

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.
Consolidated Income Statement

	Note	The Group		
		First Quarter Ended 31 March		
		2014	2013	+ / (-)
		\$'000	\$'000	%
Revenue	A	408,776	247,784	65
Cost of sales		(207,331)	(132,260)	57
Gross profit		201,445	115,524	74
Other income				
- Finance income	B	1,333	1,060	26
- Miscellaneous income		3,749	3,205	17
Expenses				
- Marketing and distribution	C	(14,736)	(8,293)	78
- Administrative	D	(17,464)	(17,650)	(1)
- Finance	E	(7,001)	(11,246)	(38)
- Other operating	F	(18,190)	(18,005)	1
Share of profit of associated companies		25,154	22,832	10
Share of profit of joint venture companies		9,330	4,226	121
Profit before other gains and income tax		183,620	91,653	100
Other gains	G	7,486	948	690
Profit before income tax	H	191,106	92,601	106
Income tax expense	I	(36,126)	(14,929)	142
Net profit		154,980	77,672	100
<u>Attributable to:</u>				
Equity holders of the Company		120,825	71,688	69
Non-controlling interests		34,155	5,984	471
		154,980	77,672	100

1(a)(ii) Explanatory Notes to the Consolidated Income Statement

	The Group		
	First Quarter Ended 31 March		
	2014	2013	+ / (-)
	\$'000	\$'000	%
A <u>Revenue</u>			
Revenue from property development ¹	247,872	101,626	144
Revenue from property investments	48,733	42,065	16
Gross revenue from hotel ownership and operations	107,230	99,178	8
Revenue from hotel and other management services	4,941	4,915	1
	408,776	247,784	65
B <u>Finance income</u>			
Interest income	1,333	1,060	26
C <u>Marketing and distribution expense</u>			
Advertising and promotion	5,309	4,270	24
Marketing and distribution payroll and related expenses	3,095	3,321	(7)
Sales commissions	5,736	543	956
Showflat expenses	596	159	275
	14,736	8,293	78
D <u>Administrative expenses</u>			
Administrative payroll and related expenses	11,850	12,186	(3)
Corporate expenses	2,405	2,505	(4)
Credit card commissions	1,475	1,094	35
Information technology related expenses	1,003	947	6
Others	731	918	(20)
	17,464	17,650	(1)
E <u>Finance expense</u>			
Bank facility fees	404	360	12
Interest expense	6,578	7,741	(15)
Currency exchange losses (net)	19	3,145	(99)
	7,001	11,246	(38)
F <u>Other operating expense</u>			
Property taxes	5,818	5,037	16
Repairs, maintenance and security	2,015	1,980	2
Heat, light and power	5,434	6,070	(10)
Others	4,923	4,918	0
	18,190	18,005	1

¹ Includes revenue of \$218.5 million from the sale of the land at Jalan Conlay, Kuala Lumpur, Malaysia.

1(a)(ii) Explanatory Notes to the Consolidated Income Statement (cont'd)

	The Group		
	First Quarter Ended 31 March		
	2014	2013	+ / (-)
	\$'000	\$'000	%
G <u>Other gains</u>			
Negative goodwill on acquisition of interests in an associated company	154	948	(84)
Gain on liquidation of an available-for-sale financial asset	7,332	-	n.m.
	7,486	948	690
H <u>Profit before income tax</u>			
Profit before income tax is stated after charging:			
Depreciation and amortisation	14,409	14,567	(1)
I <u>Income tax expense</u>			
Tax expense attributable to profit is made up of:			
- Profit for the financial year:			
Current income tax			
- Singapore	7,699	6,354	21
- Foreign ²	27,529	2,863	862
- Withholding tax paid	115	123	(7)
Deferred income tax	694	5,589	(88)
	36,037	14,929	141
- Under provision in prior financial years:			
Current income tax			
- Singapore	77	-	n.m.
- Foreign	12	-	n.m.
	36,126	14,929	142

n.m. : not meaningful

² The higher foreign income tax expense resulted mainly from tax on profit for the sale of land at Jalan Conlay, Kuala Lumpur, Malaysia.

