting synergies within industry clusters. Feasibility studies are being conducted on two concepts, the cluster industrial concept with mega-hoist and the plug-and-play factory which could result in land savings of 10 and 35 per cent respectively.

With the progress of the Jurong Rock Cavern, underground space is now seen as a viable option for certain industrial activities. An underground warehousing and logistics facility at Tanjong Kling and Jurong Hill is currently being explored.

As the Singapore economy transforms itself for the future, JTC is undergoing a transformation of its own. We are continually looking to expand our innovation capacity and technical bench strengths in key areas so that we are well-positioned to provide innovative infrastructure solutions that will continue to differentiate Singapore as an investment location.

Some of these solutions include developing sustainable developments which balance economic viability with environmental preservation. One such example is CleanTech Park, where JTC has incorporated economical green technologies into its infrastructure provisions, and where it aims to seed a cluster of cleantech companies. Advanced green innovations such as the storm water management system as well as measures to reduce water consumption, utilities and carbon emissions are all being tested out on a pilot basis at CleanTech Park.

Jurong Island offers another striking case study of innovation, the JTC way. The launch of Jurong Island Version 2.0 initiative aims to create a sustainable and competitive energy and chemical industry through a comprehensive review to create future-ready solutions. Looking to the future, it is envisaged that Jurong Island will take its place as a living laboratory to develop technologies to save resources like energy, carbon, water and land.

At JTC, we take feedback from our customers very seriously. Our customers are our partners and they drive us to achieve new breakthroughs in innovation. We listen to their needs and tailor solutions which achieve win-win outcomes.

During the year, my team and I met up with many customers through dialogues sessions, company visits and other networking platforms. Through these sessions, we received valuable, first-hand feedback which have helped us in improving our products and processes.

In the past year we reviewed several of our business processes to create a conducive, streamlined customer experience. We subsequently introduced changes to simplify the tenancy renewal process such as the pre-approval of tenancy renewal and dispensing with an application for customers who meet the renewal criteria.

In tracking JTC’s growth over the years, we keep coming back to the one essential ingredient for our success – our people. At JTC we empower our people by equipping them with the right resources to perform to their full potential. Once again, our staff did us proud by securing several prestigious awards during the year.

Following the reorganisation of our business into strategic clusters in April 2009, we launched a change management plan which covered effective communications to customers and staff, team building activities as well as training, among other things. We subsequently reviewed our competency development framework to identify and develop competencies needed for staff to excel in a high performing organisation. The review process is still on-going.

As an organisation, JTC also looks to engage the wider community in which we operate. During the year, our staff were generous in giving their time and service to our two adopted charities, the AWWA Community Home for Senior Citizens and MINDS Fernvale Gardens School. Our people also went beyond Singapore to build houses and deliver aid to communities in Cambodia.

As Singapore enters into its next phase of development, JTC is committed to playing its part to realise this transformation. I am confident that with the continued strong support of our customers, stakeholders, partners and staff, together as a team, we will be able to take Singapore into a new growth era.

MANOHAR KHIATANI
Chief Executive Officer, JTC Corporation

AWARDS

JTC staff did the Corporation proud in FY 2009 by securing the following prestigious awards:
• The Ministry of Trade and Industry (MTI) Innovation Award 2009
• The MTI Idea Champion Award 2009
• The MTI Outstanding Activist Award 2009

JTC was also honoured with the following niche awards:
• The PS21 Best Project Award 2009 for speeding up the process of making reclaimed land available to industry players.
• The Silver Award in the technology infrastructure category and the Bronze Award in the culture category in the Knowledge Management Awards 2009 organised by the Information and Knowledge Management Society of Singapore
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<td>Manohar Khiatani</td>
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<td>Assistant Chief Executive Officer Technical &amp; Professional Services Group</td>
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Mr Philip Su was the Assistant Chief Executive Officer of JTC from 1 September 2001 to 31 July 2010. JTC thanks Mr Su for his contributions to the Corporation and wishes him all the best in his new endeavours.
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 to 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 eight times in FY 2009 to strategise, review major policies and approve financial statements, annual budget and major projects.

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

**AUDIT COMMITTEE**

Chairperson: Dr Ernest Kan

Members:
- Mr Jen Kwong Hwa
- Mrs Cheong-Chua Koon Hean
- Mr Dilhan Pillay Sandrasegara (wef 1 June 2010 – 31 August 2010)
- Mr Ong Ye Kung (wef 1 September 2010)

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 policies.
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 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 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 FY 2009.

**BOARD’S STAFF COMMITTEE**

Chairperson: Mr Cedric Foo

Members:
- Mr Manohar Khiatani
- Mrs Ong Choon Fah
- Mr Ong Ye Kung (wef 1 April 2010)

Terms of Reference:
1. To advise and assist the Board in overseeing and setting directions and policies in relation to the divestment.
2. To evaluate and approve or make a recommendation to the Board on any commercial, policy, operational or other matter relating to, arising from or ancillary to the divestment.
3. To advise the Management on any commercial, policy, operational or other matter relating to, arising from or ancillary to the divestment.

The Board’s Staff Committee met two times in FY 2009.

