






 **集永成机构有限公司**
CHIP ENG SENG CORPORATION LTD

Financial Results for the Year ended 31 December 2014

25 February 2015

 **Agenda for the Day**

1	Financial Highlights	
2	Operations & Financial Review	
3	Portfolio Highlights	
4	Outlook	
5	Q&A Session	

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Financial Highlights



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4Q & FY2014 Financial Performance Highlights

(S\$ m)	4Q 2014	4Q 2013	FY 2014	FY 2013
Group Revenue	368.6	173.2	1,105.7	502.5
– <i>Property Developments</i>	289.8	97.2	765.6	224.6
– <i>Construction</i>	77.3	75.5	334.2	275.6
– <i>Property Investments & Others</i>	1.5	0.5	5.9	2.3
Gross Profit	180.5	52.2	332.5	104.1
Share of Results of Associates	0.4	0.6	17.1	29.9
Profit Before Tax	192.2	40.6	323.7	85.3
Profit After Tax	167.6	34.6	280.7	73.4

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Balance Sheet Highlights

(S\$ m)	As at 31 Dec 2014	As at 31 Dec 2013
Investment Properties ⁽¹⁾	289.0	175.7
Net Current Assets	1,235.2	636.5
~ Cash and Cash Equivalents	285.0	284.2
~ Current Liabilities: Loan and Borrowings	2.4	281.0
~ Non-Current Liabilities: Loan and Borrowings	938.4	487.5

Notes:

(1) The increase in investment properties was due to the acquisition of the office building at 420 St Kilda Road, Melbourne in Australia as well as cost incurred for the addition and alteration works to CES Centre, an office building along Chin Swee Road (formerly known as San Centre). The fair value gains of investment properties also contributed to the rise.

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Key Financial Ratios

For the period ended 31 Dec (S\$ m)	4Q 2014	4Q 2013	FY 2014	FY 2013
Earnings per share (cents) ⁽¹⁾	26.31	5.34	44.07	11.32
Net Asset Value Per Share (cents) ⁽²⁾	-	-	117.22	77.12
Debt to Equity	-	-	1.28	1.54

Notes:

(1) The computation of basic earnings per share was based on the weighted average of 636,983,304 ordinary shares as at 31 December 2014 (31 December 2013: 648,313,870 ordinary shares).

(2) The computation of net asset value per ordinary share as at 31 December 2014 was based on 627,869,161 ordinary shares (excluding Treasury shares of 39,646,000). The comparative 2013 figure was calculated based on 646,817,161 ordinary shares excluding Treasury shares of 20,698,000 as at 31 December 2013.

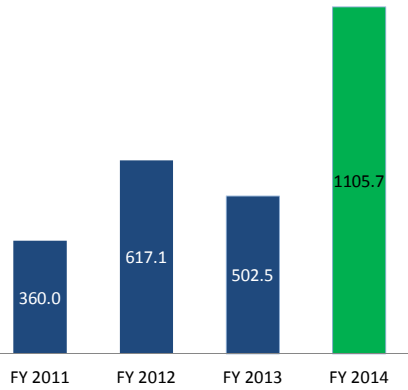
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Revenue and Profit Growth

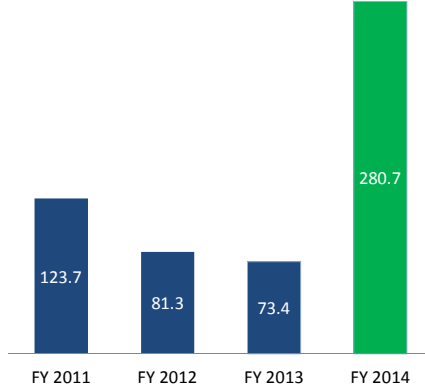
Group Revenue

(\$ m)



Profit After Tax

(\$ m)

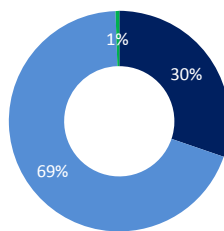


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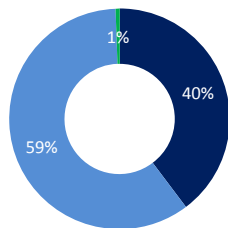