1(a)(iii) Consolidated Statement of Comprehensive Income

	Note	The Group		
		First Quarter Ended 31 March		
		2014	2013	+ / (-)
		\$'000	\$'000	%
Net profit		154,980	77,672	100
Other comprehensive income:				
Fair value gains on available-for-sale financial assets	A	4,653	21,712	(79)
Cash flow hedges:				
Fair value gains/(losses) on cash-flow hedges		167	(24)	796
- Transfer to income statement		(107)	(31)	245
Currency translation differences arising from consolidation of foreign operations	B	(3,126)	9,376	(133)
Share of other comprehensive income of an associated company		(2,247)	1,662	(235)
Other comprehensive income, net of tax		(660)	32,695	(102)
Total comprehensive income		154,320	110,367	40
<u>Attributable to:</u>				
Equity holders of the Company		120,642	102,881	17
Non-controlling interests		33,678	7,486	350
		154,320	110,367	40

1(a)(iv) Explanatory Notes to the Consolidated Statement of Comprehensive Income

A Fair value gains on available-for-sale financial assets

The quoted available-for-sale financial assets are stated at their fair values based on the quoted closing bid prices as at the reporting date. The increase in value for the first quarter ended 31 March 2014 was due to the increase in the closing bid prices of the relevant quoted equity shares from the previous quarter.

B Currency translation differences arising from consolidation of foreign operations

The currency translation differences arose mainly from the translation of the net assets of the Group's foreign subsidiaries which are denominated in USD, AUD, RMB, MYR and VND.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	The Group		The Company	
		31.03.14	31.12.13	31.03.14	31.12.13
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and bank balances	A	433,444	293,386	1,787	5,003
Trade and other receivables	B	203,978	377,733	13,198	7,890
Derivative financial instrument		325	616	325	616
Developed properties held for sale		4,144	4,144	-	-
Development properties	C	776,760	895,443	-	-
Inventories		686	703	-	-
Available-for-sale financial assets		573,954	582,102	573,954	564,070
Other assets	D	143,869	35,481	802	350
Current income tax assets		114	110	-	-
		2,137,274	2,189,718	590,066	577,929
Non-current assets					
Trade and other receivables		159,896	159,287	992,586	829,602
Available-for-sale financial assets		278,761	274,854	81,973	81,388
Investments in associated companies		2,793,256	2,765,006	161,289	161,289
Investments in joint venture companies		28,731	20,011	-	-
Investments in subsidiaries		-	-	1,798,178	1,799,578
Investment properties	E	3,823,632	3,814,190	388,490	388,490
Property, plant and equipment		1,164,060	1,169,105	1,432	1,530
Intangibles		25,425	26,117	546	622
Deferred income tax assets		3,688	3,160	21	-
		8,277,449	8,231,730	3,424,515	3,262,499
Total assets		10,414,723	10,421,448	4,014,581	3,840,428
LIABILITIES					
Current liabilities					
Trade and other payables		407,923	446,890	238,796	78,184
Current income tax liabilities		113,114	82,367	5,495	4,899
Bank loans	F	824,475	831,590	248,263	248,259
2.5% unsecured fixed rate notes due 2014		299,925	299,850	299,925	299,850
Finance lease liabilities		304	294	-	-
Derivative financial instrument		122	197	122	197
Loans from non-controlling shareholders of subsidiaries		16,895	16,917	-	-
		1,662,758	1,678,105	792,601	631,389
Non-current liabilities					
Trade and other payables		152,543	152,630	2,929	3,354
Finance lease liabilities		4,069	3,928	-	-
Bank loans	F	783,737	934,072	17	-
2.493% unsecured fixed rate notes due 2015		174,807	174,763	174,807	174,763
3.043% unsecured fixed rate notes due 2017		74,767	74,749	74,767	74,749
Derivative financial instrument		39	37	-	-
Provision for retirement benefits		3,397	3,245	-	-
Deferred income tax liabilities		176,098	172,949	87,859	86,145
		1,369,457	1,516,373	340,379	339,011
Total liabilities		3,032,215	3,194,478	1,132,980	970,400
NET ASSETS		7,382,508	7,226,970	2,881,601	2,870,028
Capital & reserves attributable to equity holders of the Company					
Share capital		1,051,063	1,050,897	1,051,063	1,050,897
Reserves		855,455	855,311	446,951	437,773
Retained earnings		4,978,947	4,853,490	1,383,587	1,381,358
		6,885,465	6,759,698	2,881,601	2,870,028
Non-controlling interests		497,043	467,272	-	-
TOTAL EQUITY		7,382,508	7,226,970	2,881,601	2,870,028

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (cont'd)

Explanatory Notes to the Statement of Financial Position

A Cash and bank balances

The increase in cash and bank balances was due mainly to the receipt of proceeds from the sale of land at Jalan Conlay, Kuala Lumpur, Malaysia, which was completed in end March 2014.

B Current trade and other receivables

Current trade and other receivables have decreased arising mainly from the receipt of receivables for development projects, Waterbank at Dakota and Spottiswoode Residences.

C Development properties

The decrease in development properties from the balance as of 31 December 2013 resulted mainly from the sale of land at Jalan Conlay.

