

**UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT**
**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		
		For the year ended 31 December		
		2013	2012	+ / (-)
		\$'000	\$'000	%
Revenue	A	1,058,608	1,145,777	(8)
Cost of sales		(536,617)	(636,284)	(16)
Gross profit		521,991	509,493	2
Other income				
- Finance income	B	4,488	11,112	(60)
- Miscellaneous income		12,708	12,669	0
Expenses				
- Marketing and distribution	C	(35,929)	(37,404)	(4)
- Administrative	D	(74,310)	(66,203)	12
- Finance	E	(42,815)	(33,090)	29
- Other operating	F	(73,768)	(70,630)	4
Share of profit of associated companies excluding fair value gains of associated companies' investment properties		96,383	114,114	(16)
Share of profit/(loss) of joint venture companies		18,506	(364)	n.m.
Profit before fair value and other gains/(losses) and income tax		427,254	439,697	(3)
Other gains/(losses)	G	23,813	(24,995)	195
Fair value gains on associated companies' investment properties		91,459	107,548	(15)
Fair value gains on the Group's investment properties		409,425	442,097	(7)
Profit before income tax	H	951,951	964,347	(1)
Income tax expense	I	(70,487)	(44,163)	60
Net profit		881,464	920,184	(4)
<u>Attributable to:</u>				
Equity holders of the Company		785,820	807,675	(3)
Non-controlling interests		95,644	112,509	(15)
		881,464	920,184	(4)
The above net profit attributable to equity holders of the Company can be analysed as follows:				
Attributable profit before fair value and other gains/(losses)		344,180	361,238	(5)
Other gains/(losses)		23,831	(21,465)	211
Fair value gains on investment properties including those of associated companies		417,809	467,902	(11)
Net attributable profit		785,820	807,675	(3)

n.m. : not meaningful

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

	The Group		
	For the year ended 31 December		
	2013	2012	+ / (-)
	\$'000	\$'000	%
<b>A</b> <u>Revenue</u>			
Revenue from property development	409,984	560,022	(27)
Revenue from property investments	180,241	166,087	9
Gross revenue from hotel ownership and operations	420,425	377,721	11
Revenue from hotel and other management services	20,512	18,755	9
Dividend income from available-for-sale financial assets	27,446	23,192	18
	1,058,608	1,145,777	(8)
<b>B</b> <u>Finance income</u>			
Interest income	4,488	3,720	21
Currency exchange gains (net)	-	7,392	(100)
	4,488	11,112	(60)
<b>C</b> <u>Marketing and distribution expense<sup>1</sup></u>			
Advertising and promotion	18,917	18,074	5
Marketing and distribution payroll and related expenses	13,567	11,967	13
Sales commissions	2,530	3,658	(31)
Showflat expenses	915	3,705	(75)
	35,929	37,404	(4)
<b>D</b> <u>Administrative expenses<sup>1</sup></u>			
Administrative payroll and related expenses	49,632	41,702	19
Corporate expenses	11,565	12,620	(8)
Credit card commissions	5,255	4,617	14
Information technology related expenses	3,915	2,847	38
Others	3,943	4,417	(11)
	74,310	66,203	12
<b>E</b> <u>Finance expense</u>			
Bank facility fees	1,580	1,665	(5)
Interest expense	30,583	31,425	(3)
Currency exchange losses (net)	10,652	-	n.m.
	42,815	33,090	29
<b>F</b> <u>Other operating expense<sup>1</sup></u>			
Property taxes	21,163	18,129	17
Repairs, maintenance and security	9,150	8,637	6
Heat, light and power	23,550	23,635	(0)
Others	19,905	20,229	(2)
	73,768	70,630	4

n.m. : not meaningful

<sup>1</sup> Included in expenses for 2013 were marketing and distribution expenses, administrative expenses and other operating expenses of \$2.5 million, \$4.2 million and \$4.3 million respectively, incurred for PARKROYAL on Pickering which opened in the first quarter of 2013 and Pan Pacific Serviced Suites Beach Road which opened in the second quarter of 2013.