**FINANCE & INVESTMENT COMMITTEE**

Chairperson: Mr Jen Kwong Hwa

Members:
- Mr Manohar Khiatani
- Ms Chen Soon Bin
- Lt-General Neo Kian Hong (wef 1 April 2010)

Terms of Reference:
1. To provide oversight and direction for the Corporation’s investment of surplus funds through:
   a. formulation and review of investment objectves, policies and guidelines for the Board’s approval; and
   b. evaluation of investment proposals for the Board’s approval; and
   c. monitoring of investment performance.
2. To supervise 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 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 three times in FY 2009.

**DIVESTMENT COMMITTEE**

Chairperson: Mr Cedric Foo

Deputy Chairperson: Mr Dilhan Pillay Sandrasegara (until 31 August 2010)

Members:
- Mr Manohar Khiatani
- Ms Chen Soon Bin
- Mrs Ong Choon Fah
- Lt-General Neo Kian Hong (wef 1 August 2010)

Terms of Reference:
1. To advise and assist the Board in overseeing and setting directions and policies in relation to the divestment.
2. To evaluate and approve or make a recommendation to the Board on any commercial, policy, operational or other matter relating to, arising from or ancillary to the divestment.
3. To advise the Management on any commercial, policy, operational or other matter relating to, arising from or ancillary to the divestment.

The Divestment Committee met three times in FY 2009.
BREAKING INTO CLUSTERS

At JTC, our businesses are streamlined into industry clusters to allow our teams to better focus on the needs of specific clusters. How do we do this? By listening to our customers, developing in-depth cluster knowledge and offering innovative solutions tailored to their current and future requirements. From blueprint to start-up, JTC is with the customer every step of the way.
To be developed at a cost of $30 million, the CMMF will grow Singapore’s aerospace manufacturing arm and provide support services to Rolls-Royce. It is scheduled for completion by mid 2011.

JTC is also planning for a 2.6-hectare General Aviation Centre offering shared facilities for training, line maintenance and the parking of smaller aircraft. The concept for this shared facility came about following a dialogue with aerospace companies initiated by JTC to better appreciate their business requirements. The General Aviation Centre will help companies cut down on infrastructure investments and save on operational costs in the long run.

JTC is working closely with industry players to fine-tune the final concept and business model for the shared facilities to ensure optimal benefits. JTC expects to allocate the site by mid 2010 to general aviation companies.

Attracting Local and Global Companies
The investments streaming into Seletar Aerospace Park are a ringing endorsement for Singapore’s aerospace ambitions. Two new allocations in FY 2009 came hot on the heels of allocations to ST Aerospace, Jet Aviation Asia Pacific and STARS in 2008. British aerospace giant Rolls-Royce invested more than $690 million to develop its Seletar Campus. To date, this is the largest investment for an expansion in the company’s history. The 154,000 sq m Seletar Campus marks yet another chapter in the partnership between Singapore and Rolls-Royce.

The Seletar Campus will comprise a Trent aero engine assembly and test facility to assemble the Trent 1000 for the Boeing 787 Dreamliner; a wide chord fan blade facility to manufacture Roll-Royce’s hollow titanium fan blade; a regional training centre and an advanced technology centre for research and development. Construction has commenced and when fully operational in mid 2012, Rolls-Royce’s Seletar Campus will create some 500 new jobs, bringing the Group’s total headcount to 2,000.

Eurocopter’s 8,200 sq m facility, when completed by end 2010, will house its new regional headquarters and helicopter MRO and completions facility. Costing $15 million, the facility will allow 24 helicopters to be worked on simultaneously, doubling up the capacity
AEROSPACE, MARINE AND CLEANTECH

CLUSTER REPORT

CELEBRATING SELETAR’S HERITAGE
Selatar Aerospace Park can trace its roots back to the 1920s when it was a British Airforce base. Honouring Seletar’s rich heritage, JTC’s masterplan provides for the preservation of the Park’s defining features. 204 black-and-white houses will be restored; Seletar Camp Guard House will be retained as the entrance into the park and unique post-war lamp posts will inject character to its leafy streets.

To reinforce the park’s identity, JTC will also incorporate aviation details into the park including bus shelters reminiscent of a World War II Supermarine Spitfire airplane. Green features including covered linkways incorporating greenery will also be built. In addition, JTC will cultivate plants and trees that are native to the park.

SHORING UP WATERFRONT SPACE WITH OFFSHORE MARINE CENTRE
A brand new Offshore Marine Centre is set to rise from the sea off Tuas View. The Centre is envisaged as a multi-user facility providing common waterfront and berthing facilities that will be shared by its occupants. Located on a 13-hectare site, the Offshore Marine Centre will cater to offshore and marine companies involved in the manufacturing and fabrication of large sea-bound equipment and heavy structures.

Developed as an innovation to overcome Singapore’s scarce waterfront resource, the Offshore Marine Centre will create opportunities for Singapore to tap on new growth opportunities in marine and subsea equipment manufacturing. The Centre’s unique concept of shared facilities also allows companies on inland sites to enjoy the benefits of shipping their finished products.

The facility is scheduled for completion in the third quarter of 2011. The management and operations of the Centre will be outsourced to an experienced operator. The novel concept behind the Offshore Marine Centre is expected to draw new and quality manufacturing activities to Singapore, reinforcing the Republic’s growing stature in the global offshore marine sector.

CLEANTECH PARK EXPANDS GREEN HORIZONS OF INDUSTRIAL SPACE
Going green is about much more than token gestures such as solar panels on rooftops or observing Earth Day. JTC’s 50-hectare CleanTech Park at Nanyang Avenue revolutionises the concept of a green business park space by implementing the cleantech concept throughout the estate.