D Other assets

Other assets as at 31 March 2014 included a deposit of \$110.1 million for the successful tender of the Urban Redevelopment Authority's land parcel at Upper Paya Lebar Road.

E Investment properties

Investment properties are stated at valuation as determined by independent professional valuers at 31 December 2013. It is the practice of the Group to revalue its investment properties half yearly.

F Current and non-current bank loans

The decrease in bank loans was a result of repayments made in the first quarter of 2014 mainly from receipts of progress billings from development projects, Waterbank at Dakota and Spottiswoode Residences.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 31.03.14		As at 31.12.13	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand	229,962	912,265	152,711	995,996
Amount repayable after one year	685,031	351,383	830,345	357,423

Details of any collaterals

The borrowings are secured by bank deposits, mortgages on the borrowing subsidiaries' investment properties, hotel properties, development properties, and/or assignment of all rights and benefits with respect to the properties and/or corporate guarantees from the Company or other group subsidiaries.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows for the first quarter ended 31 March

	Note	The Group	
		1st Qtr	1st Qtr
		<u>2014</u>	<u>2013</u>
		\$'000	\$'000
Cash flows from operating activities			
Net profit		154,980	77,672
Adjustments for:			
Income tax expense		36,126	14,929
Non-cash items		(14,692)	(6,647)
Interest income		(1,333)	(1,060)
Interest expense		6,982	8,101
Negative goodwill on acquisition of interests in an associated company		(154)	(948)
Gain on liquidation of an available-for-sale financial asset		(7,332)	-
		<u>174,577</u>	<u>92,047</u>
Change in working capital			
Receivables	i	(116,366)	6,262
Development properties	ii	295,980	35,346
Derivative financial instrument		291	152
Inventories		16	64
Payables		(34,390)	(24,039)
		<u>145,531</u>	<u>17,785</u>
Cash generated from operations		320,108	109,832
Income tax paid		(4,599)	(2,210)
Retirement benefits paid		-	(30)
Bank deposits pledged as security		(29)	(62)
Net cash provided by operating activities		<u>315,480</u>	<u>107,530</u>
Cash flows from investing activities			
Proceeds from liquidation of an available-for-sale financial asset	iii	17,909	-
Liquidation of subsidiaries	iv	(1,181)	47
Payments for intangibles		3	(11)
Payments for interests in an associated company		(561)	(3,750)
Payments for interests in a joint venture company		-	(500)
Loans to joint venture companies		-	(2,550)
Repayment of loan by an associated company		-	1,906
Net proceeds from disposal of property, plant and equipment		115	16
Purchase of property, plant and equipment and investment properties	v	(16,312)	(23,412)
Interest received		1,333	1,060
Dividends received		-	16,500
Net cash from/(used in) investing activities		<u>1,306</u>	<u>(10,694)</u>
Cash flows from financing activities			
Proceeds from shares issued		166	184
Proceeds from borrowings	vi	56,975	35,921
Repayment of borrowings	vi	(216,707)	(103,603)
Expenditure relating to bank borrowings		(448)	(64)
Interest paid		(12,318)	(12,202)
Dividends paid to non-controlling interests		(2,800)	-
Net cash used in financing activities		<u>(175,132)</u>	<u>(79,764)</u>
Net increase in cash and cash equivalents		141,654	17,072
Cash and cash equivalents at the beginning of the financial period		287,999	254,924
Effects of currency translation on cash and cash equivalents		(1,624)	1,239
Cash and cash equivalents at the end of the financial period	vii	<u>428,029</u>	<u>273,235</u>

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Explanatory Notes to the Consolidated Statement of Cash Flows

i. Receivables

The cash outflow for receivables in the first quarter of 2014 includes a deposit of \$110.1 million for acquisition of the land parcel at Upper Paya Lebar Road.

ii. Development properties

The cash inflow for development properties in the first quarter of 2014 relates mainly to the receipt of proceeds from the sale of land at Jalan Conlay.

iii. Proceeds from liquidation of an available-for-sale financial asset

Proceeds were received from the members' voluntary liquidation of United Industrial Securities Limited.

iv. Liquidation of subsidiaries

United Regency Pte Ltd and Regency One Pte Ltd for which the Company has a 60% and 80% interest respectively, were put into member's voluntary liquidation and the cash outflows represent mainly distributions to non-controlling shareholders.

v. Purchase of property, plant and equipment and investment properties

Purchases of property, plant and equipment and investment properties arose mainly from payments for the construction of OneKM and The Esplanade in Tianjin and for refurbishment costs of PARKROYAL Yangon.

