JTC Corporation (JTC) is making great strides towards new frontiers to shape a dynamic and multi-faceted industrial property market in Singapore.

The Corporation is divesting part of its industrial property portfolio to pave the way for greater private sector participation. In this brave new world, traditional ways of using space give way to the unlimited possibilities of creative ideas and bold and unconventional concepts.

This truly innovative approach to industrial space is the way of the future. This is the JTC story.
In FY2006, JTC stepped up to the next level of growth with bold moves to transform its business model and streamline its role in Singapore’s industrial landscape.

In October 2006, JTC announced plans to divest its high-rise ready-built industrial property portfolio through a combination of a Real Estate Investment Trust (REIT) and trade sale. The decision to take two separate routes to divestment springs from JTC’s commitment to maintain competitiveness of the industrial property market. JTC also aims to ensure that industrial property prices remain stable and obtain fair-market value for the properties divested.

The divestment is part of JTC’s plan to step back from development of ready-built industrial facilities in market segments where the private sector already plays an active role. A total of 1.7 million square metres (sq m) of industrial space will be divested, comprising flatted factories, ramp-up and stack-up factories, three multi-tenant business park buildings and a warehouse building. Given the significant size of the portfolio of businesses being considered for divestment, the exercise is expected to take 18 months to complete.

JTC made steady progress in its strategy to build up the private sector to foster more healthy and dynamic competition in Singapore’s industrial property market. Developers can look forward to more business opportunities in the future as JTC leases out more industrial and business park sites to the private sector.

Moving forward, JTC will focus on playing a pivotal role in large-scale, strategic industrial projects with long payback periods. The Corporation will continue to support the growth of key industry clusters in Singapore such as the chemicals hub at Jurong Island and Wafer Fab Parks by ensuring the availability of affordable industrial land and space for these clusters. Another equally important role that JTC will play in the future, will be to introduce innovative real estate solutions to Singapore. Among other things, JTC will spearhead the development of underground rock caverns at Jurong Island and specialised research facilities to anchor strategic activities in Singapore.

Unveiling A New Landscape
CHARGING AHEAD TO OPEN NEW HORIZONS

The robust net take-up of 239 hectares of industrial land and 93,500 sq m of ready-built space underscored strong allocations of our industrial facilities in FY2006. JTC seized the opportunity to open up more industrial development projects to private developers. These pro-active measures are intended to inject greater dynamism, vitality and competition into Singapore’s industrial landscape.

During the year, JTC also incubated a number of innovative and capital-intensive developments that will have far-reaching impact on the future of Singapore’s industrial landscape. Key among these projects were Jurong Rock Cavern, Fusionopolis Phase 2A and an aerospace park at Seletar.

At JTC, we are charging ahead towards new horizons as we undertake a major organisational review to redefine our mission and role. At this juncture in our development, it is timely for us to prime ourselves to take on new strategic projects that will propel us into the next lap of strong, sustained growth in an increasingly competitive global environment.

Concurrently, we will continue to optimise land use and adopt a holistic approach to ensure that our scarce land resources are allocated optimally to meet the needs of industry in an increasingly competitive business environment. JTC will keep up efforts to bolster expertise among private sector developers so that they are better equipped to take on generic industrial facilities projects. The divestment of our non-core assets via a combination of a REIT and trade sale is progressing according to plan. When completed, the divestment will open up the industrial property market to increased private sector participation and offer industrialists more varied industrial space options.

PUSHING THE LIMITS IN FY2006

The JTC Group enjoyed a year of good performance in FY2006 achieving a net surplus of $776 million. This represented a 50 per cent increase compared to $516 million in the previous year. Our improved performance was mainly due to a buoyant property market resulting in a significant drop in provision for impairment losses during the year. Excluding impairment and the retrospective adjustment for additional depreciation charges, the Group maintained its operating results at the previous year’s level.

CHANGING THE FACE OF OUR INDUSTRIAL PROPERTY MARKET

As part of a long-term review aimed at optimising land use, JTC will spare no effort to rejuvenate and revitalise old industrial estates and redevelop them in line with higher plot ratios. For example, Tanjong Kling in Jurong Industrial Estate will be redeveloped into a focal point for high value-added manufacturing activities and as a base for promising local enterprises to grow
their businesses. Planning is now underway to improve the infrastructure to support high-tech manufacturing activities. Similarly, Tukang’s masterplan is being evaluated to explore how it can support an exciting business and education hub.

During the year, JTC continued with its long-term strategy of investing in industrial land and infrastructure development to help secure new high value-added manufacturing investment projects for Singapore. We launched several key industrial infrastructure projects that showcase Singapore’s ability to host high-growth industries. They include the master-planning of a new aerospace park at Seletar to support aerospace maintenance, repair and overhaul services, and the construction of a new science and engineering complex at Fusionopolis Phase 2A. Meanwhile, steady progress is being achieved at Phase 1 of Fusionopolis. Slated for completion by early 2008, the two-tower cum podium complex is integrated with service apartments cum workspaces, a clubhouse, a technology showcase and media studio as well as retail outlets.

**INCREASING COMPETITION, CELEBRATING DIVERSITY**

To spearhead diverse competition within a dynamic industrial landscape, JTC kept up the pace of its efforts to award more development projects to the private sector. Twelve projects worth $270 million were given out to the private sector in FY2006. Some of the projects included the award of Government Land Sales sites at Serangoon North Avenue 4, Ubi Avenue 4 and Changi North Street 1. JTC will continue to build up the expertise of the private sector by allocating more sites to them in the current financial year.

The Corporation pressed on with its programme to divest 1.7 million sq m of its high-rise ready-built industrial property portfolio via a combination of a Real Estate Investment Trust (REIT) and trade sale. JTC has chosen this divestment route to maintain the competitiveness of the industrial property market following divestment. The Corporation would also like to ensure price stability while achieving fair market value for the properties divested. The divestment is part of JTC’s plan to exit the development of ready-built industrial facilities in market segments where there is active private sector participation.

The properties to be divested include flatted factories, ramp-up and stack-up factories, three multi-tenanted business park buildings and a warehouse building. The Corporation will also continue to study the future plans and divestment options for its two subsidiaries – Ascendas and JURONG International Holdings.

**DELIVERING SUPERLATIVE SOLUTIONS**

Moving into the future, we have primed ourselves to confront stiffer international competition from China, India, the Middle East and the region. To continue to remain relevant, we have in place programmes to step up the quality of our industrial spaces and supporting infrastructure. We will collaborate with other government agencies to continue raising our service standards, enhance our value propositions and make it easy for investors to locate their businesses in Singapore and grow and prosper here. We will have to go beyond merely meeting customers’ needs. We must challenge ourselves to constantly anticipate their needs and exceed their expectations. Singapore must be the choice investment location for them.

**PROMOTING INNOVATION AND CREATIVITY**

In land-scarce Singapore, JTC leads the drive to challenge the status quo and introduce imaginative space solutions that will drive growth and add depth to our industrial property market. During the year, the Corporation made significant progress in pioneering futuristic industrial property products that increase land productivity and cater to niche business needs. One such truly innovative project is Jurong Rock Cavern, which was rolled out in February 2007. Singapore’s first underground oil storage cavern at Jurong Island caters specifically to the petroleum and petrochemicals industries. Under Phase 1 of the project, 1.47 million cubic metres of underground space will be constructed for the storage of crude oil, condensate, naphtha and gas oil. The project will free up surface land on Jurong Island for higher value manufacturing operations.

Another project that has captured the imagination of market players and consumers involves the refurbishment of eleven colonial black-and-white bungalows at Rochester Park. The transformation of these historic homes into a dining, lifestyle and retail enclave enhances the appeal of one-north to the scientific and business community. Rochester Park is now home to five food and beverage outlets attracting many diners. Plans are underway to introduce spas, art galleries and boutiques to the area.

In future, we will evaluate new designs for factory facilities and floating structures. We will explore the use of alternative materials for our reclamation projects and press on with our quest to maximise the use of underground space in Singapore.