CleanTech Park is set to expand the frontiers of green sustainability and serve as a “living laboratory” for test-bedding and demonstrating system-level clean technology solutions. The Park will house a nucleus of CleanTech companies, as well as companies from other sectors that are embracing sustainability as a means of differentiating their business. The Park will serve as the nerve centre for research, innovation and commercialisation in clean technology.

CleanTech Park supports Singapore’s aim to be a global hub in the development and manufacture of clean technology solutions.

To be developed in three phases over 20 years, the Park is part of the comprehensive blueprint mapped out by the government to grow the cleantech industry. The blueprint comprises five key pillars of research and development, manpower development, grooming of Singapore-based enterprises, branding of the industry and nurturing a vibrant industry ecosystem. JTC is working together with sister agencies to create a niche for CleanTech Park in research and development, test-bedding and prototyping activities.

JTC will press ahead with several initiatives at CleanTech Park to carry through the green “revolution” beyond the industrial sector. Collaboration between the industry and academia will be actively fostered, helped in part by the park’s prime location beside the Nanyang Technological University. The university will be the first anchor tenant at CleanTech Park and will help seed research and development activities. On its part, CleanTech Park will offer students opportunities for attachment and hands-on experience in state-of-the-art green technologies.

CleanTech Park will be organised according to the cluster-concept which has served JTC well on Jurong Island and at one-north. Clustering cleantech companies with aligned interests together is an attractive proposition which could lead to the cross fertilisation of ideas and knowledge.

JTC hopes to introduce successful clean technologies from CleanTech Park to other JTC industrial estates and where feasible, the private sector. For a start, JTC will be constructing sky trellises between adjacent buildings at the park to provide shade and create a green environment.

The master plan for CleanTech Park provides for a central green core as a recreational space cum pedestrian network to the rest of the park. At the park level, recycled concrete will be used for roads and LED street lamps will be introduced to minimise light pollution and reduce energy consumption by 40 per cent. There are also plans to install an integrated smart dashboard that tracks energy and water usage in all the buildings.

Clean Tech Park supports Singapore’s aim to be a global hub in the development and manufacture of clean technology solutions. This promising new industry is expected to contribute some $3.4 billion
to Singapore’s GDP and create 18,000 jobs across a broad range of areas, including renewable energy, water and environment technologies and energy efficiency by 2015.

First Green Building at CleanTech Park
CleanTech One will be the first iconic building at CleanTech Park. The 1.5-hectare business park development will be the physical gateway into CleanTech Park.

CleanTech One will be a showcase for the future of sustainability. Efficient building design strategies will be test-bedded at CleanTech One in a cost-effective manner. These would include minimising the east-west facing façade, lowering the window-to-wall ratio, increasing naturally ventilated spaces and utilising flexible planter box roof gardens to reduce heat.

Besides sustainable building design, CleanTech One will also set a benchmark for green technologies. Innovative applications within the building include a fuel cell plant for renewable energy, a biodigester to achieve minimal food waste, and a dehumidification chiller that uses solar thermal energy.

GREEN DETAILS
Cleaner water: Capitalising on the terrain of its undulating site, CleanTech Park will pioneer the usage of a stormwater management concept. Stormwater will flow over the lay of the land towards areas layered with filter materials such as sand and gravel, bypassing pollutant traps along the way. Plants grown above these filters help to absorb and remove pollutants from the water before they reach the gravel below. This results in cleaner water for public drains and eventually, reservoirs.

Sky trellis: JTC will erect canopies between the roofs of buildings using steel wire mesh. The canopies will be subsequently covered with climbing plants to provide shade and reduce the ambient temperature of the environment sheltered.

Green buildings: As far as possible, buildings at CleanTech Park will be environmentally friendly. Recycled concrete will be used for non-structural construction parts and the buildings adhere to design guidelines which minimise sun exposure.

Green programmes: Recycling and energy saving campaigns will be widely advocated at CleanTech Park.

BIOMEDICAL AND CHEMICALS

JURONG ISLAND VERSION 2.0
– TOWARDS SUSTAINABLE GROWTH

The “Jurong Island Version 2.0” initiative is a “whole-of-government” effort to step up Jurong Island’s competitiveness over the next 10 years. The chosen strategy is to strengthen Jurong Island’s twin pillars of sustainability and competitiveness.

Led by JTC and the Economic Development Board, Jurong Island Version 2.0 will involve a thorough review of five core areas namely energy, logistics and transportation, feedstock options, environment and water. Consultancy studies will be commissioned in these key areas and subsequently pertinent recommendations will be made.

Many new projects are being explored as part of the initiative. A feasibility study on a second road link connecting Jurong Island to the mainland is underway to facilitate the daily commute of the island’s fast-growing workforce. A barging terminal is being built to provide safe passage for hazardous products in and out of Jurong Island.

To create additional value and reduce carbon footprint, studies will also be conducted on schemes to utilise waste heat to power production processes and to convert waste carbon dioxide into useful products. In addition, unused “cold” energy from the liquefied gas terminal currently being built will be harnessed. Feasibility studies are also being conducted on new water technologies such as using sea water desalination and recycling of waste water to ensure ample water supplies. In addition, Jurong Island Version 2.0 will look into using alternative feedstock such as LPG for production into different products.

