



集永成机构有限公司

CHIP ENG SENG CORPORATION LTD

4Q & FY 2012 Results

22 February 2013



Overview of 4Q 2012

- **An excellent quarter**
 - Revenue of S\$222.6m, up 287% from 4Q 2011
 - Profit of S\$39.2m, up 36% from 4Q 2011

- **Property Development contribution significantly higher**
 - Property development revenue of \$150.7m compared to \$4.4m in 4Q 2011
 - Mainly due to delivery of remaining units at 33M and progressive recognition of sales from My Manhattan

- **Volume of Construction division remains high**
 - Construction Revenue increased 36.1% to \$71.0 m on progress recognition of existing contracts but margins lower

- **Net Fair Value Gains of \$30 million**
 - These were from Group's investment properties, including 100 Pasir Panjang



Overview of FY 2012

- **Record revenue in FY2012, boosted by property development**
 - FY 2012 Revenue of \$617.1 m, up 71.4%
 - Mainly from recognition of revenue from 33M and progressive recognition of sales from My Manhattan
- **Bottom line affected by lower construction earnings**
 - Net profit of \$81.3 million, down 34.3%
 - Construction earnings significantly lower due to lower margins
- **Eventful year for Property Development**
 - Sold a total of 517 residential units in Singapore, mainly from My Manhattan (159 units) and Belvia (337 units), Fulcrum (15 units)
 - Including options granted, the Group has 139 Singapore residential units unsold to date.
 - Sold 23 units of the 66-unit B1 light industrial units at 100 Pasir Panjang
- **Proposed dividend of 4.0 cents per shares**



Financial Performance Review





4Q & FY2012 Financial Performance Highlights

Year End 31 Dec (\$ m)	4Q2012	4Q2011	FY2012	FY2011
Revenue	222.6	57.5	617.1	360.0
– Construction	71.0	52.2	245.1	205.9
– Property Developments	150.7	4.4	368.6	152.0
– Property Investments & Others	0.9	0.9	3.4	2.1
Gross Profit	43.2	31.5	129.7	139.7
Share of Associates' Results	2.1	(2.7)	2.2	23.8
Profit Before Tax	50.5	29.4	108.6	141.9
Profit After Tax	39.2	28.8	81.3	123.7



Revenue and Profit Breakdown by Segment

Year End 31 Dec (\$ m)	Revenue FY2012	Revenue FY2011	Profit FY2012	Profit FY2011
Construction	368.5	260.3	43.4	90.6
Property Development	419.0	291.4	36.7	40.9
Property Investments	3.9	2.4	34.5	7.1
Hotel Development	-	-	(1.0)	-
Corporate & Others	46.0	56.9	0.7	1.3
Eliminations	(220.2)	(251.0)	(5.7)	2.0
Total	617.2	360.0	108.6	141.9



Balance Sheet Highlights

(\$ m)	As at 31 Dec 2012	As at 31 Dec 2011
Development Properties	544.0	458.4
Investment Properties	44.7	139.4
Net Current Assets	595.9	555.3
Current Liabilities: Loan and Borrowings	123.0	62.5
Non-Current Liabilities: Loan and Borrowings	338.8	347.0
Cash and Cash Equivalents	242.0	155.8

- *Decrease in Investment Properties due to reclassification of 100 Pasir Panjang (Singapore) and Tower Melbourne (Melbourne, Australia) to Development Properties*
- *Increase in cash holdings due to receipts of payments from sale of units in 33M and final payment from sales of units in Oasis@Elias*



Key Financial Ratios

	FY2012	FY2011
Return on Equity	17.6%	29.6%
NAV/ share⁺ (cents)	71.0	63.0
Net Debt/ Equity (X)	0.48	0.61
Return on Assets	7.0%	12.5%
EPS* (cents)	12.29	18.68

+ NAVPS computed based on 648,327,161 ordinary shares (31 Dec 2011: 662,138,161 ordinary shares)

** EPS computed based on weighted average of 661,482,387 ordinary shares (31 Dec 2011: 662,138,161 ordinary shares)*



Operations Update





Singapore Residential Projects

Privé

- 40% owned
- Launched in Dec 2010
- Expected to TOP in 2013
- Sold 100% of 680 units



Site Details

Location: Punggol Field

Land Tenure: 99-years

Area: 242,155 sq ft

Plot Ratio: 3

Land Cost: \$223.74 million



Singapore Residential Projects

My Manhattan

- 100% owned
- Launched in Feb 2011
- Expected to TOP in 2014
- Sold 99% of 301 units



My Manhattan



Site Details

Location: Simei St 3
Land Tenure: 99-years
Area: 126,938 sq ft
Plot Ratio: 2.3
Land Cost: \$152.69 million



Singapore Residential Projects

Belysa

- 40% owned
- Launched in May 2011
- Expected to TOP in 2013
- Sold 100% of 315 units



Site Details

Location: Pasir Ris E3
Land Tenure: 99-years
Area: 162,989 sq ft
Plot Ratio: 2.1
Land Cost: \$89.9million