**PURSuing ORGANISATIONAL EXCELLENCE**

JTC will continue to develop and strengthen the capability of its people, management systems, and processes to deliver a truly excellent performance supported by superlative service. Among other things, we will review the career development framework and look at how we can equip our staff with relevant skills and competencies for the new challenges ahead. We will also review our business processes and policies to ensure we are customer-friendly in every aspect of our operations. The Corporation will continue to leverage on information technology to further enhance our services to customers. One example of this is the revamp of the JTC corporate website to create a one-stop hub for information on JTC products. Customers can now access a full range of integrated e-services with the help of an improved user interface.

Finally, I would like to express my appreciation to our past Board Members, Kenneth Bradley, Chong Lit Cheong, Goh Hup Jin and Masahiro Yamasaki for their invaluable counsel. At the same time, we would like to warmly welcome Deputy Chairman, Mr Cedric Foo, and three new Board Members, JTC CEO Mrs Ow Foong Pheng, Dr Ernest Kan and MG Desmond Kuek. I would also like to extend my heartfelt thanks and appreciation to our staff and union members for their strong support and commitment to JTC.

Soo Kok Leng
Chairman, JTC Corporation
Enlarging Storage Space

JTC’s streamlined, new role as a catalyst for growth in the industrial property market is best reflected in its efforts to introduce new and innovative real estate solutions to Singapore. One shining example of this entrepreneurial spirit in action is the development of Jurong Rock Cavern (JRC), the first underground rock cavern for hydrocarbon storage in Singapore and South East Asia.

Built at subterranean depths beneath the seabed of Banyan Basin, Jurong Rock Cavern will support the chemicals industry on Jurong Island through the provision of safe and secure underground storage facilities for liquid hydrocarbons such as crude oil, condensate, naphtha and gas oil. Once the needs of the manufacturers on Jurong Island are met, JTC will consider opening up the JRC to other market sectors such as trading.

To be developed at a cost of $700 million, Phase 1 of Jurong Rock Cavern will have a capacity of 1.47 million cubic metres. Phase 2 of JRC, which could potentially yield another 1.3 million cubic metres of oil storage space, is currently under consideration. Existing and new manufacturers on Jurong Island have shown keen interest in Jurong Rock Cavern and available capacity in Phase 1 of the development is expected to be fully taken up prior to completion.

This novel underground storage facility showcases JTC’s commitment to maximise available resources and optimise the use of land on Jurong Island. By utilising otherwise fallow subterranean space, JRC frees up for higher value manufacturing operations land that would otherwise be used for storage facilities. Phase 1 of the JRC, for example, translates into a savings of approximately 60 hectares of surface land area.

JRC clearly illustrates Jurong Island’s successful business model in which common facilities and services are made available to oil and petrochemical manufacturers, thus freeing them up to focus on their core business activities. Jurong Rock Cavern is the result of years of hard work and determination fuelled by imagination. It is this willingness to traverse new frontiers that reinforces Singapore’s position as a global chemicals hub.
AWARDS EARNED WITH PRIDE

JTC IS PROUD TO HAVE RECEIVED THE FOLLOWING HONOURS AND ACCOLADES IN FY 2006:

- The “Logistics Park of the Year” Award for Airport Logistics Park of Singapore, a development by JTC and CAAS. Voting criteria was based on park management, customer service, park infrastructure, access to transportation and costs and tax incentives.
- MIS Asia IT Excellence Award 2006 for Best Security Strategy in the Public Sector was awarded to JTC for our IT security framework and enforcement policies that minimise damage caused by threats.
- The Ministry of Trade and Industry’s Best Project Award 2006 and Best Suggestion Award 2006 for “Reserve Launch Bank Scheme”.
- Total Defence Awards (Employers) in recognition of JTC’s support and contribution to National Defence.
- The Health Promotion Board’s Singapore H.E.A.L.T.H. Award (Gold) in recognition of JTC’s workplace programmes to motivate employees lead healthy and vibrant lives.
- The Community Chest’s SHARE Award (Silver) in recognition of JTC’s participation in the SHARE programme.

APRIL 2006 JURONG LAKE PARK OPENS

The 42-hectare Jurong Lake Park was officially opened by Minister for Education and MP for Jurong GRC, Mr Tharman Shanmugaratnam. Developed to meet the recreation needs of companies at Jurong Industrial Estate and its surrounding communities, Jurong Lake Park features a 2.8-km waterfront promenade and an adventure sports zone, among other things.

MAY 2006 JTC ANNOUNCES PLANS FOR SELETAR AEROSPACE PARK

JTC and EDB jointly announced the decision to develop some 140 hectares of land around Seletar Airport to support a new integrated aerospace industry cluster incorporating aerospace MRO, aircraft design and manufacturing, business & general aviation activities and an aviation campus.

JUNE 2006 JAPANESE EMPEROR AND EMPRESS RETURN TO JAPANESE GARDENS

Japan’s Emperor Akihito and Empress Michiko visited the Japanese Gardens in Jurong where they viewed two King Sago Palms they had planted on a previous visit in the 1970s. The royal couple was in Singapore at the invitation of President S R Nathan.

AUGUST 2006 JTC STAFF EARNED NATIONAL DAY AWARDS

A total of 18 JTC staff members were honoured with National Day awards for their outstanding contributions to Singapore.

SEPTEMBER 2006 “SARS INHIBITED” SCULPTURE IS UNVEILED AT BIOPOLIS

“A SARS Inhibited”, a sculpture commissioned by JTC to celebrate the achievements of the scientific community at Biopolis, was unveiled. Created by bio-artist Mara Haseltine, the fiery bronze sculpture depicts the key features of the SARS virus as discovered by Singapore researchers during the epidemic in 2003.

OCTOBER 2006 JTC ANNOUNCES DIVESTMENT OF 1.7 MILLION SQ M OF HIGH-RISE INDUSTRIAL PROPERTIES

JTC announced plans to divest 1.7 million sq m of high-rise ready-built industrial properties via a combination of a Real Estate Investment Trust (REIT) and trade sale. The divestment is part of JTC’s plan to ease out of the development of ready-built industrial facilities in market segments where there is active private sector participation.

NOVEMBER 2006 DELIVERING SPARKLING SERVICE

One exemplary JTC employee received the GEMS (Go the Extra Mile for Service) award and two others, the Commendation Award at the Ministry of Trade and Industry’s Singapore National Day cum GEMS Awards ceremony. Another six JTC employees received Excellent Service Awards at the 2006 Excellent Service Award Presentation Ceremony.

DECEMBER 2006 FUSIONOPOlis MARCHES AHEAD TO PHASE 2A

Fusionopolis @ one-north moved one step closer to becoming Singapore’s iconic science and engineering R&D hub with the ground-breaking ceremony for Phase 2A by Mr Lim Hng Kiang, Minister for Trade & Industry. To be developed by JTC on a 1.3-hectare site, Fusionopolis Phase 2A will comprise a new science and engineering R&D complex with over 103,300 sq m of space.

CORPORATE WEBSITE TAKES ON NEW LOOK

The JTC corporate website was revamped to create a one-stop hub for information on JTC products. The website will afford customers direct access to JTC’s full range of integrated e-services, aided by improved user interface and a fresh new layout that makes for easy navigation.

JANUARY 2007 LOOKING FOR PROPOSALS FOR A CIVIC, CULTURAL AND RETAIL COMPLEX AT ONE-NORTH

JTC called for proposals for the development and management of a Civic, Cultural and Retail Complex (CCRC) at one-north. The CCRC will be located on a 1.93-hectare plot, next to the Buona Vista MRT Station.

FEBRUARY 2007 CONSTRUCTION WORK KICKS OFF AT JURONG ROCK CAVERN

A ground-breaking ceremony, presided over by Mr Lim Hng Kiang, marked the start of tunnelling work at the site of Singapore’s first underground rock cavern for hydrocarbon storage – the Jurong Rock Cavern (JRC). Located beneath the seabed of Banyan Basin at Jurong Island, the Phase 1 storage facility will have a capacity of 1.47 million cubic metres.