Revenue By Business Segment

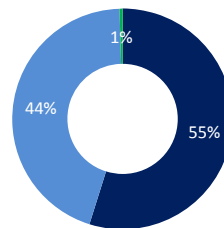
FY2014



FY2012



FY2013



■ Construction ■ Property Development ■ Property Investment & Others

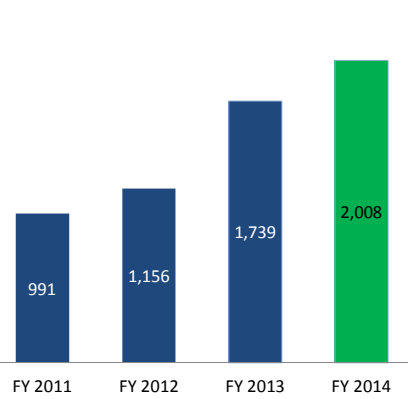
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Balance Sheet

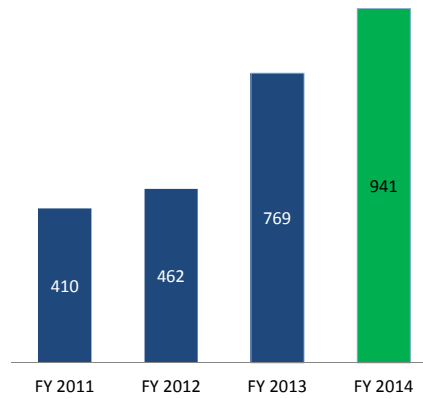
Total Assets

(\$\$ m)



Total Debt

(\$\$ m)



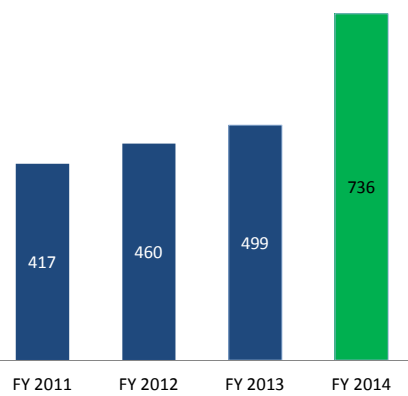
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Balance Sheet

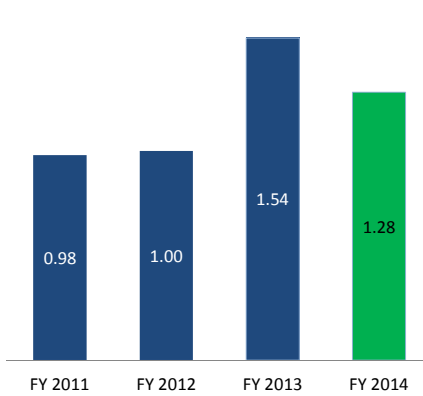
Total Equity

(\$\$ m)



Total Debt / Total Equity

(\$\$ m)



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Operations & Financial Review



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Overview of 4Q 2014

- **Higher revenue and profit recorded in 4Q 2014**

- Revenue of \$368.6 million, ↑ 112.9%
- Profit after tax of \$167.6 million, ↑ 383.9%
- Due to spike in contribution from Property Developments following completion of key projects

- **Stronger revenue recorded across all three segments**

- Property Developments
 - Revenue of \$289.8 million, ↑ 198.3%
 - Completion of Alexandra Central and progressive recognition of revenue from Junction Nine & Nine Residences.
- Construction
 - Revenue of \$77.3 million, ↑ 2.4%
 - New and on-going projects and increased progress claims from several public housing projects.
- Property Investments & Others
 - Revenue of \$1.5 million, ↑ 212.5%
 - Due to rental income from Melbourne property located at 420 St Kilda Road.

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Overview of FY 2014

- **Higher Revenue in FY 2014**

- Revenue of \$1.1 billion, ↑ 120.1%
- Due to the completion of projects such as Belvia and Alexandra Central and several on-going projects being at their active stage of construction.

- **Bottom line boosted by stronger contributions from key divisions**

- Net profit of \$280.7 million, ↑ 282.6%
- Higher profitability due to stronger contribution from all three key divisions.