Creating an Integrated Chemicals Hub at Jurong Island
Singapore has established itself as an integrated chemicals hub on the global stage, with Jurong Island as its compelling centrepiece. To date, the island hosts more than 94 world-class chemical companies totalling about $34 billion in investments.

Jurong Island links companies in a web of mutually beneficial partnerships set in a ‘plug and play’ environment. Companies can ramp up their operations and reap synergies from shared infrastructure and a seamless corridor of common services and facilities. This formula frees up companies to focus on their core businesses while enjoying cost and production efficiency.

Setting its sights on the future, Jurong Island has set itself the goal of creating future-ready solutions.

The recently launched “Jurong Island Version 2.0” initiative aims to create a sustainable and competitive energy and chemical industry through a review of five main areas covering energy, logistics and transportation, feedstock options, environment and water. Taking a ‘whole of government approach’, JTC, together with sister government agencies, will put in place schemes to reduce carbon emission; and implement green solutions for the usage of resources such as energy, water and land. Jurong Island will also see upgrades in infrastructure including the construction of a barging terminal designed to transport hazardous products in and out of the island safely and a feasibility study on a second road link to the mainland.
Carving Out Storage Space Beneath the Sea

JTC has gone to the extent of unlocking the potential of subterranean depths beneath the sea in its efforts to create more industrial space.

Located at a depth of 132 metres below ground level beneath Banyan Basin on Jurong Island, Jurong Rock Cavern will provide infrastructural support to manufacturers on Jurong Island. South East Asia’s first underground rock cavern for oil storage has the dimension of a nine-storey building, standing at 27 metres high, 20 metres wide and 340 metres long. Phase 1 of the Jurong Rock Cavern project reached a milestone with the completion of two access shafts and start-up tunnels in 2009. JTC is pressing ahead with the construction of the tunnels, caverns and associated facilities, to be undertaken by Hyundai Engineering and Construction.

When the first two caverns are completed in 2013, they will yield a capacity of 0.48 million cubic metres. By the time the entire facility is completed in 2014, 1.47 million cubic metres of oil storage space will be made available to the oil storage industry.

Interest from industry players, in particular manufacturers on Jurong Island, for both phases of Jurong Rock Cavern is strong.

Floating Platforms Out at Sea

JTC is also looking to tap the possibilities of the sea surface for oil storage. The Very Large Floating Structure is a collection of large floating platforms either moored to land or operated as standalone units. The Structure will deliver storage solutions for oil and petrochemical products.

The very concept of a Very Large Floating Structure turns on space efficiency; a structure with a storage capacity of 300,000 cubic metres will occupy only five hectares of foreshore space, compared to 20 hectares of land required for an equivalent conventional facility. As such, in land-scarce Singapore, such land-savings is critical to support manufacturing activities.

Wide-ranging and in-depth studies have been commissioned on the feasibility of the Very Large Floating Structure. Phase 1 of the studies confirmed the viability of the Very Large Floating Structure as an oil storage facility. JTC then went on to complete Phase 2 of the studies which looked into the environmental impact, marine soil investigation, engineering survey works, sea current monitoring and the collation of meta-ocean design data to derive design parameters for the Structure.

Phase 3 is currently underway and involves discussions with potential customers on their interest level in the Very Large Floating Structure. JTC is also in talks to formulate a sustainable business model for the project.

BOOSTER SHOTS TO GROW THE BIOMEDICAL INDUSTRY

Singapore’s biomedical industry is getting a definitive shot in the arm with not one but three booster jabs to boost its position as a key engine of growth.

The first of these three projects driven by JTC is the development of a new biomedical research and development facility at one-north, within Biopolis. Innovation is the key word for the second biomedical project conceived by the Corporation – a high-rise biologics plant designed to optimise the use of land in our land-scarce environment. The third biomedical initiative will address the growing medical technology market through the development of a MedTech cluster in Jurong.

Expanding Space for Biomedical Research & Development at Biopolis

JTC is set to launch the next phase of Biopolis with a 40,000 sq m biomedical research and development facility. To meet rising market needs, the new facility will incorporate biomedical R&D spaces for pre-clinical trials and scientific collaborations. Construction costs are estimated to be between $80 million and $100 million.

The laboratory design for this new phase will be improved, taking into account JTC’s past experience from Phases 1 to 3. Fitted-out space or Shell-plus will be specially developed with the necessary laboratory outfittings so as to allow companies to start up operations expeditiously. JTC will launch the development in 2010 and the project is slated for completion by early 2013.

Going High-Rise with Biologics Facility

JTC is in the process of designing a new high-rise, low-footprint concept for biologics companies. This concept is part of an incentive scheme JTC will introduce to encourage land optimisation in the biologics industry.

The proposed high-rise, smaller footprint facility will conform to the industry’s stringent requirements without compromising on operational efficiencies or regulatory compliance. The facility will have a plot ratio of up to 1.0, up from the current industry average of 0.4.

Singapore has made significant inroads into biologics manufacturing, having attracted a total investment of $2 billion from six major players. The industry is one of Singapore’s highest value-added industries and the fastest-growing segment within drug manufacturing. The potential of biologics manufacturing, coupled with Singapore’s track record in biomedical science manufacturing and R&D, compels JTC to ensure land optimisation so that more biologics plants may be established in Singapore. JTC is in talks with companies to adopt the new concept for their future expansions.