MARCH 2007 DIGIPEN TO OPEN CAMPUS AT ONE-NORTH

Working with the EDB, JTC has successfully invited DigiPen Institute of Technology, a renowned US computer animation and game development school to set up a campus at PIXEL (Place of Interaction, eXchange, Education and Learning), an education hub within one-north. The college will start enrolment for degree-level courses for game development in March 2007.

CUSTOMER SATISFACTION HITS ALL-TIME HIGH

Overall customer satisfaction among JTC customers hit a record high of 86 per cent in FY 2006, up 7 per cent from the previous year’s score of 79 per cent. Conducted by external research consultants, the Customer Satisfaction Survey rates customer satisfaction in four key areas – Policy, Product, Price and Service.
Industrial Facilities Review

Riding on the robust growth in the Singapore economy, JTC’s prepared industrial land and ready-built factory facilities registered improvements in occupancy rates underscored by yet another year of positive performance in net allocations.

PREPARED INDUSTRIAL LAND

Net allocation of our prepared industrial land reached 239 hectares, achieved through strong gross allocation of 294 hectares and low termination of 56 hectares. The net allocation was the second highest in the past 10 years, following the peak in FY2005 at 268 hectares.

The chemicals industry, boosted by the allocations in Jurong Island, contributed to 35 per cent of the total net allocation of our prepared industrial land. This was followed by services and logistics industries, each contributing 21 per cent of the total net allocation.

The total stock of prepared industrial land was 5,423 hectares while demand rose to 4,637 hectares in FY2006, increasing the occupancy rate to 85.5%.

Prepared Industrial Land

READY-BUILT FACILITIES

Ready-built facilities continued to turn in a positive performance in FY2006, with net allocation reaching to 93,500 sq m, and pushed occupancy rate up from 84% to 88%, the highest in the last five years.

Flatted factory space, technopreneur space and stack-up factory space were the key growth areas in FY2006, and collectively accounted for 62% of the total net take-up. Net allocation of flatted factories registered a five fold increase to 18,700 sq m from 3,400 sq m in the previous year. Technopreneur space and stack-up factory space grew to 2,500 sq m and 36,700 sq m respectively.

Major initiatives:

• The Furniture Hub at Sungei Kadut is taking shape steadily. Crescendas, in collaboration with the Singapore Furniture Industries Council (SFIC), obtained planning approval to set up an International Furniture Centre (IFC). It is currently retrofitting the Melandas Building, which it purchased in Sungei Kadut. JTC also commenced site preparation on two vacated sites totalling 1.6 hectares for allocation to new furniture companies.

• Tukang, located in Jurong, is envisaged as an exciting Business and Education Hub of the future. The plan is to redevelop the area into a key activity node for R&D of new technologies for industry application, supported by education and commercial uses. However, this will have to be reviewed in view of the current shortage of large contiguous sites.

Business update:

In FY2006, the following industrial and manufacturing companies joined the JTC fold as customers of its industrial land and space:

• Local companies, PPL Shipyard and Keppel FELS, took up new waterfront land sites to expand their operations in response to the boom in the oil rig industry. A 9.3-hectare site at Shipyard Crescent was allocated to Keppel FELS while a 5.3-hectare site at Tuas Crescent was leased to PPL.

• Halliburton is investing some $34 million to set up a Global Technology Centre in Singapore. In Phase 1, a 2.3-hectare site in Tuas Avenue 1 will be used to undertake advanced oilfield equipment manufacturing processes. Phase 2 will see Halliburton establishing their first multi-product R&D centre in Asia.

• Chemical giant DuPont took up a 1.42-hectare site at Tuas West Avenue for a new facility to manufacture vespel parts and shapes. Vespel is a unique and high-value engineering polymer that is used in aircraft engines, industrial pumps, automotive transmission systems and semiconductor operations. DuPont intends to invest up to US$30 million in the project.

• Edwards Lifesciences, a world leader in heart valve technologies, broke ground for its new $30-million facility in Changi North. The state-of-the-art facility, scheduled for completion in October 2007, will be the company’s third global manufacturing plant producing Carpentier-Edwards PERIMOUNT replacement tissue heart valves.

PREPARED INDUSTRIAL LAND

<table>
<thead>
<tr>
<th>FY97</th>
<th>FY98</th>
<th>FY99</th>
<th>FY00</th>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>FY06</th>
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<td>40%</td>
<td>60%</td>
<td>80%</td>
<td>100%</td>
<td>0%</td>
<td>20%</td>
<td>40%</td>
<td>60%</td>
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</tbody>
</table>

Gross Allocation: | Termination: | Net Allocation: | Occupancy Rate:

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The sky will truly be the limit for Singapore’s aerospace industry when a new aerospace park takes shape at Seletar over the next few years. The 140-hectare Seletar Aerospace Park will help Singapore ride on the robust growth in the global aerospace industry. It will provide the aerospace industry, currently clustered around Changi and other parts of the island, with additional space for expansion.

Singapore’s aerospace industry has registered strong growth over the last 10 years, with annual growth rates of 12 per cent. Today, Singapore takes its place as the most comprehensive aerospace MRO hub in the Asia Pacific, with a quarter share of the Asian aerospace market.

Located at the crossroads of the Asia Pacific region, Singapore is strategically positioned to benefit from the long-term growth in aviation. With Seletar Aerospace Park, Singapore will be poised to capture a larger slice of future growth in the aviation industry, thus consolidating our leadership position as a global aviation hub.

To be developed by JTC, Seletar Aerospace Park will cater to aerospace Maintenance, Repair and Overhaul (MRO) works, the design and manufacturing of aircraft systems and components as well as business and general aviation activities.

When Seletar Aerospace Park is completed by 2015, it is expected to create 10,000 new jobs and contribute $3.3 billion annually to Singapore’s GDP. Over the next ten years, global passenger and cargo traffic is expected to grow exponentially, with forecasts of a doubling in the fleet size of aircraft based in the Asia-Pacific.

A unique feature of Seletar Aerospace Park will be its one-of-a-kind role as an aviation teaching campus for the region. A purpose-built regional aviation campus within the Park will offer training opportunities for pilots, aviation professionals and aerospace engineers and technicians. The Park is also expected to host the world’s leading aeronautical institutions. Building on Singapore’s reputation for quality educational standards and its role as an aviation hub, the aviation campus is set to become a centre of excellence for regional aviation training.

The masterplan for the park provides for the conservation and adaptive re-use of some of the original buildings of architectural merit in the area. Once refurbished, these buildings will form an integral part of a lush and architecturally rich environment to support the vibrant aerospace community envisaged for Seletar Aerospace Park.
Tanjong Kling is a 110-hectare site in Jurong. JTC’s plan is to redevelop the area into a focal point for high value-added manufacturing activities and strategic investment that can also serve as a base for promising local enterprises to grow their businesses. The completed master plan for the estate calls for the realignment of the road network, the upgrading of the sewer system and the development of a new power sub-station. Other services such as water and natural gas supply will be provided. All these are to ensure hassle-free start-ups for companies.

JTC draws on the expertise of a panel of real estate agents to help with the marketing of selected ready-built facilities. From 1 Dec 2006, JTC expanded the panel of agents to 14 agencies, up from six previously. They included smaller agencies to reach out to local SMEs. JTC’s marketing function for selected ready-built facilities had been outsourced to the private sector since 2004.

Major project in progress:

Soilbuild Group Holdings Ltd was allocated a site in Senoko for the development of a cluster of 15 standard food factories. The development will be subdivided into 15 strata lots for each factory, with the common areas jointly owned by the respective factory owners, through the formation of a Management Corporation.

Update on Government Land Sales (GLS) Programme:

Five GLS sites were launched for sale in 2006. All the sites had been awarded. With the exception of the Serangoon North Avenue 4 site, which was awarded even though the tendered price was 10% below the reserve price, the other four sites received bids that were higher than the reserve price. Please refer to Table 1 for details.

