

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		
		2016	2015	+ / (-)
		\$'000	\$'000	%
Revenue	A	330,117	238,270	39
Cost of sales		(216,110)	(132,364)	63
Gross profit		114,007	105,906	8
Other income				
- Finance income	B	3,110	1,347	131
- Miscellaneous income		5,328	5,009	6
Expenses				
- Marketing and distribution	C	(16,070)	(11,308)	42
- Administrative		(18,940)	(19,272)	(2)
- Finance	D	(7,939)	(11,431)	(31)
- Other operating		(20,022)	(20,203)	(1)
Share of profit of associated companies		31,527	31,895	(1)
Share of profit of joint venture companies		2,559	6,958	(63)
Profit before other gains and income tax		93,560	88,901	5
Other gains	E	169	724	(77)
Profit before income tax	F	93,729	89,625	5
Income tax expense	G	(12,369)	(11,773)	5
Net profit		81,360	77,852	5
<u>Attributable to:</u>				
Equity holders of the Company		77,075	74,231	4
Non-controlling interests		4,285	3,621	18
		81,360	77,852	5

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

	The Group		
	First Quarter Ended 31 March		
	2016	2015	+ / (-)
	\$'000	\$'000	%
A <u>Revenue</u>			
Revenue from property development	164,342	77,342	112
Revenue from property investments	55,503	53,201	4
Gross revenue from hotel ownership and operations	104,871	102,630	2
Revenue from hotel and other management services	5,401	5,097	6
	330,117	238,270	39
B <u>Finance income</u>			
Interest income	1,122	1,347	(17)
Currency exchange gains (net)	1,988	-	n.m.
	3,110	1,347	131
C <u>Marketing and distribution expense</u>			
Advertising and promotion	5,652	4,833	17
Marketing and distribution payroll and related expenses	4,665	4,398	6
Sales commissions	2,777	676	311
Showflat expenses	2,976	1,401	112
	16,070	11,308	42
D <u>Finance expense</u>			
Bank facility fees	954	847	13
Interest expense	15,351	13,025	18
Less: borrowing costs capitalised	(8,366)	(7,044)	19
Currency exchange losses (net)	-	4,603	(100)
	7,939	11,431	(31)
E <u>Other gains</u>			
Negative goodwill on acquisition of interests in an associated company	169	48	252
Gain on liquidation of an available-for-sale financial asset	-	676	(100)
	169	724	(77)

n.m. : not meaningful

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

	The Group		
	First Quarter Ended 31 March		
	2016	2015	+ / (-)
	\$'000	\$'000	%
F <u>Profit before income tax</u>			
Profit before income tax is stated after charging:			
Depreciation and amortisation	16,526	16,966	(3)
G <u>Income tax expense</u>			
Tax expense attributable to profit is made up of:			
- Profit for the financial year:			
Current income tax			
- Singapore	7,580	7,368	3
- Foreign	2,436	1,865	31
- Withholding tax paid	133	131	2
Deferred income tax	2,234	2,409	7
	12,383	11,773	5
- Over provision in prior financial years:			
Current income tax			
- Foreign	(14)	-	n.m.
	12,369	11,773	5

n.m. : not meaningful

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

	Note	The Group		
		First Quarter Ended 31 March		
		2016	2015	+ / (-)
		\$'000	\$'000	%
Net profit		81,360	77,852	5
Other comprehensive (loss)/income:				
Available-for-sale financial assets:				
- Fair value losses	A	(27,952)	(55,891)	(50)
- Reversal of deferred tax liabilities	B	-	96,328	(100)
Cash flow hedges:				
- Fair value (losses)/gains		(3,092)	922	(435)
- Transfer to income statement		(129)	(93)	39
Currency translation differences arising from consolidation of foreign operations	C	(6,983)	11,247	(162)
Share of other comprehensive (loss)/income of an associated company		(4,090)	4,211	(197)
Other comprehensive (loss)/income, net of tax		(42,246)	56,724	(174)
Total comprehensive income		39,114	134,576	(71)
<u>Attributable to:</u>				
Equity holders of the Company		34,889	130,556	(73)
Non-controlling interests		4,225	4,020	5
		39,114	134,576	(71)

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

A Fair value losses 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 decrease in value for the first quarter ended 31 March 2016 was due to the decrease in the closing bid prices of the relevant quoted equity shares from the previous quarter.