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

	The Group		
	For the year ended 31 December		
	2013	2012	+ / (-)
	\$'000	\$'000	%
<b>G Other gains/(losses)</b>			
Negative goodwill on acquisition of interests in an associated company	3,509	3,624	(3)
Delisting expenses of a subsidiary	(1,177)	-	n.m.
Write-back of impairment charge on property, plant and equipment	27,502	-	n.m.
Impairment charge on property, plant and equipment	(6,021)	(33,318)	(82)
Gain on disposal of an available-for-sale financial asset	-	4,699	(100)
	23,813	(24,995)	195
<b>H Profit before income tax</b>			
Profit before income tax is stated after charging/(crediting):			
Depreciation and amortisation <sup>2</sup>	58,835	47,910	23
Property, plant and equipment written off and net loss on disposals	961	3,539	(73)
Gain on sale of office space	-	(600)	(100)
<b>I Income tax expense</b>			
Tax expense attributable to profit is made up of:			
- Profit for the financial year:			
Current income tax			
- Singapore	70,543	37,991	86
- Foreign	9,993	8,886	12
- Withholding tax paid	501	731	(31)
Deferred income tax			
- fair value gains of investment properties	10,343	-	n.m.
- others	(25,613)	12,724	(301)
	65,767	60,332	9
- (Over)/under provision in prior financial years:			
Current income tax			
- Singapore	(1,780)	(16,819)	(89)
- Foreign	(32)	202	(116)
Deferred income tax	6,532	448	1,358
	70,487	44,163	60
The tax expense on profit for the financial year differs from the amount that would arise using the Singapore standard rate of income tax due to the following:			
Profit before income tax	951,951	964,347	(1)
Share of profit of associated companies, net of tax	(187,842)	(221,662)	(15)
Share of (profit)/loss of joint venture companies, net of tax	(18,506)	364	n.m.
Profit before tax and share of (profit)/loss of associated companies and joint venture companies	745,603	743,049	0
Tax calculated at a tax rate of 17%	126,753	126,318	0
Effects of:			
- Singapore statutory stepped income exemption	(545)	(624)	(13)
- Tax rebates	(563)	-	n.m.
- Different tax rates in other countries	4,127	697	492
- Income not subject to tax <sup>3</sup>	(81,332)	(85,332)	(5)
- Expenses not deductible for tax purposes	14,735	17,448	(16)
- Utilisation of previously unrecognised tax losses	(1,319)	(2,750)	(52)
- Deferred tax assets not recognised in the current financial year	3,911	4,575	(15)
Tax charge	65,767	60,332	9

n.m. : not meaningful

<sup>2</sup> Higher depreciation charges were recognised in 2013 due mainly to (a) the commencement of depreciation for PARKROYAL on Pickering which opened in January 2013; and (b) depreciation charges for Pan Pacific Orchard and PARKROYAL Darling Harbour which were refurbished in 2012.

<sup>3</sup> Income not subject to tax comprises mainly fair value gains on the Group's investment properties, write-back of impairment charge on property, plant and equipment and dividend income from available-for-sale financial assets.

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

	Note	The Group		
		For the year ended 31 December		
		2013	2012	+ / (-)
		\$'000	\$'000	%
Net profit		881,464	920,184	(4)
Other comprehensive income:				
Fair value gains on available-for-sale financial assets	A	44,133	164,730	(73)
Cash flow hedges:				
- Fair value gains/(losses)		200	(92)	317
- Transfer to income statement		(260)	(42)	519
Currency translation differences arising from consolidation of foreign operations	B	(2,558)	(20,604)	(88)
Share of other comprehensive income/(loss) of an associated company		5,500	(4,067)	235
Other comprehensive income, net of tax		47,015	139,925	(66)
Total comprehensive income		928,479	1,060,109	(12)
<u>Attributable to:</u>				
Equity holders of the Company		833,492	950,289	(12)
Non-controlling interests		94,987	109,820	(14)
		928,479	1,060,109	(12)

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 financial year ended 31 December 2013 was due to the increase in the closing bid prices of the relevant quoted equity shares from the previous financial year.