Table 1: Summary of GLS sites Launched in FY2006

<table>
<thead>
<tr>
<th>Location</th>
<th>Site Area</th>
<th>Successful Tenderer</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serangoon North Ave 4</td>
<td>2.92 ha</td>
<td>Orion-One Development Pte Ltd</td>
<td>Awarded on 30 Aug 2006</td>
</tr>
<tr>
<td>Ubi Ave 4/Ubi Link</td>
<td>3.86 ha</td>
<td>Sim Lian Development Pte Ltd</td>
<td>Awarded on 4 Sep 2006</td>
</tr>
<tr>
<td>Changi North Street 1</td>
<td>1.50 ha</td>
<td>Global Orion Properties Ltd</td>
<td>Awarded on 27 Nov 2006</td>
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<td>L2 Serangoon North Ave 4</td>
<td>0.95 ha</td>
<td>First KNG Pte Ltd</td>
<td>Awarded on 25 Jan 2007</td>
</tr>
<tr>
<td>Enterprise Road</td>
<td>2.01 ha</td>
<td>CTE Properties Pte Ltd</td>
<td>Awarded on 13 Mar 2007</td>
</tr>
</tbody>
</table>

* Overall, GLS prices are moving up, in line with strong economic performance, rising demand from end-users and keen competition from developers. When fully built, the five GLS sites will yield an estimated 230,000 sqm of factory space.

one-north

Since development work at one-north commenced in 2001, the R&D hub has been blossoming into a vibrant and stimulating hotspot for scientists, entrepreneurs and researchers. With a focus on knowledge-intensive activities in biomedical, infocomms and media industries, one-north has attracted high-potential talents from the world over to set up their R&D activities in Singapore. More new developments to create R&D and multi-faceted living spaces, supported by ‘play’ and ‘learn’ facilities, took off in FY2006.
ICT and media-related schools and activities in one-north. DigiPen Institute of Technology, a renowned US computer animation and programming school, will be setting up their Asian campus in PIXEL to offer undergraduate and postgraduate degree programmes related to 3D animation, real-time interactive simulation and games development.

Major projects by private sector:
To encourage the private sector to develop 80 per cent of one-north, a number of high profile projects have been awarded to private developers. They included a business hotel, serviced apartments and residential units to cater to both the live-in and transient population at one-north.

- one-north Residences, a 405-unit condominium, was the first housing project to be rolled out at one-north. The 1.5-hectare site was awarded to Vista Development, a joint venture between United Overseas Land, Kheng Leong and Low Keng Huat. It was put on the market in March 2007 and was very warmly received by homebuyers. This development is expected to be completed in 2009, it will break new ground with concepts such as fenceless and open floor spaces on the ground floor as well as the integration of two conserved Slim Barracks buildings within the grounds.

- Construction of a business hotel, residential and mixed-use complex by United Engineers Development Pte Ltd will commence in 2007. The 1.4-hectare development is intended to support a range of accommodation requirements for one-north, providing 220 hotel rooms, 121 serviced apartments and 350 condominium units. The development is scheduled to be ready by 2010.

- Ascendas held an opening ceremony for Biopolis Phase II in October 2006. The two interconnected buildings, Neuros and Immunos, come with 37,000 sq m of high quality research and development (R&D) space. They have drawn strong expressions of interest from biomedical companies. With the completion of Phase II, Biopolis now has nine buildings with a total built-up area of 222,000 sq m.

BUSINESS PARKS
JTC manages two business parks which are dedicated to technology and valued-added knowledge-based businesses. The 37-hectare International Business Park (IBP) and the 66-hectare Changi Business Park (CBP) offer good quality facilities set amidst beautifully landscaped grounds.

Business update:
- A 0.5-hectare site at Changi Business Park was allocated to HSBC Institutional Trust under a third party built-and-lease scheme. Completion of the proposed seven-storey business park building, HansaPoint@CBP, is set for December 2007. The anchor tenant will be Rohde & Schwarz, a German supplier of solutions in the fields of test and measurement, broadcasting, radio monitoring, radiolocation and radio-communications.
- At International Business Park, a 0.8-hectare site was leased to Eurochem Corporation for the development of a business park building for R&D of energy-related products and data processing. The building will have 12,500 sq m of space.

Major initiative:
- JTC launched a Request-for-Proposal (RFP) for the development of a multi-tenanted business park building at a 1.8-hectare site at IBP in March 2007. Private developers have responded warmly to the RFP that is scheduled to close in May 2007. JTC hopes to award the site in August.
JTC forged ahead with its ambitious plans for one-north, Singapore’s scientific hothouse for cutting-edge talent, technology and R&D, with the launch of Phase 2A of Fusionopolis@one-north in December 2006.

Spread over a 1.3-hectare site at Ayer Rajah Avenue, Phase 2A of Fusionopolis will comprise a $250 million research and development complex catering to the science and engineering cluster. The complex, to be developed by JTC, will feature dry and wet laboratories, clean-room facilities as well as ground floor retail units, adding up to a gross floor area of 103,600 sq m.

With its inter-disciplinary laboratories and state-of-the-art facilities Phase 2A is ideally suited to the needs of the research institutes under A*STAR’s Science and Engineering Council (SERC). In fact, four research institutes, namely the Institute of Microelectronics, the Institute of Materials Research and Engineering, the Data Storage Institute and the Singapore Institute of Manufacturing Technology will be the anchor tenants of the development.

Phase 2B of Fusionopolis, located adjacent to Phase 2A, will be developed by the private sector for industry tenants. Repeating the successful formula of shared facilities pioneered at Biopolis, industry players at Fusionopolis will be able to make use of SERC’s state-of-the-art facilities including an R&D foundry for research into silicon, polymer & organics and magnetic devices as well as test beds for new technologies such as fuel cells and other alternative energy sources.

The deliberate juxtaposition of private and public sector research labs side-by-side will help foster a spirit of collaboration, innovation and experimentation between private industry players and public research institutes. The shared scientific facilities also serve as a springboard for industry players to step up to a higher level of R&D work without needing to invest heavily in equipment and facilities.

Phase 1 of Fusionopolis, which will be completed by 2008, is already fully taken up while demand for Phase 2A is fast outstripping supply. To be developed in five phases over 15 years in response to market demand, Fusionopolis will be spread over 30 hectares when it is fully completed. More importantly, this scientific powerhouse will embody technology integration at its best, marrying expertise in material, devices and platform technologies with systems know-how to provide total solutions for industry partners.

As the master developer of Fusionopolis, JTC is proud to play its part in creating a stimulating and challenging environment for Singapore’s R&D work in the physical sciences and engineering.
SPECIALISED PARKS FOR INDUSTRY CLUSTERS

To support the growth of key industry clusters, JTC masterplans and develops high quality infrastructure and value-added services in dedicated specialised parks for companies in the biomedical, chemicals, logistics, wafer fab and aerospace industries.

BIOMEDICAL PARKS

JTC’s two biomedical parks at Tuas are designed to host bulk active pharmaceutical and bio-pharmaceutical manufacturers. FY2006 saw a number of key investments at the two biomedical parks.

Business update:
- The Lonza Group entered into a joint venture with EDB’s biomedical venture capital arm, Bio*One Capital, to build a US$250-million mammalian-cell biologics manufacturing facility in Tuas Biomedical Park (TBP). In biologics or biopharmaceutical production, drugs are made using living cultures from mammalian cells or microbes and are said to be more effective than chemical-based drugs.
- GlaxoSmithKline (GSK) is building a new $300-million primary vaccine manufacturing plant in Lonza. The plant will manufacture vaccines for pneumonia, influenza and meningitis. This is GSK’s largest vaccine investment in Asia and Singapore’s first primary vaccine plant. It will be completed in 2010 and more than 200 jobs will be created to support the facility.
- Abbott Laboratories started construction of a $450-million nutritional plant at a 16-hectare site at Tuas Biomedical Park 2. This is Abbott’s largest investment in Asia.

