



TIONG SENG HOLDINGS LIMITED

(ESTABLISHED SINCE 1959, SINGAPORE)

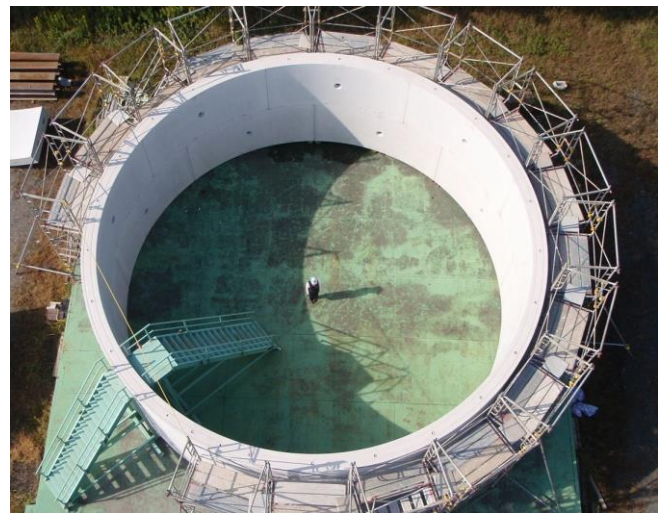
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FOR IMMEDIATE RELEASE

Tiong Seng forms joint venture with Japanese market leader in precast tunnels to target MRT Lines and infrastructure constructions

- Forms JV with Geostr and Marubei from Japan; Geostr is market leader for precast tunnels in Japan
- Enhances Tiong Seng's existing precast capabilities to tap on Singapore MRT's S\$60 billion island-wide rail masterplan and other projects in Malaysia
- Gains momentum in targeting MRT Lines with recent \$316 million Thomson Line contract; Order book of S\$1.27 billion as at 31st May 2014 stretching to 2020

SINGAPORE – 11 June 2014 – Robin Village International (Pte.) Ltd. ("Robin Village"), the wholly-owned subsidiary of Mainboard-listed construction group and property developer, **Tiong Seng Holdings Limited (長成控股) ("Tiong Seng")**, together with its subsidiaries, **"the Group"**, today announced that it is entering into a Joint Venture Agreement ("JVA") with Geostr Corporation ("Gestr") and Marubeni-Itochu Steel Pte Ltd ("MISP") to manufacture and supply precast tunnel segments to the Singapore and Malaysia markets.



Established since 1970, Geostr is the consolidated subsidiary of Nippon Steel & Sumitomo Metal Corporation and is the market leader in segment products for precast tunnels in Japan, accounting for more than 40% of total production volume in the country. The company also holds the largest market share in production of concrete sheet pile, supplying more than 90% of the total production volume in Japan. MISP is the Singapore subsidiary of Marubeni-Itochu Steel Inc, a Japanese steel trading company based in Tokyo, which specializes in providing business management expertise in addition to its extensive distribution network.

Under the terms of the JVA, Tiong Seng, Geostr and MISIP will establish a 44:51:5 joint venture entity to produce and distribute precast tunnel segments for both the Singapore and Malaysia markets. The total investment by the joint venture company is expected to be S\$14.5million. The joint venture company will set up their manufacturing facility on the premises of Robin Village's existing precast plant in Iskandar, Malaysia.

Commenting on the joint venture, **Mr Pek Lian Guan (白連源), CEO of Tiong Seng Holdings Limited** said, "We are pleased and extremely privileged to be Geostr's first business partner outside of Japan. This collaboration resonates well with our push for regional expansion. In our continuous drive for improved productivity and construction technology, we strive to harness Geostr's expertise and market leadership in precast tunnel segments to complement our existing suite of precast capabilities."

Based on the estimates by the Building and Construction Authority ("BCA") published on 9 January 2014, public sector projects such as institutional and civil engineering construction works are expected to reach S\$19 - 22 billion for 2014¹. In addition, the Ministry of Transport expects to double the length of Singapore's rail network to 278 km from 138 km in 2008 at a cost of S\$60 billion over the next decade². The proposed expansion of the MRT network will boost the construction industry over the next five years, including support industries such as the precast tunnel segment.

The Group was recently awarded an S\$316 million joint venture contract by the Land Transport Authority for the construction of Great World Station and tunnels for the Thomson Line which updates its order book to S\$1.27 billion as at 31st May 2014 stretching to 2020.

Mr Pek added, "With the announcement of the MRT masterplan and the expanding infrastructure development in Malaysia, we believe this is a viable investment opportunity for us to grow our business. Supported by the growing demand for precast solutions in both the private and public sector, we are optimistic that this joint venture will improve our outreach to the construction industry, in particular the precast tunnel segment industry. This will position us favourably as we target the growing pipeline of MRT projects and infrastructure construction in Singapore and Malaysia."

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¹ "Construction demand for 2014 to remain strong", Building and Construction Authority, 9 January 2014

² Ministry of Transport; Expansion of Rail Network (http://app.mot.gov.sg/Land_Transport/Making_Public_Transport_a_Choice_Mode/Rail.aspx)

About Tiong Seng Holdings

Tiong Seng is principally engaged in building construction and civil engineering in Singapore, and property development in the PRC.

With an established track record of over 50 years, Tiong Seng is one of the leading building construction and civil engineering contractors in Singapore. It holds the highest grading of A1 from the Building Construction Authority of Singapore (BCA) for both general building and civil engineering, which qualifies the Group to undertake public sector construction projects with unlimited contract value.

Tiong Seng's property development business focuses on developing residential and commercial projects in various second- and third-tier cities in the PRC. The Group has successfully developed properties in Tianjin, Suzhou and Yangzhou and it currently has four on-going projects in the Bohai Economic Rim, which is one of the main economic zones in the PRC.

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