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Portfolio Highlights



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Singapore Projects



	100 Pasir Panjang	Belvia	Fulcrum
Type	Industrial	Residential	Residential
Location	Pasir Panjang Road	Bedok Reservoir Crescent	Fort Road
Land tenure	Freehold	99 years	Freehold
Gross Floor Area	135,026 sq ft	552,595 sq ft	110,564 sq ft
No. of units	66	488	128
Land cost	S\$62.8m	S\$112.7m	S\$86.0m
% ownership	100%	100%	100%
Expected TOP date	March 2014	Aug 2014	4Q2015
% sold as at 31 Dec 2014	88%	99%	13%



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Singapore Projects



	Alexandra Central	Park Hotel Alexandra	Junction Nine	Nine Residences
Type	Commercial	Hotel	Commercial	Residential
Location	Alexandra Road		Yishun Avenue 9	
Land tenure	99 years		99 years	
Gross Floor Area	239,489 sq ft		282,991 sq ft	
No. of units	116	442	146	186
Land cost	S\$189.0m		S\$212.1m	
% ownership	100%		100%	
Expected TOP date	Dec 2014	Mid 2015	4Q2015	4Q2015
% sold as at 31 Dec 2014	98%	n.a.	99%	84%



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Australia Projects



Tower Melbourne

Type	Residential
Location	150 Queen Street, Melbourne
Land tenure	Freehold
Gross Floor Area	607,122 sq ft
No. of units	581 apartments and 7 retail lots
Land cost	A\$25.5m
% ownership	100%
Expected TOP date	2019
% sold as at 31 Dec 2014	99%



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Development Landbank

Location	Gross floor area	Development plan	Acquisition cost	Land Tenure	% ownership
Singapore					
Fernvale Road	1,098,503 sq ft	Residential	S\$487.1m	Leasehold	60%
Australia					
West Coast Highway, Perth	486,113 sq ft	Mixed development	A\$20.0m	Freehold	100%
Williamson Estate 154-160 Williamsons Road, Doncaster, Victoria	285,074 sq ft	Residential	A\$19.3m	Freehold	100%
Hemisphere 168 Victoria Street, Melbourne	1,023,463 sq ft	Mixed development	A\$32.0m	Freehold	100%



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Ongoing Construction Projects

Project	Description	Expected Completion
External Public Projects		
Bukit Panjang N4C15	862 flats with facilities	2015
Bukit Batok N1C13 & N2C23	1,232 flats with facilities	2016
Jurong West N6C31	700 flats with facilities	2016
Sembawang N1C10	1,220 flats with facilities	2017
Woodlands N1C26 & N1C27	1,943 flats with facilities	2018
Internal Private Projects*		
Fulcrum	128-unit condominium	2015
Junction Nine & Nine Residences	146 units retail shops and 186-unit condominium with full facilities	2015

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

Net Order book @ 31 Dec 2014 = S\$622.2m



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Outlook



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Strategy & Outlook

- ❖ **FY 2015 expected to be stable**
 - Will continue to adopt a cautious approach in tendering for new land parcels
 - To focus on public housing projects due to its strong track record in the field
 - Look into expanding investment portfolio in Singapore, Australia, China and Malaysia
- ❖ **Property Developments**
 - Plan to launch Fernvale and relaunch Fulcrum later this year
 - Launched Doncaster site in January 2015 and will continue to market the Group's first suburban project in Melbourne in 2015
 - Plan to divest Victoria Street (Melbourne) site
 - Expect demolition works for Tower Melbourne to resume in 2015
- ❖ **Property Investments**
 - Lease out excess space in CES Centre for recurring income
- ❖ **Construction**
 - Current order book stands at \$622 million as of 31 December 2014
 - Will continue to leverage on our track records to tender public housing projects
- ❖ **Hospitality**
 - TOP for Park Hotel Alexandra in mid-2015. Preparation is underway to open the hotel for business as soon as after the TOP is obtained.

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Q&A session



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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.

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Thank You

Chip Eng Seng Corporation Ltd

171 Chin Swee Road, #12-01, CES Centre,
Singapore 169877

Tel: (65) 6801 0088, Fax: (65) 6801 0038

www.chipengseng.com.sg

Investors and Media Contact:

August Consulting

Karen Ting, karenting@august.com.sg

Michelle Tan, michelle@august.com.sg

Benjamin Ng, ben@august.com.sg

Tel: +65 6733 8873



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