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	
		31.12.13 \$'000	31.12.12 \$'000	31.12.13 \$'000	31.12.12 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances	A	293,386	260,061	5,003	11,092
Trade and other receivables	B	377,733	202,526	7,890	82,167
Derivative financial instrument		616	-	616	-
Developed properties held for sale		4,144	-	-	-
Development properties	C	895,443	995,915	-	-
Inventories		703	783	-	-
Available-for-sale financial assets		582,102	522,226	564,070	522,226
Other assets		35,481	12,045	350	1,286
Current income tax assets		110	415	-	-
		2,189,718	1,993,971	577,929	616,771
<b>Non-current assets</b>					
Trade and other receivables		159,287	148,691	829,602	934,262
Derivative financial instrument		-	873	-	873
Available-for-sale financial assets		274,854	283,484	81,388	89,270
Investments in associated companies		2,765,006	2,633,129	161,289	161,289
Investments in joint venture companies		20,011	-	-	-
Investments in subsidiaries		-	-	1,799,578	1,519,419
Investment properties	D	3,814,190	3,342,754	388,490	330,990
Property, plant and equipment		1,169,105	1,130,024	1,530	1,627
Intangibles		26,117	27,607	622	866
Deferred income tax assets		3,160	3,789	-	-
		8,231,730	7,570,351	3,262,499	3,038,596
<b>Total assets</b>		<b>10,421,448</b>	<b>9,564,322</b>	<b>3,840,428</b>	<b>3,655,367</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	E	446,890	278,260	78,184	75,411
Current income tax liabilities		82,367	50,672	4,899	5,842
Bank loans	F	831,590	658,739	248,259	178,212
2.5% unsecured fixed rate notes due 2014		299,850	-	299,850	-
Finance lease liabilities		294	330	-	-
Derivative financial instrument		197	-	197	-
Loans from non-controlling shareholders of subsidiaries		16,917	-	-	-
		1,678,105	988,001	631,389	259,465
<b>Non-current liabilities</b>					
Trade and other payables		152,630	163,021	3,354	3,612
Finance lease liabilities		3,928	4,419	-	-
Bank loans		934,072	951,652	-	199,639
2.5% unsecured fixed rate notes due 2014		-	299,550	-	299,550
2.493% unsecured fixed rate notes due 2015		174,763	174,588	174,763	174,588
3.043% unsecured fixed rate notes due 2017		74,749	74,674	74,749	74,674
Derivative financial instrument		37	162	-	162
Loans from non-controlling shareholders of subsidiaries		-	9,957	-	-
Provision for retirement benefits		3,245	2,942	-	-
Deferred income tax liabilities		172,949	176,430	86,145	79,097
		1,516,373	1,857,395	339,011	831,322
<b>Total liabilities</b>		<b>3,194,478</b>	<b>2,845,396</b>	<b>970,400</b>	<b>1,090,787</b>
<b>NET ASSETS</b>		<b>7,226,970</b>	<b>6,718,926</b>	<b>2,870,028</b>	<b>2,564,580</b>
<b>Capital &amp; reserves attributable to equity holders of the Company</b>					
Share capital		1,050,897	1,046,954	1,050,897	1,046,954
Reserves		855,311	805,738	437,773	409,053
Retained earnings		4,853,490	4,289,920	1,381,358	1,108,573
		6,759,698	6,142,612	2,870,028	2,564,580
<b>Non-controlling interests</b>	G	467,272	576,314	-	-
<b>TOTAL EQUITY</b>		<b>7,226,970</b>	<b>6,718,926</b>	<b>2,870,028</b>	<b>2,564,580</b>

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 arose mainly from receipts from progress billings for development projects.

B Current trade and other receivables

Current trade and other receivables have increased due mainly to the recognition of receivables for the balance of payments for development projects, Waterbank at Dakota and Spottiswoode Residences which received their temporary occupation permits in 2013.