B Reversal of deferred tax liabilities

In the first quarter of 2015, the deferred tax liability previously provided on the fair value gains of current available-for-sale financial assets were reversed following the agreement with Inland Revenue Authority of Singapore that these assets are non-trading in nature.

C 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, VND and GBP.

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	
		31.03.16 \$'000	31.12.15 \$'000	31.03.16 \$'000	31.12.15 \$'000
ASSETS					
Current assets					
Cash and bank balances		269,011	276,398	1,797	1,546
Trade and other receivables	A	169,023	197,106	3,211	2,551
Derivative financial instrument		537	1,338	-	-
Developed properties held for sale		37,328	40,251	-	-
Development properties	B	1,415,741	1,444,041	-	-
Inventories		664	734	-	-
Other assets		18,104	15,618	660	199
Current income tax assets		170	125	-	-
		1,910,578	1,975,611	5,668	4,296
Non-current assets					
Trade and other receivables	A	69,059	13,348	776,263	745,969
Available-for-sale financial assets		776,920	804,872	598,657	619,647
Investments in associated companies		3,309,416	3,279,632	162,737	162,737
Investments in joint venture companies		88,907	86,349	-	-
Investments in subsidiaries		-	-	1,800,714	1,800,714
Investment properties	C	4,135,149	4,134,897	421,500	421,500
Property, plant and equipment		1,164,405	1,178,534	1,011	1,113
Intangibles		23,516	23,336	10	14
Deferred income tax assets		4,814	4,702	-	-
		9,572,186	9,525,670	3,760,892	3,751,694
Total assets		11,482,764	11,501,281	3,766,560	3,755,990
LIABILITIES					
Current liabilities					
Trade and other payables	D	203,041	238,322	395,056	397,787
Current income tax liabilities		50,380	41,788	1,298	1,205
Bank loans	E	679,884	523,339	232,459	179,403
Finance lease liabilities		267	266	-	-
		933,572	803,715	628,813	578,395
Non-current liabilities					
Trade and other payables		156,379	156,027	4,289	4,279
Finance lease liabilities		3,574	3,553	-	-
Bank loans	E	1,555,804	1,730,325	191,362	207,434
2.5% unsecured fixed rate notes due 2018		174,685	174,646	-	-
3.043% unsecured fixed rate notes due 2017		74,917	74,899	74,917	74,899
Derivative financial instrument		4,058	978	3,697	978
Loan from non-controlling shareholder of a subsidiary		63,009	63,009	-	-
Provision for retirement benefits		4,177	3,854	-	-
Deferred income tax liabilities		91,365	89,159	3,000	3,490
		2,127,968	2,296,450	277,265	291,080
Total liabilities		3,061,540	3,100,165	906,078	869,475
NET ASSETS		8,421,224	8,401,116	2,860,482	2,886,515
Capital & reserves attributable to equity holders of the Company					
Share capital		1,216,099	1,216,099	1,216,099	1,216,099
Reserves		847,975	889,866	452,656	475,608
Retained earnings		5,860,991	5,788,210	1,191,727	1,194,808
		7,925,065	7,894,175	2,860,482	2,886,515
Non-controlling interests		496,159	506,941	-	-
TOTAL EQUITY		8,421,224	8,401,116	2,860,482	2,886,515

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 Current and non-current trade and other receivables

Current trade and other receivables have decreased due mainly to the repayment of shareholder's loan and other non-trade receivables by United Venture Development (Bedok) Pte. Ltd., from proceeds received upon the completion of its Archipelago project.

Non-current trade and other receivables have increased with new shareholder's loan granted to a joint venture company, United Venture Development (Clementi) Pte. Ltd., to fund its acquisition of a residential site at Clementi Avenue 1 which was successfully tendered at a price of \$302.1 million.

B Development properties

The decrease in development properties resulted mainly from progressive billings for on-going development projects.