Creating Asia’s First-of-its-kind MedTech Cluster

The launch of Asia’s first-of-its-kind Medical Technology (MedTech) cluster in Jurong will support the projected $5 billion worth of medical equipment such as test-kits and implantable devices being manufactured in Singapore by 2015.

The cluster will create a synergistic eco-system for the med-tech industry, bringing together manufacturers, suppliers, sterilisation service providers and specialised warehouse facilities in a single location. The MedTech cluster will be launched by JTC on a 7.4-hectare site near Tukang Innovation Park and developed in phases.

The cluster will feature basic core and shell space which can be easily retrofitted to suit the specialised needs of individual med-tech companies. Construction specifications will provide for the required floor height and loading for cleanrooms. At the same time, common facilities with industry-specific infrastructure will allow med-tech companies to ramp up quickly and reduce start-up cost.

To be developed in multiple phases, the MedTech cluster will yield 185,000 sq m of space when fully developed. Phase 1, expected to yield 75,000 sq m, will be completed by late 2013.

BIOMEDICAL AND CHEMICALS

CLUSTER REPORT

Two of JTC’s recent mega projects, Jurong Rock Cavern and the Very Large Floating Structure, look set to take Jurong Island’s cluster concept to the next level. The projects will provide much needed oil storage facilities in response to the growing demand for such facilities in Singapore.
October 2008. The 120,000 sq m development is the first integrated development in one-north. It showcases a state-of-the-art experimental theatre, serviced apartments, 13 public sky gardens, leisure facilities as well commercial outlets.

Scheduled for completion in 2013, Phase 2A will boast the world’s first four-stack vibration-sensitive clean room facilities. Phase 2A yielding 103,635 sq m of business park and research and development space is designed to house dry and wet laboratories, clean rooms, test-bedding facilities as well as ground-floor retail units.

Designed by renowned “green” architect Dr Ken Yeang and developed by local grown industrial developer, Soilbuild, Phase 2B is a 50,000 sq m sustainable facility slated for completion in 2010. This multi-tenanted development will provide business park and laboratory space for companies that enjoy business synergies with tenants of Phases 1 and 2A.

ELECTRONICS SECTOR REBOUNDS STRONGLY

Singapore accounts for 40% of the global market share of Hard Disk Media output and over 10% of the global foundry wafer output in 2009. IBM started construction on its IBM Singapore Technology Park in Tampines Wafer Fab Park in 2009. The $90 million facility serves as IBM’s manufacturing centre for the company’s high-end systems clients across Asia, Africa and Europe. In addition to manufacturing its high-end enterprise servers, the 365,000 sq ft facility will also manufacture IBM disk and tape storage technology, as well as related hardware appliances worldwide.

A new industrial estate, Sembawang Industrial Estate, targeting the clean and light industries in knowledge-based, R&D activities, data centres as well as the new growth segment within the electronics sector – green electronics & plastic electronics – is currently being developed. Infrastructure work is underway.

ELEVATING SINGAPORE TO THE GLOBAL MEDIA STAGE

JTC, together with the Media Development Authority, the Infocomm Development Authority and the Economic Development Board, will develop Mediapolis, a synergistic media ecosystem set to elevate Singapore to the global media stage. To be located at one-north alongside Biopolis and Fusionopolis, Mediapolis will be the third strategic cluster in the 200-hectare research and innovation hub.

Mediapolis will focus on the development of high quality digital media content as well as R&D work in digital media technologies. It will be supported by a strong and robust IT infrastructure and a synergistic business environment.

Development work on Mediapolis’ 19-hectare site will proceed in phases in response to industry demand. When fully developed in 2020, the media park will include quality digital production and post-production facilities. Research and development work will focus on emerging digital media technologies.

As a masterplanner for Mediapolis, JTC is working with Infinite Frameworks, a local media production company, to build a soundstage complex on a 1.2-hectare site. The complex will comprise two 10,000 sq ft sound stages, production and post-production offices for related and supporting media businesses.

The soundstage complex will be critical in the future development of the media industry in Singapore which is projected to contribute $10 billion to Singapore’s GDP by 2015. Groundbreaking is scheduled for the second half of 2010 and completion is expected in early 2012.

BUILDING AN INFOCOMM CITY AT FUSIONOPOLIS

An integrated infocomm city is taking shape on a 30-hectare site in Fusionopolis. Within this city of the future, the Fusionopolis community will work, live, play and learn in a thriving environment for the infocomm and media, as well as science and engineering industries.

Phase 1 of Fusionopolis, a two-tower-cum-podium development designed by the late Dr Kisho Kurokawa, has been fully taken up by private and public sector tenants since the grand opening in

Sky garden at Fusionopolis

Streetscape of Mediapolis

ELECTRONICS, INFO-COMM AND MEDIA
NEW BUSINESS, HOUSING & AMENITY DEVELOPMENT

CLUSTER REPORT

LINKING UP TALENTS IN LEADERSHIP TRAINING

In September 2009, Prime Minister Lee Hsien Loong announced The Singapore LINK (LINK) initiative which seeks to develop Singapore as a regional centre for leadership training and a hub for talent development. This move is part of a larger vision articulated by the Economic Strategies Committee to promote Singapore as a leading global city.