C Development properties

The decrease in development properties from the balance as of 31 December 2012 resulted mainly from the completion of Waterbank at Dakota and Spottiswoode Residences in 2013 offset in part by the acquisition of the land parcel at Sengkang West Way.

D 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. In addition to the recognition of fair value gains on investment properties, the increase from 31 December 2012 arose mainly from additional construction costs incurred for OneKM, Pan Pacific Serviced Suites Beach Road and The Esplanade in Tianjin.

E Trade and other payables

The increase in trade and other payables relate mainly to sales proceeds received in advance for the sale of residential and office units in The Esplanade, Tianjin. The advance sales proceeds are recognised as a payable until the completion of the project as the project is accounted for using the completion of construction method.

F Current bank loans

The increase in current bank loans was due mainly to additional loans drawn for 1) the acquisition of the land parcel at Sengkang West Way; and 2) the acquisition of shares in Pan Pacific Hotels Group Limited ("PPHG") pursuant to the voluntary delisting of PPHG and exit offer to acquire all of PPHG's remaining issued ordinary shares not held by UOL Group Limited.

G Non-controlling interests

The decrease in non-controlling interests arose mainly from the acquisition of shares in PPHG from its non-controlling shareholders.

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

	As at 31.12.13		As at 31.12.12	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand	152,711	995,996	148,446	511,397
Amount repayable after one year	830,345	357,423	750,895	764,444

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 year ended 31 December

	Note	The Group	
		2013 \$'000	2012 \$'000
<b>Cash flows from operating activities</b>			
Net profit		881,464	920,184
Adjustments for:			
Income tax expense		70,487	44,163
Non-cash items		(134,567)	(177,412)
Dividend income and interest income		(31,934)	(26,912)
Interest expense		32,163	33,090
Fair value gains on the Group's investment properties		(409,425)	(442,097)
Negative goodwill on acquisition of interests in an associated company		(3,509)	(3,624)
Writeback of impairment charge on property, plant and equipment		(27,502)	-
Impairment charge on property, plant and equipment		6,021	33,318
Gain on disposal of an available-for-sale financial asset		-	(4,699)
		<u>383,198</u>	<u>376,011</u>
Change in working capital			
Receivables		(12,601)	24,317
Development properties	i	(62,929)	125,156
Derivative financial instrument		257	(119)
Inventories		80	327
Payables	ii	155,478	68,499
		<u>80,285</u>	<u>218,180</u>
Cash generated from operations		463,483	594,191
Income tax paid		(46,512)	(74,801)
Retirement benefits paid		(58)	(135)
Release of fixed deposits pledged as security		-	6,000
Bank deposits pledged as security		(63)	(5,136)
		<u>416,850</u>	<u>520,119</u>
<b>Net cash provided by operating activities</b>			
<b>Cash flows from investing activities</b>			
Proceeds from disposal of an available-for-sale financial asset		-	7,413
Redemption of preference shares by an associated company		14,000	-
Proceeds from liquidation of a subsidiary		47	-
Proceeds from liquidation of an associated company		-	370
Payments for intangibles		(1,079)	(267)
Payments for interests in an associated company		(16,491)	(15,954)
Payment of deferred acquisition cost to a shareholder of an associated company		(7,105)	-
Payments for interests in a joint venture company		(500)	-
Loans to an associated company and joint venture companies		(11,620)	(77,811)
Payments to non-controlling shareholders for purchase of shares in a subsidiary	iii	(281,921)	-
Repayment of loan by an associated company		1,906	-
Net proceeds from disposal of property, plant and equipment		347	3,884
Purchase of property, plant and equipment and investment properties	iv	(154,210)	(237,908)
Interest received		4,488	3,720
Dividends received		99,098	78,943
		<u>(353,040)</u>	<u>(237,610)</u>
<b>Net cash used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Proceeds from shares issued		3,943	6,260
Net proceeds from issue of shares to non-controlling shareholder of a subsidiary		2,093	3,940
Payment to non-controlling shareholder of a subsidiary for redemption of preference shares		(2,976)	-
Loans from non-controlling shareholders of a subsidiary		7,307	2,790
Repayment of loans from non-controlling shareholders of subsidiaries		-	(43,344)
Proceeds from unsecured fixed rate notes due 2015/2017		-	250,000
Repayment of unsecured fixed and floating rate notes due 2012		-	(250,000)
Proceeds from borrowings	v	459,104	617,282
Repayment of borrowings	v	(303,129)	(705,157)
Expenditure relating to bank borrowings		(2,234)	(5,150)
Interest paid		(48,284)	(53,000)
Dividends paid to equity holders of the Company		(115,485)	(115,237)
Dividends paid to non-controlling interests		(32,022)	(24,396)
		<u>(31,683)</u>	<u>(316,012)</u>
<b>Net cash used in financing activities</b>			
<b>Net increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the financial year		254,925	291,141
Effects of currency translation on cash and cash equivalents		945	(2,713)
		<u>287,997</u>	<u>254,925</u>
<b>Cash and cash equivalents at the end of the financial year</b>	vi		