vi. Proceeds from borrowings/Repayment of borrowings

Net repayment of borrowings were made in the first quarter of 2014 with receipts mainly from progress billings of the Group's development projects, namely, Waterbank at Dakota and Spottiswoode Residences.

vii. Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	The Group	
	<u>31.03.14</u>	<u>31.03.13</u>
	\$'000	\$'000
Fixed deposits with financial institutions	300,577	184,622
Cash at bank and on hand	132,867	93,886
Cash and bank balances per Statement of Financial Position	433,444	278,508
Less: Bank deposits pledged as security	(5,415)	(5,273)
Cash and cash equivalents per Consolidated Statement of Cash Flows	<u>428,029</u>	<u>273,235</u>

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Changes in Equity for the first quarter ended 31 March

<u>The Group</u>	<u>Share capital</u> \$'000	<u>Reserves</u> \$'000	<u>Retained earnings</u> \$'000	<u>Non-controlling interests</u> \$'000	<u>Total equity</u> \$'000
<u>2014</u>					
Balance at 1 January 2014	1,050,897	855,311	4,853,490	467,272	7,226,970
Employee share option scheme					
- value of employee services	-	327	-	-	327
- proceeds from shares issued	166	-	-	-	166
Dividends	-	-	-	(2,800)	(2,800)
Liquidation of subsidiaries	-	-	-	(1,107)	(1,107)
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	4,632	-	4,632
Total comprehensive income for the period	-	(183)	120,825	33,678	154,320
Balance at 31 March 2014	<u>1,051,063</u>	<u>855,455</u>	<u>4,978,947</u>	<u>497,043</u>	<u>7,382,508</u>
<u>2013</u>					
Balance at 1 January 2013	1,046,954	805,738	4,289,920	576,314	6,718,926
Employee share option scheme					
- value of employee services	-	2,333	-	-	2,333
- proceeds from shares issued	184	-	-	-	184
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	1,295	-	1,295
Total comprehensive income for the period	-	31,193	71,688	7,486	110,367
Balance at 31 March 2013	<u>1,047,138</u>	<u>839,264</u>	<u>4,362,903</u>	<u>583,800</u>	<u>6,833,105</u>

Statement of Changes in Equity for the first quarter ended 31 March

<u>The Company</u>	<u>Share capital</u> \$'000	<u>Reserves</u> \$'000	<u>Retained earnings</u> \$'000	<u>Total equity</u> \$'000
<u>2014</u>				
Balance at 1 January 2014	1,050,897	437,773	1,381,358	2,870,028
Employee share option scheme				
- value of employee services	-	327	-	327
- proceeds from shares issued	166	-	-	166
Total comprehensive income for the period	-	8,851	2,229	11,080
Balance at 31 March 2014	<u>1,051,063</u>	<u>446,951</u>	<u>1,383,587</u>	<u>2,881,601</u>
<u>2013</u>				
Balance at 1 January 2013	1,046,954	409,053	1,108,573	2,564,580
Employee share option scheme				
- value of employee services	-	2,333	-	2,333
- proceeds from shares issued	184	-	-	184
Total comprehensive income for the period	-	15,045	20,849	35,894
Balance at 31 March 2013	<u>1,047,138</u>	<u>426,431</u>	<u>1,129,422</u>	<u>2,602,991</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the quarter ended 31 March 2014, the changes in the issued share capital of the Company were as follows:

	Number of Ordinary Shares
Issued capital as at 1 January 2014	770,883,154
Issue of ordinary shares arising from the exercise of: 2011 Options at exercise price of S\$4.62 per share	36,000
Issued share capital as at 31 March 2014	<u>770,919,154</u>

As at 31 March 2014, there were unexercised options for 5,637,000 (31.3.2013: 5,442,000) of unissued ordinary shares under the UOL 2000 Share Option Scheme and UOL 2012 Share Option Scheme.

The Company did not hold any treasury shares as of 31 March 2014 and 31 March 2013.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	The Company	
	31.03.14	31.12.13
Total number of issued shares, excluding treasury shares	770,919,154	770,883,154

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

- 2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).

The figures have neither been audited nor reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter).

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2013.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.

On 1 January 2014, the Group adopted the new or amended Financial Reporting Standards ("FRS") that are mandatory for application from that date. The following are the new or amended FRS that are relevant to the Group:

Revised FRS 27	Separate Financial Statements
Revised FRS 28	Investments in Associates and Joint Ventures
FRS 110	Consolidated Financial Statements
FRS 111	Joint Arrangements
FRS 112	Disclosure of Interests in Other Entities
FRS 111	Joint Arrangements
Amendments to FRS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to FRS 39	Novation of Derivatives and Continuation of Hedge Accounting
INT FRS 121	Levies

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	The Group	
	1st Qtr 2014	1st Qtr 2013
Earnings per ordinary share for the period		
(i) Based on weighted average number of ordinary shares in issue	cents 15.67	cents 9.31
(ii) On a fully diluted basis	cents 15.66	cents 9.30

Earnings per share is calculated by reference to the weighted average number of ordinary shares in issue during the financial period.