LINK will be housed in Nepal Hill in one-north where 12 black-and-white bungalows have been refurbished for adaptive reuse. Set in a leafy enclave, these stately buildings offer a charming alternative to traditional office blocks in a research and education belt that is a 14-minute train ride from the financial district in Raffles Place.

One of LINK’s pioneer organisations will be the new Human Capital Leadership Institute, set up by the Ministry of Manpower and the Singapore Management University. Launched in April 2010, the institute will conduct pan-Asian research into human resource challenges and offer leadership and management training to local and foreign participants. The institute will also work with top business schools, companies and corporate universities on talent development in an Asian context.

CHANGI BUSINESS PARK HOSTS BANKS’ BACK-END CENTRES

Over at Changi Business Park, we experienced the growth and expansion of the financial institutions’ high-end business processing centres. The first financial institution to shift in was Credit Suisse which set up a new back office hub employing more than 350 staff within The Signature, Hansapoint and Xilinx. The centre supports the group’s worldwide IT services, mid/back-office support and operations.

Today, DBS Bank, Citibank and Standard Chartered Bank have successfully relocated their back-end offices to Changi Business Park. Together, these financial institutions take up some 167,000 sq m of space at Changi Business Park with a population of some 7,800 people.

INSEAD SINKS ROOTS IN ASIA

INSEAD’s Asia campus at one-north was established in 2000 in a nod to the region’s growth potential as a hub for management education and in support of LINK’s vision to develop Singapore into a leading global city.

INSEAD (Singapore) is envisaged to become the benchmark for global providers of management education. Moving forward, the school has plans to develop new space for leadership management training to local and foreign participants. The institute will also work with top business schools, companies and corporate universities on talent development in an Asian context.

INSEAD (Singapore) is envisaged to become the benchmark for global providers of management education. Moving forward, the school has plans to develop new space for leadership management training to local and foreign participants. The institute will also work with top business schools, companies and corporate universities on talent development in an Asian context.
Supported by a healthy performance in the second half of the financial year, the net allocation of prepared industrial land ended FY 2009 higher at 110.1 hectares compared to 100.1 hectares in FY 2008.

However, the positive rebound in the second half of the year was insufficient to lift the full year performance for the net allocation of ready-built facilities in FY 2009. Mirroring the difficulties in the economic environment and the absence of major project completions, net allocation of ready-built facilities fell into negative territory at -10,500 sq m in FY 2009, from 60,300 sq m achieved in FY 2008.

The generic land segment was the main contributor to the performance of prepared land in FY 2009, accounting for 69% (75.9 hectares) of total net allocation. Much of this was also due to the allocation for the integrated yard facility. Net allocation for the specialised land segment remained positive at 34.2 hectares in FY 2009, although this was down 18% year-on-year compared to FY 2008. Good take-up rates at Seletar Aerospace Park and Logistics Park played a large part in this encouraging outcome.

PREPARED INDUSTRIAL LAND

The net allocation of prepared industrial land rose 9% year-on-year to 110.1 hectares in FY 2009 from 100.1 hectares achieved in FY 2008. This increase was supported by a significant allocation for the integrated yard facility in Tuas in 3Q FY 2009. Gross allocation increased 17% to 205.8 hectares from 175.2 hectares in FY 2008. Termination was also higher, rising 28% to 95.7 hectares (see Chart 1).

Net allocation for the generic land segment remained positive at 110.1 hectares in FY 2009, although this was down 18% year-on-year compared to FY 2008. Good take-up rates at Seletar Aerospace Park and Logistics Park played a large part in this encouraging outcome.

Broken down into industry sectors, 55% of the gross allocation of prepared industrial land in FY 2009 came from the manufacturing sector, where the primary contributor was the transport engineering segment with 44% (90.7 hectares). The manufacturing-related and supporting industries contributed 45% of the gross allocation.

JTC’s total stock of prepared industrial land increased 2% to 6,046.3 hectares while demand rose 2% to 5,312.8 hectares in FY 2009.

REady-BuILt FAcILITIES

Reflecting the prevailing caution in business sentiment, net allocation of ready-built facilities fell into negative territory at -10,500 sq m in FY 2009, from 60,300 sq m achieved in FY 2008. Gross allocation of ready-built facilities declined to 72,500 sq m, which was 53% lower than the corresponding figure in FY 2008. Termination of ready-built facilities also decreased, albeit at a moderate rate of 13% year-on-year to 83,000 sq m (see Chart 2). The overall occupancy rate for ready-built facilities pulled back by 0.3% points to 97.4% in FY 2009 from 97.7% in FY 2008.

The Flatted Factory segment was the main contributor to gross allocation of ready-built facilities, accounting for 70% (51,000 sq m) of total gross allocation. The Business Park segment experienced the steepest decline, with gross allocation dropping to 4,150 sq m in FY 2009 from 49,100 sq m in FY 2008. However, it must be noted that this decline was from an exceptionally high base in FY 2008 resulting from the completion and take-up of Fusionopolis Phase 1.