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. Development properties

The cash outflow in 2013 arose mainly from the acquisition of the land parcel at Sengkang West Way for \$262.1 million and from expenditure on the Group's on-going development projects offset in part by receipts from progress billings mainly from Spottiswoode Residences and Waterbank at Dakota.

ii. Payables

The cash inflow from payables relates mainly to the receipt of advance sales proceeds for the sale of residential and office units in The Esplanade, Tianjin.

iii. Payment to non-controlling shareholders for purchase of shares in a subsidiary

The payment was made for the acquisition of shares in PPHG from its non-controlling shareholders.

iv. 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 Pan Pacific Serviced Suites Beach Road, OneKM, The Esplanade in Tianjin and new function rooms at PARKROYAL on Beach Road.

v. Proceeds from borrowings/Repayment of borrowings

Net proceeds from borrowings were mainly for the acquisition of shares in PPHG and the land parcel at Sengkang West Way.

vi. 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>2013</u>	<u>2012</u>
	\$'000	\$'000
Fixed deposits with financial institutions	139,460	156,259
Cash at bank and on hand	153,926	103,802
Cash and bank balances per Statement of Financial Position	293,386	260,061
Less: Bank deposits pledged as security	(5,389)	(5,136)
Cash and cash equivalents per Consolidated Statement of Cash Flows	<u>287,997</u>	<u>254,925</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 year ended 31 December

<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>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	-	1,901	-	-	1,901
- proceeds from shares issued	3,943	-	-	-	3,943
Dividends	-	-	(115,485)	(32,022)	(147,507)
Acquisition of interests from non-controlling shareholders	-	-	(110,797)	(171,124)	(281,921)
Issue of shares to non-controlling interests	-	-	-	2,093	2,093
Redemption of preference shares held by non-controlling shareholders	-	-	-	(2,976)	(2,976)
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	4,032	-	4,032
Total comprehensive income for the year	-	47,672	785,820	94,987	928,479
Balance at 31 December 2013	<u>1,050,897</u>	<u>855,311</u>	<u>4,853,490</u>	<u>467,272</u>	<u>7,226,970</u>
<u>2012</u>					
Balance at 1 January 2012	1,040,694	661,039	3,582,240	486,950	5,770,923
Employee share option scheme					
- value of employee services	-	2,085	-	-	2,085
- proceeds from shares issued	6,260	-	-	-	6,260
Dividends	-	-	(115,237)	(24,396)	(139,633)
Issue of shares to non-controlling interests	-	-	-	3,940	3,940
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	15,242	-	15,242
Total comprehensive income for the year	-	142,614	807,675	109,820	1,060,109
Balance at 31 December 2012	<u>1,046,954</u>	<u>805,738</u>	<u>4,289,920</u>	<u>576,314</u>	<u>6,718,926</u>