C Investment properties

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

D Current trade and other payables

The decrease in trade and other payables arose mainly from payments of retention monies and development expenditure accrued as at 31 December 2015 for completed and on-going development projects.

E Current and non-current bank loans

The marginal net decrease in current and non-current bank loans arose mainly from 1) repayments with funds from operations and progress billings of development projects; and 2) lower GBP denominated bank borrowings for the Group's investment in Bishopsgate London arising from GBP exchange movements; offset in part by 3) additional loans drawn for a joint venture company's acquisition of a residential site at Clementi Avenue 1.

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

	As at 31.03.16		As at 31.12.15	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand	274,467	405,658	91,989	431,535
Amount repayable after one year	768,495	1,105,929	1,027,767	1,022,129

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>2016</u>	<u>2015</u>
		\$'000	\$'000
Cash flows from operating activities			
Net profit		81,360	77,852
Adjustments for:			
Income tax expense		12,369	11,773
Non-cash items		(17,289)	(15,203)
Interest income		(1,122)	(1,347)
Interest expense		7,939	6,828
Negative goodwill on acquisition of interests in an associated company		(169)	(48)
Gain on liquidation of an available-for-sale financial asset		-	(676)
		<u>83,088</u>	<u>79,179</u>
Change in working capital			
Receivables	i	9,372	75,741
Development properties		17,675	11,539
Inventories		70	70
Payables		(33,140)	(30,454)
		<u>(6,023)</u>	<u>56,896</u>
Cash generated from operations		77,065	136,075
Income tax paid		(1,454)	(5,941)
Bank deposits released as security		3,563	2,288
Net cash from operating activities		<u>79,174</u>	<u>132,422</u>
Cash flows from investing activities			
Proceeds from liquidation of an available-for-sale financial asset		-	676
Payments for intangibles		(573)	-
Payments for interests in associated companies		(2,349)	(2,147)
Loan to a joint venture company	ii	(56,500)	(915)
Repayment of loan by a joint venture company	iii	15,544	-
Net proceeds from disposal of property, plant and equipment		56	15
Purchase of property, plant and equipment and investment properties	iv	(8,432)	(16,094)
Interest received		1,122	1,346
Net cash used in investing activities		<u>(51,132)</u>	<u>(17,119)</u>
Cash flows from financing activities			
Proceeds from shares issued		-	2,156
Payment to non-controlling shareholder for purchase of shares in a subsidiary	v	(19,411)	-
Loans from non-controlling shareholder of a subsidiary		-	4,140
Proceeds from borrowings	vi	234,216	28,825
Repayment of borrowings	vi	(229,826)	(183,331)
Expenditure relating to bank borrowings		-	(2,262)
Interest paid		(15,101)	(12,162)
Payment of finance lease liabilities		(88)	(70)
Net cash used in financing activities		<u>(30,210)</u>	<u>(162,704)</u>
Net decrease in cash and cash equivalents		<u>(2,168)</u>	<u>(47,401)</u>
Cash and cash equivalents at the beginning of the financial period		272,546	280,855
Effects of currency translation on cash and cash equivalents		(1,567)	1,581
Cash and cash equivalents at the end of the financial period	vii	<u>268,811</u>	<u>235,035</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

Cash inflow from receivables in the first quarter of 2016 was due mainly to the repayment of non-trade receivables from a joint venture company. The cash inflow for the first quarter of 2015 arose mainly from the repayment by an associated company for an advance of \$67 million in relation to a tender deposit and the receipt of progress billings for development project, Spottiswoode Residences.

ii. Loan to a joint venture company

The loan was made out to a new joint venture company, United Venture Development (Clementi) Pte. Ltd., for the acquisition of a residential site at Clementi Avenue 1.

iii. Repayment of loan by a joint venture company

The repayment of loan was by United Venture Development (Bedok) Pte. Ltd., with proceeds from the completion of its development project, Archipelago.