AEROSPACE PARK

With the sustained high growth in the aerospace industry, there is a need to develop a new aerospace park to meet the needs of aerospace companies in Singapore. During FY2006, JTC and EDB jointly announced the development of Seletar Aerospace Park.

- Seletar Aerospace Park will be developed into an integrated aviation hub to support aerospace maintenance, repair and overhaul (MRO); design and manufacturing of aircraft systems and components; business & general aviation activities, and an aviation campus for the training of pilots, aviation professionals and technical personnel. The park will support the aerospace industry’s growth and maintain Singapore’s leadership position as an MRO hub in the Asia-Pacific region. Seletar Airport will be upgraded with instrument landing systems and runway extensions so as to be on par with its regional counterparts. JTC is drawing up the master plan for the 140-hectare park, which is likely to be finalised by June 2007.

JURONG ISLAND

Several projects were launched at Jurong Island, one of the world’s largest ethylene production centres and the third largest refining centre in the world. There are more than 90 companies on the island, with a total investment of more than $26 billion.

Business update:
- Lucite International, a world-leading producer of methyl methacrylate (MMA), commenced construction on its $300-million MMA plant at Sakra Avenue. Lucite’s plant will use its proprietary Alpha technology to produce 120,000 tonnes of MMA per year.
- Concord Refinery announced its plan to build a $570-million condensate splitter refinery at a 20-hectare site. The refinery has a refining capacity of 75,000 barrels per day.
- Unimatec commenced construction on its $40-million acrylic rubber manufacturing plant at a 3-hectare site. Acrylic rubber is used in the production of automotive components such as hoses, oil seals, gaskets and moulded parts.
- Nexsol Singapore started construction on its $34-million biodiesel plant at Seraya Place. It will produce 200,000 tonnes per year of biodiesel. Biodiesel is commonly used in blends with petroleum-based diesel fuel while its by-product glycerine is used as feedstock for downstream specialty chemicals.
- Shell Eastern Petroleum launched its $4.5-billion project at Pulau Bukom in October 2006. It will build a world-scale cracker with an annual production capacity of 800,000 tonnes of ethylene and 400,000 tonnes of propylene as well as upgrade and expand its existing refinery. In addition, Shell will invest $1 billion in a plant at Jurong Island to produce monoethylene glycol and ethylene oxide.
- SI Group started construction on a $66-million alkyphenol plant at a 3.15-hectare site at Banyan Avenue. SI Group and CBASC will be jointly developing a mega additives complex which is expected to be Asia’s largest integrated specialties complex.

Major initiative:
- TG-SN Pte Ltd started construction on the first Process & Maintenance facility on Jurong Island after winning the award for a Request-For-Proposal in early 2006. The facility consists of 18 units of single-storey terrace factories with mezzanine ancillary offices targeted for the process & maintenance industry serving Jurong Island companies. It is expected to be ready in 2007.
LOGISTICS PARKS

JTC has dedicated logistics parks to cater to the air, chemicals and general warehousing industries.

Business update:
- Helios Terminals started construction on its $100-million bulk liquid terminal at a 14.7-hectare site at Jurong Island with a storage capacity of 448,000 cubic metres. Provisions have been made for the tanks to be upgraded to handle Class I products, such as naphtha, in the future. The facility will also be used for the blending operations of various petroleum products.
- Horizon Singapore Terminals embarked on the phase 3 expansion of its bulk liquid terminal. It will invest $95 million on a 5.9-hectare site at Jurong Island to expand its storage capacity to about 1.2 million cubic metres.
- Agility International Logistic took up a 1.1-hectare site at Changi International LojsiPark (North) to build a two-storey ramp-up warehouse.
- Oiltanking Singapore launched its tank-farm expansion at two sites on Jurong Island during the year. The investments will cost $63.8 million and will cover a total of 7 hectares.

WAFFER FAB PARKS

JTC has four wafer fab parks and one advanced display park for wafer fabrication and advanced display facilities. The parks are located in Woodlands, North Coast, Tampines and Pasir Ris.

Business update:
- Soitec, the world’s leading manufacturer of silicon-on-insulator (SOI) wafers and other engineered substrates, held a ground-breaking ceremony in August 2006 at Pasir Ris Wafer Fab Park for its new 300-mm wafer fab plant. The $660-million facility is scheduled to start supplying SOI wafers by 2008, when it is expected to ramp up production capacity to 1 million wafers per year.
- Korean-based Samsung and German-based Siltronic AG are building a 300-mm wafer substrate manufacturing facility at Tampines Wafer Fab Park. The joint venture company, known as Siltronic Samsung Wafer Pte Ltd, will be Siltronic’s largest production facility when fully operational. It is expected to produce 300,000 wafers per month. The total investment will amount to US$1 billion.

HOUSING FACILITIES FOR FOREIGN TALENT

JTC has been operating a Scheme for Housing of Foreign Talent (SHIFT) to provide affordable, quality housing for foreign professionals for the past nine years. In view of HDB’s liberalization of subletting rules for HDB flat owners, the supply of HDB rental flats will increase to meet the demand from both locals as well as foreign talent. Hence, JTC has been scaling down by gradually reducing its portfolio of SHIFT flats through a sales programme.

Business update:
- Demand for SHIFT flats has been strong due to improved economic conditions. The scheme remains popular with foreign talent from countries like China, Malaysia, India and other Southeast Asian countries. For FY2006, SHIFT achieved a healthy occupancy rate of 88%.
- The sale of JTC’s SHIFT flats was executed according to market demand and at market prices, and at a pace that allows for gradual absorption by the resale market. In FY2006, JTC successfully launched five phases of the sale of flats by marketing agents.
- JTC’s dormitories continued their outstanding performance with a high average occupancy of 97% in FY2006, up from 96% in FY2005. This was attributable to the strong take-up rate from the booming marine and process industries, coupled with the expansion of key tenant companies from the manufacturing sector.
- Chip Bee Gardens continued to achieve almost full occupancy, hitting 99% as at end March 2007.

Major initiative:
- With improving market conditions, JTC launched an open tender for the sale of Kian Teck Dormitory, Woodlands Dormitory and Tampines Dormitory in March 2007. JTC has packaged the sale in such a way as to give potential tenderers the choice of bidding for one, two or all three of the dormitories. This is expected to entice new players to express an interest in these projects.

Major projects in progress:
- A 1.5-hectare site at Penjuru Place was awarded to a private developer, Mini Environment Services Pte Ltd. The developer completed the development of a dormitory to house 6,000 foreign workers in the process industry in April 2007.
- Given the strong demand for dormitory housing for the marine industry, JTC has obtained URA’s approval to release a 2-hectare site as a dormitory project for marine industry workers. The site is targeted for release via open tender in June 2007.
As Singapore’s lead agency for the development of industrial facilities, JTC aims to create vibrant industrial spaces that respond to the business and lifestyle needs of its tenants. This vision has led JTC to introduce mixed-use amenities to industrial spaces so as to create a more lively, pleasing and conducive environment for those who work in these places and live around them.

In January 2007, the Corporation launched a Request-for-Proposal for the development and management of a Civic, Cultural and Retail Complex (CCRC) at one-north, a 200-hectare knowledge-intensive development for R&D and entrepreneurial activities. The CCRC will be strategically located on a 1.93-hectare plot adjacent to the Buona Vista MRT station, the largest land parcel at one-north to be made available for private sector development.

When completed, the CCRC is set to be the cultural, social and business centrepiece of one-north. Provisions have been made for a performing arts centre, concert hall or auditorium that would be suitable for hosting conferences, cultural performances and exhibitions. A good mix of business support facilities, retail spaces, entertainment facilities and food & beverage outlets will complement the cultural component at CCRC. The upcoming Circle Line-Buona Vista MRT exchange is expected to boost CCRC’s drawing power, leading to its evolution into a sub-regional centre.

The concept behind one-north is truly unique, predicated on unconventional mixed-land use to create an intellectually vibrant work-live-play-learn environment. The CCRC’s unique blend of civic, cultural and commercial facilities goes a long way towards supporting this lofty vision.