For the purposes of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees, where such shares would have been issued at a price lower than market value.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.

	The Group		The Company	
	31.03.14	31.12.13	31.03.14	31.12.13
Net asset value per ordinary share	\$8.93	\$8.77	\$3.74	\$3.72
Net tangible asset backing per ordinary share	\$8.90	\$8.73	\$3.74	\$3.72

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

Group revenue in the first quarter of 2014 increased by \$161.0 million or 65% to \$408.8 million from \$247.8 million in the corresponding period of 2013. The increase was attributed mainly to 1) revenue from the sale of land at Jalan Conlay in March 2014; and 2) higher revenue from PARKROYAL on Pickering and Pan Pacific Serviced Suites Beach Road which were opened in the first and second quarter of 2013 respectively.

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)

Expenses

Gross profit margin was marginally higher at 49% for the first quarter of 2014 in comparison with 47% in the previous corresponding period with the one-time profit on sale of land at Jalan Conlay, Kuala Lumpur.

The increase in marketing and distribution expenses of \$6.4 million was attributed mainly to 1) advertising media and commissions for the sales launch of Riverbank@Fernvale in February 2014; and 2) commissions for the on-going sales of units at The Esplanade, Tianjin. Finance expenses have decreased due mainly to lower unrealised currency exchange losses recognised in the current quarter from the Group's borrowings in US Dollars to fund its investments in the People's Republic of China.

Associated companies

The higher share of profit of associated companies in the first quarter of 2014 was attributed mainly to 1) United Industrial Corporation Limited which had higher contributions from Pan Pacific Singapore and the Archipelago project; and 2) Marina Centre Holdings Private Limited which also benefited from the improved performance of Pan Pacific Singapore.

Joint venture companies

The share of profit of joint venture companies have increased with higher contributions from the joint venture companies' development projects, Archipelago and Thomson Three.

Profit & Loss

The pre-tax profit for the first quarter of 2014 was \$191.1 million, an increase of 106% from the profit of \$92.6 million for the first quarter of 2013. The increase was attributed mainly to one-time pre-tax profit of \$98.4 million from the sale of the land at Jalan Conlay, lower unrealised currency exchange losses and higher share of profit from associated and joint venture companies.

Profit after tax and non-controlling interest was \$120.8 million, representing a 69% increase from the profit of \$71.7 million in the corresponding period of 2013. The increase includes a net attributable profit of \$44.3 million from the sale of the land at Jalan Conlay.

Net tangible asset and gearing

The Group shareholders' funds increased from \$6.8 billion as at 31 December 2013 to \$6.9 billion as at 31 March 2014 due mainly to profits recognised in the first quarter of 2014. Consequently the net tangible asset per ordinary share of the Group increased to \$8.90 as at 31 March 2014 from \$8.73 as at 31 December 2013.

The Group's gearing ratio improved from 0.28 as at 31 December 2013 to 0.24 as at 31 March 2014 with repayments of Group borrowings coupled with the effects of increase in total equity.

- 9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Nil.

- 10 A commentary at the date of this announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to the release by the Urban Redevelopment Authority, prices of private residential properties in Singapore declined by 1.3% in the first quarter of 2014. The cumulative effect of the various cooling measures will continue to moderate demand and prices of residential properties. Rentals of office space are expected to move upwards amidst rising market confidence. Rentals of retail space are expected to remain stable.

The Singapore Tourism Board expects Singapore's visitor arrivals to grow by 5 to 8% in 2014 and this should benefit the Group's hotels. Outside Singapore, the Group's hotels are expected to show modest growth though trading conditions for the hotels in China are expected to remain difficult.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	:	N.A.
Dividend Type	:	N.A.
Dividend Rate	:	NIL
Tax Rate	:	N.A.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	:	N.A.
Dividend Type	:	N.A.
Dividend Rate	:	NIL
Tax Rate	:	N.A.

(c) Date payable : N.A.

(d) Books closure date : N.A.

12 If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared or recommended for the first quarter ended 31 March 2014.

13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

CONFIRMATION BY DIRECTORS

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the first quarter ended 31 March 2014 to be false or misleading.

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Company Secretary
7 May 2014