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

Purchases of property, plant and equipment and investment properties arose mainly from expenditure incurred for the 90-room extension at PARKROYAL Parramatta.

v. Payment to non-controlling shareholder for purchase of shares in a subsidiary

The payment was for the acquisition of the remaining 10% interest held by a non-controlling shareholder in Tianjin UOL Xiwang Real Estate Development Co., Ltd., ("TUX") for an aggregate cash consideration of RMB93.0 million (\$19.4 million). Following the acquisition, TUX became a wholly owned subsidiary.

vi. Proceeds from borrowings/Repayment of borrowings

Net proceeds from borrowings in the first quarter of 2016 were mainly due to additional loans drawn for the acquisition of residential site at Clementi Avenue 1.

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>31.03.16</u>	<u>31.03.15</u>
	\$'000	\$'000
Fixed deposits with financial institutions	170,156	135,528
Cash at bank and on hand	<u>98,855</u>	<u>103,062</u>
Cash and bank balances per Statement of Financial Position	269,011	238,590
Less: Bank deposits pledged as security	(200)	(3,555)
Cash and cash equivalents per Consolidated Statement of Cash Flows	<u><u>268,811</u></u>	<u><u>235,035</u></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>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
2016					
Balance at 1 January 2016	1,216,099	889,866	5,788,210	506,941	8,401,116
Profit for the period	-	-	77,075	4,285	81,360
Other comprehensive loss for the period	-	(42,186)	-	(60)	(42,246)
Total comprehensive (loss)/income for the period	-	(42,186)	77,075	4,225	39,114
Employee share option scheme					
- value of employee services	-	295	-	-	295
Acquisition of interests from non-controlling shareholder	-	-	(4,404)	(15,007)	(19,411)
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	110	-	110
Total transactions with owners, recognised directly in equity	-	295	(4,294)	(15,007)	(19,006)
Balance at 31 March 2016	<u>1,216,099</u>	<u>847,975</u>	<u>5,860,991</u>	<u>496,159</u>	<u>8,421,224</u>
2015					
Balance at 1 January 2015	1,151,512	977,032	5,514,185	488,170	8,130,899
Profit for the period	-	-	74,231	3,621	77,852
Other comprehensive income for the period	-	56,325	-	399	56,724
Total comprehensive income for the period	-	56,325	74,231	4,020	134,576
Employee share option scheme					
- value of employee services	-	334	-	-	334
- proceeds from shares issued	2,156	-	-	-	2,156
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	302	-	302
Total transactions with owners, recognised directly in equity	2,156	334	302	-	2,792
Balance at 31 March 2015	<u>1,153,668</u>	<u>1,033,691</u>	<u>5,588,718</u>	<u>492,190</u>	<u>8,268,267</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. (cont'd)

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

<u>The Company</u>	<u>Share capital</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000
2016				
Balance at 1 January 2016	1,216,099	475,608	1,194,808	2,886,515
Loss for the period	-	-	(3,081)	(3,081)
Other comprehensive loss for the period	-	(23,247)	-	(23,247)
Total comprehensive loss for the period	-	(23,247)	(3,081)	(26,328)
Employee share option scheme				
- value of employee services	-	295	-	295
Total transactions with owners, recognised directly in equity	-	295	-	295
Balance at 31 March 2016	<u>1,216,099</u>	<u>452,656</u>	<u>1,191,727</u>	<u>2,860,482</u>
2015				
Balance at 1 January 2015	1,151,512	524,924	1,273,270	2,949,706
Loss for the period	-	-	(3,751)	(3,751)
Other comprehensive income for the period	-	54,333	-	54,333
Total comprehensive income/(loss) for the period	-	54,333	(3,751)	50,582
Employee share option scheme				
- value of employee services	-	334	-	334
- proceeds from shares issued	2,156	-	-	2,156
Total transactions with owners, recognised directly in equity	2,156	334	-	2,490
Balance at 31 March 2015	<u>1,153,668</u>	<u>579,591</u>	<u>1,269,519</u>	<u>3,002,778</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.

There were no changes in the issued share capital of the Company during the quarter ended 31 March 2016.

As at 31 March 2016, there were 5,738,000 (31.3.2015: 5,617,000) ordinary shares which may be issued upon the exercise of options 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 2016 and 31 March 2015.