Statement of Changes in Equity for the year ended 31 December

<u>The Company</u>	<u>Share capital</u> \$'000	<u>Reserves</u> \$'000	<u>Retained earnings</u> \$'000	<u>Total equity</u> \$'000
<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	-	1,901	-	1,901
- proceeds from shares issued	3,943	-	-	3,943
Dividends	-	-	(115,485)	(115,485)
Total comprehensive income for the year	-	26,819	388,270	415,089
Balance at 31 December 2013	<u>1,050,897</u>	<u>437,773</u>	<u>1,381,358</u>	<u>2,870,028</u>
<u>2012</u>				
Balance at 1 January 2012	1,040,694	283,513	1,076,499	2,400,706
Employee share option scheme				
- value of employee services	-	2,085	-	2,085
- proceeds from shares issued	6,260	-	-	6,260
Dividends	-	-	(115,237)	(115,237)
Total comprehensive income for the year	-	123,455	147,311	270,766
Balance at 31 December 2012	<u>1,046,954</u>	<u>409,053</u>	<u>1,108,573</u>	<u>2,564,580</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 financial year ended 31 December 2013, the changes in the issued share capital of the Company were as follows:

	Number of Ordinary Shares
Issued capital as at 1 January 2013	769,897,154
Issue of ordinary shares arising from the exercise of:	
2004 Options at exercise price of S\$2.28 per share	160,000
2006 Options at exercise price of S\$3.21 per share	18,000
2007 Options at exercise price of S\$4.91 per share	61,000
2008 Options at exercise price of S\$3.68 per share	148,000
2010 Options at exercise price of S\$3.95 per share	240,000
2011 Options at exercise price of S\$4.62 per share	269,000
2012 Options at exercise price of S\$5.40 per share	90,000
Issued capital as at 31 December 2013	<u>770,883,154</u>

During the fourth quarter of 2013, 318,000 ordinary shares (fourth quarter 2012: 680,000) were issued arising from the exercise of options granted under the UOL 2000 Share Option Scheme and UOL 2012 Share Option Scheme.

As at 31 December 2013, there were unexercised options for 4,440,000 (31.12.2012: 4,180,000) 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 December 2013 and 31 December 2012.

- 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	
	31.12.13	31.12.12
Total number of issued shares, excluding treasury shares	770,883,154	769,897,154

- 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 year as those of the audited financial statements for the financial year ended 31 December 2012.

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 2013, 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:

Amendment to FRS 1	Presentation of Items of Other Comprehensive Income
Amendment to FRS 1	Presentation of Financial Statements – Clarification of the requirements for comparative information
Amendment to FRS 107	Disclosure-Offsetting Financial Assets and Financial Liabilities
FRS 113	Fair Value Measurement

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 except for the following:

FRS 113 Fair Value Measurement

FRS 113 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across FRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within FRSs. The adoption of FRS 113 does not have any material impact on the accounting policies of the Group. The Group will incorporate the additional disclosures required by FRS 113 in its annual report.

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	
	2013	2012
Earnings per ordinary share for the financial year ended 31 December		
(i) Based on weighted average number of ordinary shares in issue	cents 102.01	cents 105.06
(ii) On a fully diluted basis	cents 101.90	cents 104.88

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

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	
	31.12.13	31.12.12	31.12.13	31.12.12
Net asset value per ordinary share	\$8.77	\$7.98	\$3.72	\$3.33
Net tangible asset backing per ordinary share	\$8.73	\$7.94	\$3.72	\$3.33

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 decreased by \$87.2 million or 8% to \$1,058.6 million from \$1,145.8 million in 2012. The decrease was mainly from property developments as various projects (including Double Bay Residences and Waterbank at Dakota) have achieved construction completion in 2012 or early 2013.

Revenue from all other segments have however recorded improvements with the increase attributed mainly to 1) revenue from PARKROYAL on Pickering and Pan Pacific Serviced Suites Beach Road which opened in the first and second quarter of 2013 respectively; 2) higher revenue from PARKROYAL Darling Harbour and PARKROYAL Yangon; and 3) higher dividend income from quoted investments.

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 of 49% was higher than the 44% recorded for 2012 due mainly to lower revenue contribution from property development which has a higher cost margin.