In terms of industry contributions, the manufacturing sector accounted for 41% (30,000 sq m) of gross allocation, with key contributions coming from precision engineering segment at 15% (11,100 sq m) and general manufacturing segment at 10% (7,500 sq m).
BREAKING FORTH

The JTC Group’s three subsidiary companies, Ascendas, JURONG International and Jurong Port, held their ground in FY 2009 notwithstanding challenging market conditions. All three subsidiaries forged ahead with their plans to gain a foothold in the global markets.
In September 2009, Ascendas launched the third phase of Dalian Ascendas IT Park, its flagship project in Dalian, and unveiled plans for a new leisure hub that will become a key feature of the development. The 35-hectare IT park is the first of Ascendas’ new generation of integrated parks in China, and is designed to be a global talent hub where knowledge professionals in IT, BPO and R&D to work, live and play together.

In India, work is expected to commence on two integrated park projects in FY10/11 – Ascendas OneHub Gurgaon and Ascendas OneHub Coimbatore, both projects being in the private fund, Ascendas India Development Trust (AIDT). Ascendas’ first retail development in India, a 450,000 sq ft retail mall called Park Square, is scheduled to be completed in the second half of 2010. Located within the iconic International Tech Park Bangalore, Park Square will offer a unique retail lifestyle catering to Bangalore’s most sought after Whitefield suburb.

**Expanding Regional Presence**

FY 2009 saw Ascendas achieving several significant milestones in the region. In the Philippines, Ascendas opened its first commercial building designed for Business Process Outsourcing (BPO) called ACCRALAW Tower. This project marks the company’s maiden venture into the premium office space market in Manila’s Central Business District of Fort Bonifacio.

In China, Ascendas marked the completion of Lyra, the first building at its 43-hectare Singapore-Hangzhou Science & Technology Park in June 2009. The $510 million project located in the heart of the Hangzhou Economic Development Area is Ascendas’ first integrated park development in Hangzhou. Development plans for subsequent phases of the integrated project will encompass multi-tenanted buildings, build-to-suit facilities and recreational amenities in a lush garden setting with generous water features.

**Real Estate Fund Management**

In July 2009, Ascendas received the main licence for collective investments in the Korean real estate market. This license will enable Ascendas to conduct business in Korea as an asset management company specialising in real estate. This is the first time that a license for the Korean asset management industry has been granted to a Singapore company.

Ascendas’ two listed trusts, Ascendas Real Estate Investment Trust (A-REIT) and Ascendas India Trust (a-iTrust), continued to deliver commendable financial results despite the global economic uncertainties.

A-REIT’s distributable income increased by 11.4% to $234.9 million compared to $210.9 million in the previous financial year. The portfolio grew from 89 properties to 93 properties and total assets under management amounted to $4.9 billion as at 31 March 2010, up from $4.5 billion a year ago. In addition, A-REIT was named the “Most Transparent Company 2009” in the REIT category by the Securities Investors Association of Singapore for the second consecutive year. This award is a glowing endorsement of A-REIT’s proactive approach to timely disclosure and transparent communications to the public through platforms such as teleconferences, investor meetings, the website and publications.

A-REIT was also voted the 1st in “Best for Responsibilities of Management and the Board of Directors in Singapore” and 3rd in “Best Overall for Corporate Governance in Singapore” in the 7th Annual AsiaMoney Corporate Governance Poll 2009.

a-iTrust continued to demonstrate resilience in the financial year ended 31 March 2010. Distributable income increased to $57.5 million, while DPU was stable at 7.55 Singapore cents. Net property income expanded by 12% to $73.8 million, far outpacing the growth of total property income, a result of effective cost management initiatives undertaken during the year. Total assets under management stood at $977.4 million as at 31 March 2010 compared to $866.8 million a year ago, representing a 13% increase. The portfolio currently consists 4.8 m sq ft of income-producing space spread over 15 buildings in four IT parks located in Bangalore, Chennai and Hyderabad.

**Green Initiatives**

2009 was a banner year for Ascendas’ green agenda with the company winning a slew of Green Mark Awards. It received Platinum and Gold Awards for its build-to-suit environmentally sustainable buildings for Standard Chartered, Citi and DBS Bank at Changi Business Park.

Keeping up its corporate tradition of promoting environmental sustainability, Ascendas launched its second annual Green Month in June 2009. This time round more initiatives to promote environmental awareness were rolled out for the benefit of its Singapore tenant companies which number over 1,000. The Green Month campaign was also extended to Ascendas’ various business parks in India, including Bangalore, Chennai and Hyderabad, and its commercial buildings in Shanghai.

Ascendas also set a new benchmark in optimising energy efficiency at the Galen building in Singapore Science Park. The Galen building is implementing a project that can save up to 2,700 tonnes of carbon dioxide emissions per year, the equivalent of the amount of carbon dioxide absorbed by 200,000 trees in a year. The project was submitted to the Kyoto Protocol for endorsement as a Clean Development Mechanism project. If approved, the Galen building initiative will be Singapore’s first building-specific energy efficient project to be endorsed by the Kyoto Protocol.

**JURONG INTERNATIONAL**

During the year, JURONG International rose above the uncertainties in the global economic environment to make inroads into Africa and the Middle East while simultaneously consolidating its market positions in China and India at the same time.

**Achievements Recognised**

There was call for double celebrations as JURONG International marked its 15th year of operations in China, and received the award of a full-fledged jian li licence in December 2009. JURONG China now has the distinction of being the first wholly-owned foreign company in Jiangsu Province to be awarded the licence, a mandatory requirement for construction works in China. The team also garnered “The Key Construction Contractor of Jiangsu” award in August 2009 for their exemplary efforts in contributing to Jiangsu’s construction industry.

