COMPANY REGISTRATION NO. 196300438C

For Immediate Release

NEWS RELEASE

UOL'S FY16 PRE-TAX PROFIT BEFORE FAIR VALUE AND OTHER LOSSES DOWN 5% TO $391.2 MILLION

- *Group revenue up 13% to $1.44 billion*
- *PATMI down 27% to $287.0 million due mainly to fair value and other losses*
- *Group sold 484 residential units in 2016*

Singapore, 24 February 2017 – UOL Group Limited today announced pre-tax profit before fair value and other losses fell five per cent to $391.2 million for the financial year ended 31 December 2016 (FY16), due mainly to lower dividend income and lower share of profit from joint venture companies.

The Group recorded attributable net fair value and other losses of $37.2 million compared with fair value and other gains of $41.0 million in FY15, resulting in a 27% decrease in net attributable profit to $287.0 million.

Group revenue rose 13% to $1.44 billion with higher contributions from all segments except dividend income which fell 29% to $30.2 million in FY16 with the absence of the UOB special dividend.

Property development continued to be the top revenue generator for the Group followed by the hospitality business. Revenue from property development rose 27% to $733.9 million with recognition from Riverbank@Fernvale, Botanique at Bartley and Principal Garden. During the year, the Group sold 484 residential units in Singapore although there were no new projects launched.

Revenue from hotel operations notched up two per cent to $429.6 million from better performance of all Australian hotels including the new 90-room extension at PARKROYAL

Parramatta. Pan Pacific Tianjin in China also recorded higher revenue in its second full year of operations. Revenue from property investments increased three per cent to $225.0 million due mainly to the addition of 110 High Holborn in London, which was acquired in June 2016.

During the year under review, Group expenses fell seven per cent to $252.6 million from $272.4 million in FY15. Finance expenses dropped 27% to $30.3 million as a result of lower unrealised currency exchange losses on the Group's borrowings in US dollars for investments in China. Marketing and distribution expenses declined six per cent to $63.4 million, administrative expenses fell four per cent to $77.7 million, while other operating expenses slipped one per cent to $81.3 million.

The share of profit from associated companies and joint venture companies excluding fair value and other losses decreased 13% to $136.2 million after the completion of Archipelago and Thomson Three in September 2015 and May 2016 respectively.

The Group incurred an impairment charge of $26.7 million for the hotel under development in Bishopsgate, London, due mainly to increases in development cost estimates in 2016 compared with 2015. The impairment was partly offset by the write-back of an impairment charge of $2.7 million for Pan Pacific Tianjin.

The Group continues to build its investment portfolio for recurring income with new acquisitions such as 110 High Holborn and Holborn Island at 120 Holborn in London's Midtown area.

UOL Deputy Group Chief Executive Officer Liam Wee Sin said: "We have continued to build our recurring income with new acquisitions overseas. This has cushioned the decline in contributions from property development in Singapore where the market remains challenging, especially with the cooling measures unlikely to be lifted for some time.

"Nevertheless, we believe there's still demand for projects with good locational and product attributes as seen from the strong interest for The Clement Canopy. With strong take-up in all our projects, we are looking to replenish our landbank in niche locations."

UOL recently secured two residential sites - a freehold site at 45 Amber Road and a sizable en-bloc sale site at Potong Pasir Avenue 1 (the former “Raintree Gardens”).

The Group expects office and retail rents in Singapore to remain under pressure in 2017 with new supply coming on stream, soft corporate demand as the economy slows, and increased competition from e-commerce. The hospitality sector in Asia Pacific is expected to remain competitive given the uncertain economic outlook.

As at 31 December 2016, the shareholders’ funds increased to $8.13 billion from $7.89 billion at the end of 2015. The net tangible asset per ordinary share rose to $10.07 as at 31 December 2016 from $9.89 as at 31 December 2015. The Group’s gearing ratio improved to 0.24 from 0.27 last year with repayments of the Group’s borrowings coupled with the effects of an increase in total equity.

Directors have proposed a first and final dividend of $0.15 per ordinary share.

- End -

About UOL Group Limited

UOL Group Limited is one of Singapore's leading public-listed property companies with an extensive portfolio of development and investment properties, hotels and serviced suites. With a track record of over 50 years, UOL strongly believes in delivering product excellence and quality service in all its business ventures. Its list of property development projects includes residential units, office towers and shopping malls, hotels and serviced suites. UOL, through its hotel subsidiary Pan Pacific Hotels Group Limited (PPHG), owns two acclaimed brands namely "Pan Pacific" and PARKROYAL. PPHG now owns and/or manages over 30 hotels in Asia, Oceania and North America with close to 10,000 rooms in its portfolio.

For media and analyst queries, please contact:

Sarah Ng
Assistant General Manager (Corporate Communications)
DID: (65) 6350 5175
Email: ng.sarah@uol.com.sg

Catherine Ong
Catherine Ong Associates
DID: (65) 6327 6088
Mobile: (65) 9697 0007
Email: cath@catherineong.com