The decrease in marketing and distribution expenses was due mainly to \$7.4 million of sales commissions and showflat expenses for Katong Regency incurred in 2012. The increase in administrative expenses by \$8.1 million or 12% included an increase of \$4.2 million from PARKROYAL on Pickering ("PRP") and Pan Pacific Serviced Suites Beach Road ("PPSSBR") which opened in the first and second quarter of 2013 respectively. Other operating expenses have increased similarly with expenses of \$4.3 million from the newly opened PRP and PPSSBR. Finance expense increased 29% to \$42.8 million in 2013 due mainly to unrealised currency exchange losses from the Group's borrowings in US dollars to fund investments in China.

#### **Associated companies**

Share of profit of associated companies decreased from 2012 with lower contribution from Premier Land Development Pte Ltd following the completion of its development project, Terrene at Bukit Timah, in January 2013.

#### **Joint venture companies**

The share of profit of joint venture companies in 2013 was mainly from United Venture Development (Bedok) Pte Ltd for its development project, Archipelago.

#### **Profit & Loss**

Pre-tax profit before fair value and other gains was \$427.3 million as compared to the profit of \$439.7 million in 2012. The decrease was attributed mainly to unrealised currency exchange losses.

Including fair value and other gains amounting to \$524.7 million for 2013, profit before tax was \$952.0 million, a marginal decrease of 1% from the profit of \$964.3 million for 2012. Profit after tax and non-controlling interests was \$785.8 million or a 3% decrease from the profit of \$807.7 million for 2012.

#### **Net tangible asset and gearing**

The Group shareholders' funds increased from \$6.1 billion as at 31 December 2012 to \$6.8 billion as at 31 December 2013 due mainly to profits recognised in 2013. Consequently the net tangible asset per ordinary share of the Group increased to \$8.73 as at 31 December 2013 from \$7.94 as at 31 December 2012.

The Group's gearing ratio remains unchanged at 0.28 as at 31 December 2013 with the additional borrowings of the Group in 2013 offset largely by 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.

The Singapore economy is forecast to grow at between 2 and 4% in 2014. Demand for private residential properties has moderated further in the face of a tighter immigration policy and the cumulative effect of the various cooling measures. Rentals of office space are expected to show modest growth while rentals of retail space are expected to remain largely stable. The performance of the Group's hotels in Singapore could be affected by the expected addition of another 3,000 hotel rooms in 2014 and a tight labour market. Performance of the Group's hotels outside Singapore is expected to show modest growth in line with the expected 5 to 6% growth in tourist arrivals for Asia and the Pacific region.

The sale by the Company's 60%-owned subsidiary, Suasana Simfoni Sdn Bhd of its freehold land at Jalan Conlay Kuala Lumpur, Malaysia is expected to be completed by 2nd quarter 2014. A pre-tax gain of approximately RM247.0 million (S\$95 million) will be recognised upon completion. UOL's share of the gain will be RM148.0 million (S\$57 million).

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	15.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

Name of dividend	:	Special
Dividend Type	:	Cash
Dividend Rate	:	5.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

(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	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	15.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

(c) Date payable

First & Final	:	Subject to shareholders' approval for payment of the First & Final Dividends and payment date to be announced later
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(d) Books closure date

The books closure dates will be announced at a later date.

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

Not applicable.

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.