**Making Global Headways**

Repeat clientele featured prominently for JURONG China, as Baxter International, Agilent Technologies and Trelleborg affirmed their confidence in the company as a preferred partner by awarding us new projects. These, together with notable projects such as the Jiangyin Yangtze International Country Club, master planning for Ninghai county and Tianjin eco-city, contributed to over 360 projects spread over 65 Chinese cities secured to-date.

Over in JURONG India, the focus was on the completion of existing projects. The award of a residential township project in Pune from repeat customer, K Raheja Group, lifted spirits and spurred the team on to secure yet another prestigious project, a 300-bed super specialty hospital project in Kochi in December. Also in Kochi is the acclaimed...
JURONG International also raised more than $40,000 for its adopted charity, Melrose Children’s Home, through a series of staff events, as well as a Charity golf event for its stakeholders.

JURONG PORT

The global slowdown in the shipping industry resulted in Jurong Port registering declines in its container and general cargo handled. Nonetheless, we are encouraged that during the year, the volume of bulk cargo handled remained stable. Bulk cargo volume was maintained at 6.4 million tonnes; general cargo volume declined some 8 per cent to 7.3 million tonnes while container throughput recorded a 14.3 per cent decrease to 796,000 TEUs in FY 2009.

The port continued to be recognised for its operational performance. For the third year running, the port was recognised at Asian Freight & Supply Chains Awards 2010 as the Best Container Terminal Operator – Asia (under 1 million TEUs per annum). During the year, the Port also received the Lloyd’s List Award for Achievement in Safety 2009 in recognition of its total commitment to making the port a safe and healthy workplace.

Jurong Port undertook a business review during the year and established three strategic directions: to expand its container business when the opportunity arises, to focus on seeking new opportunities in its core business of general and bulk cargo; and, finally, to pursue overseas opportunities.

A New Integrated Operation Management System

Jurong Port has re-engineered and transformed its general and bulk cargo (GBC) operations through the use of infocomm technologies. This is part of the Port’s continual drive to enhance productivity and quality. The transformation has created a new integrated operations management system that leverages on IT and mobile technologies. The new system was fully commissioned in March 2010.

The innovative harnessing of infocomm technologies to drive our GBC operations has resulted in tangible benefits for the port’s different stakeholders:

- For the port, it means that berths can now achieve a higher utilisation rate, creating the capacity for increased cargo volumes;
- For shipping companies, the shorter turnaround time results in a reduction of cost, and a higher level of vessel productivity;
- For the licensed stevedoring companies that operate in the port, there is a better utilisation of manpower, and minimisation of waiting time;
- For port workers, there is a reduction in waiting and processing time, and, correspondingly, a higher level of productivity and satisfaction. Meanwhile, their skills are being upgraded to handle the use of the infocomm technologies.

Through this new system, Jurong Port is innovatively harnessing the power of proven infocomm technologies to achieve operational excellence in its general and bulk cargo operations.
FY 2009 continued to be a challenging year for JTC Group, more than a year after one of the worst global financial debacles in decades.

The Group’s total surplus was $658 million, a 28 per cent drop over the $914 million in the previous year. There was a decrease in total income mainly due to weaker performance in property, port and consultancy segments of the group and one time gain on divestment of high-rise ready-built properties to Mapletree Investments in FY 2008. However, the decrease in income was cushioned partially by lower impairment expenses and lower operating expenses.

**INCOME**

The Group’s property sector segment was lower than a year ago mainly due to 15% rental rebate granted by the Corporation for calendar year 2009 and lower revenue from sales of development properties. Income from our port operations segment decreased as a result of decrease in container and general cargo throughput on the back of economic downturn. For the consultancy segment, there was a dip in design and build revenue in Singapore, Jordan and China due to fewer projects being handled as compared to last year.

In addition, the one-time gain from the divestment of high-rise ready-built properties in FY 2008 further attributed to lower income in FY 2009 as compared to FY 2008. However, the decrease was partially offset by disposal of group’s subsidiaries, which included First DCS Pte Ltd and Ascendas Plaza Group in FY 2009.

**EXPENDITURE**

The Group’s expenditure decreased by 24 per cent as compared to FY 2008. This was mainly attributed by a drop in cost of sales for development properties, lower allowance for impairment losses and lower finance cost due to repayment of medium term notes by the Corporation in June 2009.

The Group invested a total of $1,137 million on capital expenditure. Our significant acquisitions included properties in Singapore and Republic of China.
BREAKING DOWN THE NUMBERS

GROUP CAPITAL EXPENDITURE

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<td>150</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>Computer, Furniture, Renovation &amp; Equipment</td>
<td>250</td>
<td>200</td>
<td>150</td>
<td>100</td>
<td>50</td>
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VALUE-ADDED DISTRIBUTION

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<th>$'M</th>
<th>FY05</th>
<th>FY06</th>
<th>FY07</th>
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<td>Retained in Business</td>
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<td>900</td>
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<tr>
<td>Government</td>
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<td>200</td>
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<td>100</td>
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<tr>
<td>Employees</td>
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<tr>
<td>Suppliers of Capital</td>
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<td>200</td>
<td>150</td>
<td>100</td>
<td>50</td>
</tr>
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</table>

FINANCIAL STATEMENTS

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JTC CORPORATION

The JTC Summit
8 Jurong Town Hall Road
Singapore 609434
www.jtc.gov.sg