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one-north’s imaginative formula is also well supported by the retail and lifestyle activities at Rochester Park. Once a leafy, quiet estate of colonial bungalows off Buona Vista Road, Rochester Park now enjoys a new lease of life as one of Singapore’s latest and most charming dining and lifestyle enclaves.

JTC has helped achieve this transformation for Rochester Park through the sensitive conversion of 11 double-storey black-and-white bungalows for adaptive re-use complete with gardens and outdoor decks for dining under the stars.

Rochester Park is home to a total of 40 black and white bungalows, built 70 years ago. JTC is currently making plans to invite the private sector to refurbish another 20 of these bungalows into serviced villas for commercial use. With its relaxed, lush tropical ambience and imaginative dining and lifestyle options, Rochester Park fits in perfectly with JTC’s vision of a convivial environment for scientists and researchers to meet, network and exchange ideas at one-north.

JTC also seeks to expand the lifestyle options of all those who work and live around its many industrial spaces around the island. In April 2006, Jurong Lake Park was opened near Jurong Industrial Estate, Singapore’s pioneer industrial park and JTC’s maiden project back in the 1970s.

In designing the park, JTC took great care to conserve old trees and mangrove swamps from the original site. Thoughtful tropical landscaping and a 2.8-kilometre long waterfront promenade with views of the Jurong Lake and Chinese and Japanese gardens reinforce the park’s soothing, back-to-nature appeal. The park also incorporates recreational features like jogging and cycling tracks, fishing jetties, and various facilities to meet the diverse needs of park users.

The 42-hectare Jurong Lake Park is part of JTC’s plan to introduce more amenities to add life, colour and buzz to the Jurong area.
ASCENDAS

During the year, Ascendas scaled up its operations in markets where it has a first mover advantage and strengthened its position as the business space solutions provider with the largest geographical footprint across Asia.

In China, Ascendas broke ground for its new Ready-Built Facilities (RBFs) in the Linhu Economic Zone of Wujiang, Jiangsu. Phase 1 of the development covers 10.7 hectares with 60,000 sq m of space. Ascendas also made its first acquisition in Nanjing with the purchase of a cluster of four new high-tech office buildings and adjacent amenity centre. Rebranded as Ascendia iHub, this complex is targeted at China’s fast-expanding IT outsourcing and R&D industries.

In Singapore, Ascendas launched Frontier at ePark@Ubi for sale. The five-storey ramp-up strata terrace factory development has 235 units. Ascendas also celebrated the completion of Biopolis Phase II in October 2006. The Phase II complex releases 37,000 sq m of space and it has drawn strong interests from biomedical companies. Ascendas also secured a build-and-lease project to develop Veritas DGC’s first dedicated facility in Singapore. The building will be completed in the fourth quarter of 2007.

Over in India, Ascendas further fuelled its growth with the injection of new properties to its fund management portfolio. The Ascendas India IT Parks Trust, a private real estate fund set up by Ascendas, has added a third property, Cyber Pearl in Hyderabad, to its portfolio through the acquisition of LTIAL (L&T Infocity- Ascendas Ltd), the company that owns Cyber Pearl. Ascendas also completed its sixth building at the International Tech Park, Bangalore. Called The Navigator, the building provides 400,000 sq ft of space to companies in IT and IT-enabled services industries. Following the completion of The Pinnacle, part of Phase I of International Tech Park, Chennai in September 2005, Ascendas embarked on Phase II of the project.

In South Korea, Ascendas launched a new real estate fund, the Ascendas Korean Office Fund, with Samsung Life Insurance, Korea Life Insurance, and LG Insurance as co-investors. The fund has acquired strata-titled office units at Anam Tower, located in the upscale Yeoksam-dong area of Seoul’s Gangnam on Teheran-ro. The strata units acquired are the equivalent of 82% of the office portion of the 20-storey commercial property.

In the Philippines, Ascendas celebrated its 10th anniversary with expansion plans of its flagship project, Carmelray Industrial Park (CIP) II in Southern Luzon. Development will start on six hectares of land. The expansion will add 30,000 sq m of Ready-Built Facilities (RBFs) or Build-to-Suit space to meet demand for quality industrial and business process outsourcing (BPO) space. In addition, the company also established an alliance with the Net Group, a top provider of BPO facilities for companies in the Philippines. The partnership will invest in five boutique office buildings serving Business Process Outsourcing (BPO) companies in Bonafacio Global City. These buildings are located within e-Square, a Philippine Economic Zone Authority (PEZA)-registered IT Special Economic Zone in Taguig, Metro Manila.

JURONG PORT

Jurong Port handled 10.1 million tonnes of bulk and conventional cargo and over 816,000 TEUs in FY2006.

At the end of 2006, the Container Terminal welcomed the start of operations by two new services, the Hyper Galex Service (HGX) – a joint service by Emirates Shipping Line, TS Lines and the Shipping Corporation of India; and UASC’s Singapore India North America Service (SINA) Service.

In the first half of 2007, the Container Terminal commissioned five new 22-row across quay cranes and saw the completion of the Berth J25 extension. This pushed its annual handling capacity to 1.8 million TEUs as compared to 1.4 million TEUs previously.

Over at the Conventional Terminal, an expansion phase is underway with the upgrading of five existing Berths, the building of 1,095 m of new berths and the development of 27,500 sq m of new warehouse space, 16,000 sq m of new open storage space and 400 ground slots of container storage yard. Additionally, a new 12-lane Main Gate and two new terminals are being developed. A new Small Craft Terminal will cater to the increase in small vessels while a new Lighter Terminal at Penjuru will also be built.

During the year, the Port sold its multi-storey warehouse, Jurong Logistics Hub, as part of its plan to divest non-core businesses.

JURONG INTERNATIONAL

FY2006 saw JURONG International winning more than 170 new projects, in Singapore and targeted overseas markets. These contributed to a total order book in excess of $500 million. To date, JURONG International has projects in 36 countries, spanning over 126 cities.

JURONG International clinched high profile consultancy projects in Panama, Equatorial Guinea and Egypt. Its presence in the Middle East was further enhanced by the newly signed MOU with the Saudi Arabian General Investment Authority for the provision of consultancy services in the development of Economic Cities.

In India, JURONG International further strengthened its presence as a premium consultancy firm. Besides specialising in IT parks, Specialised Economic Zones and townships, JURONG India expanded its reach into high-end residential housing, hotels and shopping malls. Two prominent projects for the year were the Dhirubhai Ambani Energy City and Hitech II Tech Parks.

In China, JURONG International strategically secured building projects for reputable clients of the likes of Micron, Roca and Baxter. Significant growth was achieved in its master planning, design and project management consultancy business. In addition, new projects in cities such as Xian, Anqing, Guangzhou and Tianjin were secured.

JURONG International’s Facilities Management continued to extend its reach into the United Arab Emirates’ market. The Dubai joint venture company was fully operational, inking a joint-venture agreement with OTC, a well-established company in Fujairah.

On the local front, JURONG International succeeded in securing a prestigious Design & Build project for Goodrich Campus and marked another milestone with the completion of the Horizon Terminals’ jetties in Jurong Island.
The JTC Group enjoyed a year of good performance in FY2006 achieving a net surplus of $776 million. This represented a 50 per cent increase compared to $516 million in the previous year. All our subsidiaries registered better performances and contributed positively to the Group’s performance. Contributions from our associated companies further lifted the Group’s results.

Our improved performance this year was mainly due to a buoyant property market resulting in a significant drop in provision for impairment losses during the year. Excluding impairment and the retrospective adjustment for additional depreciation charges, the Group maintained its operating results at the previous year’s level.

The Group saw an increase in income largely due to gains from the disposal of investee companies by one of the subsidiaries. Total expenditure, excluding impairment losses rose marginally by $4 million to $979 million arising mainly from higher depreciation charges brought about by a change in useful lives for escalators, lifts and air-conditioning systems.