- 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	
	31.03.16	31.12.15
Total number of issued shares, excluding treasury shares	796,219,003	796,219,003

- 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 2015.

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 2016, 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:

- Improvements to Financial Reporting Standards (issued in November 2014)
- Amendments to FRS 27 Separate Financial Statements: Equity Method in Separate Financial Statements
- Amendments to FRS 16 Property, Plant and Equipment and FRS 38 Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 111 Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations
- Amendments to FRS 110 Consolidated Financial Statements, FRS 112 Disclosure of Interests in Other Entities, FRS 28 Investment: Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception
- Amendments to FRS 1 Presentation of Financial Statements: Disclosure Initiative

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 2016	1st Qtr 2015
Earnings per ordinary share for the period		
(i) Based on weighted average number of ordinary shares in issue	cents 9.68	cents 9.43
(ii) On a fully diluted basis	cents 9.68	cents 9.42

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	
	31.03.16	31.12.15	31.03.16	31.12.15
Net asset value per ordinary share	\$9.95	\$9.91	\$3.59	\$3.63
Net tangible asset backing per ordinary share	\$9.92	\$9.89	\$3.59	\$3.63

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) seasonable 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 2016 increased by \$91.8 million or 39% to \$330.1 million from \$238.3 million in the previous corresponding quarter due mainly to higher progressive recognition of revenue from on-going property development projects, Riverbank@Fernvale and Seventy Saint Patrick's, as well as revenue from new projects, Botanique at Bartley and Principal Garden which were launched in March and October 2015 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)

Gross profit margin

Gross profit margin for the first quarter of 2016 was lower at 35% compared to 44% for the first quarter of 2015 due mainly to higher revenue from property development which has higher cost margins.

Expenses

The increase in marketing and distribution expenses was due mainly to higher commission and showflat expenses for the sale of units at Seventy Saint Patrick's, Riverbank@Fernvale, Botanique at Bartley and Principal Garden.

Finance expenses have decreased by \$3.5 million as expenses for the first quarter of 2015 included \$4.6 million in unrealised currency exchange losses on the Group's borrowings in US Dollars to fund its investments in the People's Republic of China. Currency exchange gains of \$2.0 million were recognised in the current quarter and have been included in finance income.

Joint venture companies

The share of profit of joint venture companies has decreased due mainly to the completion of the Archipelago project in September 2015.

Profit & Loss

The pre-tax profit for the first quarter of 2016 was \$93.7 million, an increase of 5% from the profit of \$89.6 million for the first quarter of 2015. The increase was due mainly to higher profit from operations and lower finance expenses.

Profit after tax and non-controlling interest was \$77.1 million, representing a 4% increase from the profit of \$74.2 million in the corresponding period of 2015.

Net tangible asset and gearing

The Group shareholders' funds increased marginally from \$7.89 billion as at 31 December 2015 to \$7.93 billion as at 31 March 2016 due mainly to profits recognised in the first quarter of 2016, offset in part by fair value losses on available-for-sale financial assets. Consequently the net tangible asset per ordinary share of the Group increased to \$9.92 as at 31 March 2016 from \$9.89 as at 31 December 2015.

The Group's gearing ratio as at 31 March 2016 and 31 December 2015 remained unchanged at 0.27.

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.

Prices of private residential properties in Singapore decreased by 0.7% in first quarter 2016. Demand for new homes is expected to remain sluggish with the continuing effects of the cooling measures. Rentals of office space, which declined 2.1% in first quarter 2016, will continue to face pressure with the large impending supply expected in the second half of the year. Retail rents are likely to be subdued as retailers restructure and consolidate in an evolving market. The operating environment for hotels in the Asia Pacific is expected to remain competitive given the weak global economic outlook.

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 2016.

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 2016 to be false or misleading.

CONFIRMATION THAT THE ISSUER HAS PROCURED UNDERTAKINGS FROM ALL ITS DIRECTORS AND EXECUTIVE OFFICERS (IN THE FORMAT SET OUT IN APPENDIX 7.7) UNDER RULE 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Company Secretary
12 May 2016