Singapore Residential Projects

Belvia

- First DBSS project
- 100% owned
- Launched in Oct 2011
- Expected to TOP in 2014
- Sold 95% of 488 units to date



Site Details

Location: Bedok Reservoir Crescent

Land Tenure: 99 years

Area: 179,414 sq ft

Plot Ratio: 2.8

Land Cost: \$112.7m



Singapore Residential Projects

Fulcrum@Fort Road

- 100 % owned
- Launched in April 2012
- Expected to TOP in 2015
- Sold 12% of 128 units

Fulcrum



Site Details

Location: Fort Road
Land Tenure: Freehold
Area: 47,878 sq ft
Plot Ratio: 2.1
Land Cost: \$86.0 million



Singapore Industrial Project

100 Pasir Panjang

- 100% owned
- Launched in Dec 2012
- Expected to TOP in 2013
- Sold 57% of 66 units



Site Details

Location: Pasir Panjang Road

Land Tenure: Freehold

Area: 54,201 sq ft

Plot Ratio: 2.5

Land Cost: \$62.8 million



Singapore Commercial Projects

Alexandra Central

Alexandra Central

- 100% owned
- Launched in Jan 2013
- Expected to TOP in 2015
- Sold 113 of 116 units



Site Details

Location: Alexandra Road
Land Tenure: 99 years
Gross Floor Area: 239,488 sq ft
Usage mix: 60% hotel,
40% commercial/residential
Land Cost: \$189 million



Singapore Hotel Project

Hotel @ Alexandra Central

- 100% owned
- 450-room 4-star hotel
- Ready in 2015



Site Details

Location: Alexandra Road
Land Tenure: 99 years
Gross Floor Area: 239,488 sq ft
Usage mix: 60% hotel,
40% commercial/residential
Land Cost: \$189 million



Australia Residential Projects

Tower Melbourne

- 100% owned
- Launched in Dec 2012
- Expected to TOP in 2017
- Sold 66% of 581 units

Site Details

Location: 150 Queen Street,
Melbourne

Land Tenure: Freehold

Site Area: 913 sq m

Land Cost: A\$25.5 million





Development Landbank

Location	Site Details	Development Plans	Cost of Acquisition	Tenure	% Owned
Singapore					
Yishun Ring Road / Yishun Avenue 9	Site: 8,858.3 sq ft PR: 2.8	Mixed development of condominium units and retail podium	S\$212.1m	99 years	100%
Australia					
West Cost Highway, Perth	Site: 10,165sqm	Mixed development	A\$20.0m	Freehold	100%



Ongoing Construction Projects

Project	Description	Expected Completion
External Public Projects		
Hougang N9C12	699 flats with facilities	2013
Hougang N4C17	792 flats with facilities	2013
Yishun N5C2	834 flats with facilities	2014
Bukit Panjang N4C15	862 flats with facilities	2015
Bukit Batok N1C13 & N2C23	1,232 flats with facilities	2016
Internal Public Projects*		
Belvia	488-units with facilities	2014

**Not included in the computation of net order book*



Ongoing Construction Projects

Project	Description	Expected Completion
External Private Projects		
Privé	680-unit exec condominium	2013
Belysa	315-unit exec condominium	2013
Internal Private Projects*		
100 Pasir Panjang	66-units B1 light industrial	2013
My Manhattan	301-units condominium	2014
Fulcrum@Fort Road	128-units condominium	2015

**Not included in the computation of net order book*

Net Order book @ 31 Dec 2012 : \$575 m



Outlook





Strategy & Outlook

❖ Outlook for FY 2013

- Cautious and selective expansion of landbank in Singapore in view of the new cooling measures
- Continue to seek overseas opportunities to augment growth

❖ Property Development

- TOP for Privé (2H 2013), and expected completion of Belysa and 100 Pasir Panjang (late 2013)
- To launch Yishun mixed development project by 4Q 2013

❖ Construction

- Current order book stands at \$575 million
- Continue to tender for HDB contracts as HDB builds another 23,000 BTO flats in 2013 but will face challenges in the form of rising costs and tighter labour supply
- Exploring ways to drive productivity gains



Q & A Session





Disclaimer

This presentation and pertaining discussions may contain statements that are forward looking concerning the business and future performance of Chip Eng Seng Corporation Ltd. and its subsidiaries. These statements are based on current conditions and information and involve assumptions, risks and uncertainties of the future. As such, these statements are not to be regarded as projections of the company's future performance. You are cautioned not to put undue reliance on this presentation as actual performance and results could differ materially from what is represented in its content.



Thank You

Chip Eng Seng Corporation Ltd, 69 Ubi Crescent, #06-01, Singapore 408561

Tel: +65-6848 0848, Fax:+65-6848 0838, www.chipengseng.com.sg

Analysts and Media Contact:

Juliet Ang, NRA Capital

Tel: +65 6236 6895, +65 9839 9016

Email: juliet.ang@nracapital.com