INCOME
The Group generated higher land and building income in FY2006. Increased net allocation and occupancy rate as well as higher overseas revenue from India and China contributed to the increase in building income. Agency income rose with new projects undertaken. Fund management fees rose as a result of the acquisition of India and Korea Funds and higher base fee on existing funds managed. Sales of development properties plunged by $54 million as there were substantial disposals to A-REIT in the previous financial year as opposed to none in FY2006. The Group’s engineering income fell during the year as a result of fewer design and build projects. Port income was reduced due to the loss of a key customer but this was partially offset by an increase in cargo throughput, thus resulting in a marginal reduction.

Gains from the disposal of investee and associate companies as well as those from the sale of land further boosted the Group’s income. Higher interest income came with a general rise in interest rates and higher average cash balance placed in fixed deposits.

EXPENDITURE
The Group’s higher depreciation charges were attributed to the change in useful lives of escalators, lifts and air-conditioning systems. Maintenance and conservancy expense rose mainly due to higher tariffs for electricity. This was offset by lower cost of sales in correspondence with lower sales income. Similarly, the Group’s engineering costs were reduced in line with fewer engineering projects.

The Group invested a total of $939 million on capital expenditure, consisting of land and building purchases and development works. In FY2006, there were acquisitions of buildings in China and Korea and capital investments in one-north and Jurong Island.
JTC is well aware that its vision of a dynamic industrial property market will only become a reality in an environment that supports the spirit of enterprise. In recent years, JTC has systematically introduced a series of pro-enterprise initiatives ranging from policy to service improvements and online communications. This has resulted in overall customer satisfaction levels reaching 86 per cent in FY2006. This is a jump of 7 per cent from the 79 per cent achieved in FY2005.

One initiative introduced was a deferred payment cum instalment downpayment scheme. Instead of a lump sum payment, the scheme allows lessees to pay the 20 per cent downpayment of the purchase price for an industrial premise in equal monthly instalments over a period of 24 months at an interest rate of 3.75 per cent per annum. The scheme, which took effect in July 2006, also allows for the remaining 80 per cent of the purchase price to be paid with the last instalment payment at no additional interest.

JTC lessees have welcomed this policy improvement as it gives them greater control over the operational costs and cash outlays, freeing them to pursue their long-term business plans with greater certainty.

In another initiative designed to enhance customer satisfaction, lessees under the 4 per cent fixed rental revision scheme were offered the opportunity to convert to the 5.5 per cent capped rental revision scheme in January 2006. The conversion benefited lessees by allowing them to enjoy the reduction in land rentals introduced by JTC in accordance with market movements.

Doing business with JTC is now more convenient than ever thanks to our customer-friendly online forms as well as a new online payment service, Flexipay. This is an Internet Giro-on-Demand payment solution introduced in January 2006 to give JTC customers the flexibility to authorize online payments to any government agencies from their bank accounts by using their SingPass. It also gives our customers the convenience of making hassle-free payments at anytime in Singapore or from overseas.

Customers now also have the option of downloading and saving their JTC e-statements in PDF format for future reference. They are also informed via email when their statements are ready, saving them from logging on to Krypton, JTC’s customer portal, to obtain the necessary payment information.

Access to JTC’s integrated range of e-services was made even more seamless from December 2006, with the launch of the redesigned JTC website at http://www.jtc.gov.sg. Customers can now gain direct access to Krypton from JTC’s new homepage. The website’s layout and interface were also improved to make it easier to navigate, retrieve information and make online submissions. In addition, clear service standards were published to help guide customers.

Further improvements have transformed JTC’s new website into a one-stop hub for all information related to JTC products. In particular, information on JTC’s business portals comprising Phase Z.Ro, Technopreneur Centres, Chip Bee Gardens, Business Parks and Jurong Island have all been consolidated on to JTC’s new, user-friendly website for the convenience of our customers.
JTC’s Board comprises 11 members, with Mr Soo Kok Leng as Chairman. The Members include representatives from leading private-sector companies as well as senior government and union officials.

Members give advice to steer the Corporation towards fulfilling its vision. They meet with external auditors to have open exchanges, 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 FY 2006 to review major policies and approve financial statements, annual budget and major projects.

The Board has established three committees to assist it in carrying out its duties: Audit Committee, Board’s Staff Committee and Divestment Committee. (The Executive Committee was dissolved in October 2006).

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
Chairman Ms Chua Sock Koong
Members Mr Jen Kwong Hwa
Mr Gary Kee
Mr Masahiro Yamasaki
(term of office ended on 20 November 2006)

The Audit Committee’s terms of reference include:

1. To review the annual accounts of JTC before its submission to the Board for approval.
2. To approve changes to the financial authorities as provided for in the JTC Financial Manual.
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 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 2006.

**BOARD’S STAFF COMMITTEE**

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<th>Position</th>
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<tr>
<td>Chairman</td>
<td>Mr Soo Kok Leng</td>
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<td>Deputy Chairman</td>
<td>Mr Cedric Foo</td>
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<td>Members</td>
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<td>Mrs Ow Foong Pheng</td>
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<td>CEO (JTC)</td>
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The Board’s Staff Committee’s terms of reference include:
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:
   i. To approve the Professional Officers Scheme of Service.
   ii. To approve the appointment of Heads of Group and above other than the Chief Executive Officer and direct reports (senior officers) to Chief Executive Officer.
   iii. 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 on Grade 3 and above.
4. To consider and approve any staff matters related to senior officers which may be referred to the Committee from time to time.

The Board’s Staff Committee met three times in FY 2006.

**DIVESTMENT COMMITTEE**

(formed with effect from 1 January 2007)

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The Divestment Committee’s terms of reference include:
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 2006.

**JTC SUBSIDIARY COMPANIES’ SENIOR MANAGEMENT**

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<tr>
<td>Ms Chong Siak Ching</td>
<td>President &amp; Chief Executive Officer</td>
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<tr>
<td>Mr David Tan</td>
<td>Director</td>
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<tr>
<td>Mr Han Chiaw Juan</td>
<td>Director</td>
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<tr>
<td>Mr Lim Chin Chong</td>
<td>Director</td>
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<tr>
<td>Er Tang Tat Kwong</td>
<td>President &amp; Chief Executive Officer</td>
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<td>Mr Matthews Chan</td>
<td>Chief Executive Officer</td>
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**Senior Management**
在接下来几年，一个崭新的宇航园将在实里达出现，届时新加坡宇航界将真的腾飞万里。占地140公顷的实里达航空园区将协助新加坡伴随着全球宇航工业的强健增长。它将提供目前聚集在樟宜以及本岛其它地方的宇航工业额外的扩展空间。

新加坡宇航业已经在过去10年取得强劲增长，每年的增长率为12%。今日，新加坡是亚太区最全面性的宇航维修和检查（MRO）中心，在亚洲宇航市场拥有四分之一的占有率。

新加坡位于亚太区交叉口的优越地理位置势必从航空业的长期增长中受益。有了实里达航空园区，新加坡将有机会争取到航空业的一大块未来增长成果，由此巩固我们成为全球航空枢纽的领导地位。

由裕廊集团发展的实里达航空园区将用作宇航维修和检查工作，飞机系统与零件的设计和制造，以及迎合商业和一般航空活动。

实里达航空园区在2015年竣工时，预计将会创造1万份新就业机会，每年对新加坡国内生产总值贡献33亿元。在接下来10年里，全球飞机搭客和货运交通料会快速增长，据预测亚太区的航空飞行队伍将增加一倍。

实里达航空园区的一个特征是它将在这区域扮演航空培训学院的角色。园区里的航空培训学院将为本区域提供机师、航空专业人士、宇航工程师和技士训练机会。航空园区也料会迎来世界主要航空学院。航空培训学院以新加坡优质教育水准和航空枢纽的声誉为基础，成为卓越的区域航空培训中心。

航空园区的总蓝图将保留了一些原有建筑的优点和适当重新使用。一旦翻新后，这些建筑将形成一个茂盛葱绿和丰富建筑色彩环境中不可缺少的部分，成为赋予实里达航空园区富有活力的宇航社群一大支柱。