14 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Property development	Property investments	Hotel operations			Investments	Others	Total
			Singapore	Australia	Others			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Group</b>								
<b>2013</b>								
<b>Revenue</b>								
Total segment sales	409,984	186,239	151,990	135,910	132,940	398,807	48,815	1,464,685
Inter-segment sales	-	(5,998)	(415)	-	-	(371,361)	(28,303)	(406,077)
Sales to external parties	409,984	180,241	151,575	135,910	132,940	27,446	20,512	1,058,608
Share of profit of associated companies	1,618	179,831	5,705	-	606	-	82	187,842
Share of profit of joint venture companies	18,506	-	-	-	-	-	-	18,506
<b>Adjusted EBITDA*</b>	153,449	310,289	49,304	34,988	40,502	27,402	13,434	629,368
Depreciation and amortisation	(90)	(4,089)	(21,150)	(13,765)	(18,146)	-	(1,595)	(58,835)
Other gains/(losses)	-	3,509	26,325	-	(6,021)	-	-	23,813
Fair value gains on investment properties	-	409,425	-	-	-	-	-	409,425
Unallocated costs								(13,493)
Finance income								4,488
Finance expense								(42,815)
Profit before income tax								951,951
Income tax expense								(70,487)
Net profit								881,464
<b>2012</b>								
<b>Revenue</b>								
Total segment sales	560,022	172,362	109,636	140,984	127,513	161,962	45,109	1,317,588
Inter-segment sales	-	(6,275)	(412)	-	-	(138,770)	(26,354)	(171,811)
Sales to external parties	560,022	166,087	109,224	140,984	127,513	23,192	18,755	1,145,777
Share of profit of associated companies	22,492	192,158	6,317	-	601	-	94	221,662
Share of loss of a joint venture company	(364)	-	-	-	-	-	-	(364)
<b>Adjusted EBITDA*</b>	169,684	315,644	36,147	32,982	39,397	23,147	13,178	630,179
Depreciation and amortisation	(54)	(3,784)	(10,832)	(12,368)	(19,309)	-	(1,563)	(47,910)
Other gains/(losses)	-	3,624	-	(19,159)	(14,159)	4,699	-	(24,995)
Fair value gains on investment properties	-	442,097	-	-	-	-	-	442,097
Unallocated costs								(13,046)
Finance income								11,112
Finance expense								(33,090)
Profit before income tax								964,347
Income tax expense								(44,163)
Net profit								920,184

\* Earnings before income tax, depreciation and amortisation (EBITDA) adjusted to exclude unallocated costs, other gains/(losses) and fair value gains on investment properties

15 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8.

16 A breakdown of sales

		The Group		
		For the year ended		
		31.12.13	31.12.12	Increase/ (decrease)
		\$'000	\$'000	%
(a)	Sales reported for first half year	552,097	596,575	(7)
(b)	Profit after tax before deducting non-controlling interests reported for first half year	578,710	278,583	108
(a)	Sales reported for second half year	506,511	549,202	(8)
(b)	Profit after tax before deducting non-controlling interests reported for second half year	302,754	641,601	(53)

17 A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

		Latest Full Year	Previous Full Year
		\$'000	\$'000
	Ordinary one-tier dividend	115,632	115,485
	Special one-tier dividend	38,544	-
		154,176	115,485
	Preference	-	-
	Total	154,176	115,485

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wee Wei Ling	62	<p>Daughter of Mr Wee Cho Yaw, the Chairman and a substantial shareholder of UOL Group Limited ("UOL").</p> <p>Sister of Mr Wee Ee-chao, Mr Wee Ee Lim and Mr Wee Ee Cheong, substantial shareholders of UOL.</p> <p>Mr Wee Ee-chao and Mr Wee Ee Lim are also directors of UOL.</p>	<p>Executive Director (Asset and Lifestyle) of Pan Pacific Hotels Group Limited ("PPHG") with effect from 1 January 2014.</p> <p>Oversees the approval of all capital expenditure for PPHG's owned hotel properties and responsible for the management of St Gregory Spa Pte Ltd and Dou Hua Restaurants Pte Ltd. Also spearheads PPHG's corporate social responsibility and charitable initiatives.</p> <p>Director of PPHG since 1994. PPHG is a wholly-owned subsidiary of UOL delisted from Official List of Singapore Exchange Securities Trading Limited on 2 October 2013.</p>	<p>Re-designated to Executive Director (Asset and Lifestyle) of PPHG on 1 January 2014. Added responsibility of spearheading PPHG's corporate social responsibility and charitable initiatives.</p>

**BY ORDER OF THE BOARD**

Foo Thiam Fong Wellington  
Company Secretary  
28 February 2014