裕廊集团作为促进工业地产市场增长的精简角色，也致力于为新加坡推出新地产方案。裕廊集团的最新发展是和合作伙伴共同开发新加坡地下储油库，以储存碳氢化合物。这项发展包括了一个独特的地下储油库，可以储存大量的原油和燃料，以支持新加坡的石油和天然气工业。

裕廊岛地下储油库的建设耗资7亿元，第一阶段将提供147万立方米的储油量。第二阶段则计划在第一阶段的基础上增加130万立方米的储油量。裕廊岛地下储油库的首阶段已经获得裕廊岛生产商的热烈反响，第一阶段的储油空间在竣工前已经被预订一空。

裕廊岛地下储油库的建设是裕廊集团成功的商业模式的一部分，它展示了裕廊集团在地产开发方面的实力。这项发展也显示了裕廊集团在支持新加坡工业和基础设施方面的决心。

裕廊岛地下储油库的建设是裕廊集团的一个重要里程碑，显示了裕廊集团在地产开发方面的实力。这项发展也显示了裕廊集团在支持新加坡工业和基础设施方面的决心。
主席声明

在2006财年，裕廊集团以超凡的努力显示卓越的表现，奠定企业未来的持续性增长和成就。

为开拓新远景挺进

工业设施的需求十分强劲，集团共有239公顷工业地段以及9万3500平方米现成工业设施的净认购。裕廊集团把握时机开放更多工业发展项目给私人发展商，这些积极措施的目的是要为新加坡的工业景观注入更多活力、生气和竞争性。

在这一年里，裕廊集团也孵化了几项富有创意又资本密集，对未来的新加坡工业景观有深远影响的发展项目，其中主要是裕廊岛地下储油库（Jurong Rock Cavern）、启汇城2A阶段（Fusionopolis Phase 2A），以及实里达的一个航空园区。

在裕廊集团，我们经历主要机构检讨，重新定义为我们的使命和角色下定义，以向新远景挺进。在我们发展的这个关节上，我们应该追求优先展开新策略性项目，以在竞争日益激烈的全球环境中推动我们至下个持续性的强劲增长阶段。

与此同时，我们将持续优化土地利用，采取整体性方针来确保我们的土地资源能够适当分配开来，以满足日益竞争激烈的工业环境中的工业需要。裕廊集团将继续努力加强私人业界的发展专才，让他们有更好的条件来竞争一流工业设施项目，以结合房地产投资信托基金（REIT）和同行拍卖的方式来分配我们的非核心资产。脱售计划是集团退出已经出现活跃私人业界参与的现成工业设施市场计划的一部分。

在这一年里，裕廊集团继续着重于工业用地和基础设施发展的长期投资策略，用以协助新加坡把握其新高增值的制造投资项目。我们推出几个主要工业基础设施项目，奠定新加坡扶持高增长工业的能力。裕廊集团将继续研究腾飞（Ascendas）和裕廊国际控股两家子公司的未来计划和脱售选择。

提供最佳方案

展望未来，裕廊集团已准备好，应付来自中国、印度、中东以及区域更加激烈的国际竞争。为保持优势，我们将继续部署计划来提高我们的工业楼面和基础设施的质量。我们将同其它政府部门合作，继续提高我们的服务水平，加强我们的价值建议，方便投资者在新加坡设立并扩展业务。我们必须跨越单纯符合客户的需要，不断地预期他们的需求并超越他们的期待，使新加坡成为他们的首选投资地点。

促进创意和创新

在土地稀缺的新加坡，裕廊集团扮演领导者的角色，推出富有想象力的地产方案，以推动增长和提高我们的工业地产市场的深度。裕廊集团以创新的方法来开发新的工业设施项目，以结合房地产投资信托基金（REIT）和同行拍卖的方式来分配我们的非核心资产。脱售计划是集团退出已经出现活跃私人业界参与的现成工业设施市场计划的一部分。裕廊集团将继续研究腾飞（Ascendas）和裕廊国际控股两家子公司的未来计划和脱售选择。

2006财年推向极限

裕廊集团在2006财政年的业绩表现亮眼，净盈余达到7亿7600万元，比前年增长了50%，这个出色的表现和2006年的房地产市场出现整体好转，在不包括损坏亏损以及额外拆旧费后，集团的业绩维持在前年的水平。

改变我们工业地产市场的面貌

在优化利用土地作为目标的部分长期检讨中，裕廊集团将不惜余力地恢复和重建旧有工业地区的活力，配合较高密度比率来重新发展它们。例如裕廊工业区的丹戎吉宁（Tanjong Kling）将重新发展成高增值制造活动中心，以及成为本地前景光明的企业扩充业务的发展基础。裕廊集团将继续研究腾飞（Ascendas）和裕廊国际控股这两家子公司的未来计划和脱售选择。
另一个抓住了市场业者和消费者想象力的项目是罗里斯德园（Rochester Park）11栋殖民地黑白式洋房的翻新。这些历史性住屋转变为用餐、生活时尚以及零售场所，提高了纬壹科技城（one-north）对科学家和商家社群的吸引力。罗里斯德园如今是5家餐饮店的所在地，吸引了许多食客。引进温泉浴场(spas)、画廊和精品店到这里的计划也在进行中。

将来，我们将评估工业设施和浮面结构的新设计。与此同时，我们也将研究使用替代材料来实行我们的填土工程，同时也加强善用新加坡的地下空间。

追求机构卓越

裕廊集团将继续发展并加强集团人员的能力、管理制度和流程，以便提供一个由最佳服务支持的真正卓越表现。其中我们将检讨事业发展架构，研究如何使我们的职员备有应付往后挑战的相关技能。我们也也将检讨业务流程和政策，以确保我们在营运的每个环节中，都执着客户至上的精神。集团将继续充分地利用资讯科技来进一步加强我们对客户的服务。一个例子就是改进集团网站，创造一个关于集团产品信息的一站式中心，客户现在可以在改进后的使用者界面协助下，接触到全部综合网上服务。

最后，我要谨此对我们前董事会成员Kenneth Bradley, 张力昌, 吴学人和 Masahiro Yamasaki 的宝贵引导致以万分谢意。与此同时，我们要热烈欢迎副主席符致镜和三名新董事会成员，裕廊集团总裁欧凤萍女士、简耀强医生和郭木财少将。我也要衷心感激我们的员工和工会，给予集团的强大支持和奉献。

司徒国领
裕廊集团主席

An Epigram Design and Production
2006年12月,启汇城2A阶段（Fusionopolis Phase 2A）的推出让裕廊集团在纬壹科技城(one-north)这个新加坡荟萃了顶尖人才、科技以及研究和开发的科学宝库所拟出的宏图大计,向前迈出了一大步。

位于亚逸拉惹道, 占地1.3公顷的 启汇城2A阶段将拥有价值2亿5000万元的研究和开发大厦,满足科学和工程业界的需要。 由裕廊集团发展的大厦将具备干实验和湿实验室,净室设施以及零售单位, 总占地面积达1万3600平方米。

2A阶段拥有跨学科的实验室和先进的设施,充分满足A*STAR的科学与工程理事会(SERC)的需要。 事实上, 微电子研究院、 材料研究与工程研究院、 数据存储研究院和新加坡制造技术研究院等4家研究院都将是这里的著名租户。

位于2A 阶段毗邻的启汇城2B阶段是由私人企业界为工业租户发展的项目。由启奥城(Biopolis)成功开创的共用设施方程式在这里获得引用,启汇城的工业租户将能够利用科学与工程理事会的先进设施,包括一间用来研究硅、聚合物和有机物和磁铁仪器的研究与开发铸造厂,以及燃料电池与其它替代能源等新科技的实验床。

私人企业界和公共部门研究室的有意并置将能够协助促进公共研究院和私人工业界之间的合作、创意和创新。 由私人企业界在科技园区内发展的设施和公共部门研究室的共同研发,将能够创造出新的技术以及经济价值。