

Unaudited Financial Statements For The Second Quarter Ended 30th June 2017
**1(a) CONSOLIDATED INCOME STATEMENT
For The Second Quarter Ended 30th June 2017**

	THE GROUP					
	2nd Quarter Ended 30th June			1st Half Ended 30th June		
	2017	2016	Change	2017	2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue						
Sales of development properties	2,796	136,356	(97.9)	9,573	136,356	(93.0)
Rental income	34,594	36,434	(5.1)	70,197	73,636	(4.7)
	37,390	172,790	(78.4)	79,770	209,992	(62.0)
Other operating income	6,052	2,738	121.0	15,000	3,227	364.8
	43,442	175,528	(75.3)	94,770	213,219	(55.6)
Less:						
Cost of sales of development properties including marketing expenses	(2,601)	(108,407)	(97.6)	(8,152)	(108,837)	(92.5)
Direct rental expenses	(4,587)	(4,727)	(3.0)	(8,486)	(8,880)	(4.4)
Staff cost & directors' remuneration	(5,787)	(1,290)	348.6	(10,962)	(4,909)	123.3
Gain/(Loss) on foreign exchange	1,507	(8,019)	NM	1,643	(14,173)	NM
Other operating expenses	(1,208)	(1,163)	3.9	(2,869)	(2,726)	5.2
Profit from operations	30,766	51,922	(40.7)	65,944	73,694	(10.5)
Net finance costs	(5,981)	(8,176)	(26.8)	(11,906)	(17,586)	(32.3)
	24,785	43,746	(43.3)	54,038	56,108	(3.7)
Share of profits of:						
Associates	12,221	7,612	60.5	44,894	16,900	165.6
Jointly controlled entities	3,244	548	492.0	5,027	640	685.5
Profit before taxation	40,250	51,906	(22.5)	103,959	73,648	41.2
Income tax expense	(3,554)	(9,854)	(77.6)	(10,740)	(13,220)	(29.0)
Profit for the period	36,696	42,052	(12.7)	93,219	60,428	54.3
Attributable to:						
Owners of the Company	36,111	42,026	(14.1)	92,426	60,486	52.8
Non-controlling interests	585	26	NM	793	(58)	NM
Net profit for the period	36,696	42,052	(12.7)	93,219	60,428	54.3
The following items have been included in arriving at profit for the period:						
Dividend income	-	1	NM	-	21	NM
Distribution income- other financial assets	59	56	5.4	74	56	32.1
Distribution income- jointly-controlled operations	4,497	-	NM	4,497	-	NM
Other income	862	2,681	(67.8)	1,958	3,150	(37.8)
Gain on sale of property held for sale	-	-	-	7,352	-	NM
Gain on sale of quoted equity investment	-	-	-	485	-	NM
Interest income	516	129	300.0	988	931	6.1
Net changes in fair value of financial assets through profit & loss	19	(39)	NM	(437)	(209)	109.1
Depreciation of property, plant & equipment	(255)	(188)	35.6	(491)	(405)	21.2

NM : Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION AS AT 30TH JUNE 2017

ASSETS	The Group		The Company	
	30-06-2017	31-12-2016	30-06-2017	31-12-2016
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current Assets				
Property, Plant & Equipment	23,834	22,482	936	1,301
Investment Properties (Note 1)	3,029,537	2,789,826	-	-
Investments in Subsidiaries	-	-	178,705	178,705
Interests in Associates	515,753	483,216	437,055	437,055
Interests in Jointly Controlled Entities	313,371	308,787	277,635	277,635
Other Assets	150	150	-	-
Financial Assets	2,079	2,697	-	-
Amounts Due From Subsidiaries & Jointly Controlled Entities	260,555	287,361	688,307	499,549
Deferred Tax Assets	1,882	-	-	-
	4,147,161	3,894,519	1,582,638	1,394,245
Current Assets				
Development Properties	62,555	68,500	-	-
Properties Held For Sale	185,414	185,149	-	-
Assets Held For Sale	-	159,885	-	-
Trade & Other Receivables	21,218	28,610	88	7,839
Amounts Due From Subsidiaries, Jointly Controlled Entities & Corporate Shareholder of Associate	18	19	100,500	70,909
Financial Assets	-	3,774	-	3,774
Cash & Cash Equivalents	92,220	54,260	324	2,380
	361,425	500,197	100,912	84,902
TOTAL ASSETS	4,508,586	4,394,716	1,683,550	1,479,147
EQUITIES & LIABILITIES				
Equity Attributable To Shareholders				
Share Capital	156,048	156,048	156,048	156,048
Treasury Shares	(63,930)	(63,930)	(63,930)	(63,930)
Capital Reserve	2,043	2,043	-	-
Hedging Reserve	(3,198)	(2,760)	-	-
Foreign Currency Translation Reserve (Note 2)	(38,610)	(25,727)	-	-
Accumulated Profits	2,912,090	2,859,607	1,199,711	1,244,324
Share Capital and Reserves	2,964,443	2,925,281	1,291,829	1,336,442
Non-controlling Interests	14,028	13,939	-	-
Total Equity	2,978,471	2,939,220	1,291,829	1,336,442
Non-current Liabilities				
Borrowings (Note 3)	1,122,685	1,111,028	-	-
Other Non-current Liabilities	31,584	31,146	-	-
Deferred Income	380	500	-	-
	1,154,649	1,142,674	-	-
Current Liabilities				
Trade & Other Payables	37,527	42,568	125,737	12,747
Borrowings (Note 3)	302,867	234,722	265,984	129,958
Deferred Income	1,683	240	-	-
Current Tax Payable	33,389	35,292	-	-
	375,466	312,822	391,721	142,705
Total Liabilities	1,530,115	1,455,496	391,721	142,705
TOTAL EQUITY & LIABILITIES	4,508,586	4,394,716	1,683,550	1,479,147

NOTES TO STATEMENTS OF FINANCIAL POSITION AS AT 30TH JUNE 2017

Note 1: The increase in investment properties (S\$239.7 million) was mainly due to the acquisition of 67 Lombard Street, London, in June 2017.

Note 2: The deficit in foreign currency translation reserve (S\$12.9 million) was due to the weakening of the US Dollar and RMB in which the Group has investments.

Note 3: The increase in total long-term & short-term borrowings (S\$79.8 million) was mainly due to the bank borrowings taken during 2Q2017 to fund the acquisition of 67 Lombard Street, London.

1(b)(ii) AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 30-06-2017		As at 31-12-2016	
Secured	Unsecured	Secured	Unsecured
S\$302,867,000	-	S\$234,722,000	-

Amount repayable after one year

As at 30-06-2017		As at 31-12-2016	
Secured	Unsecured	Secured	Unsecured
S\$1,122,685,000	-	S\$1,111,028,000	-

Details of any collateral

All secured borrowings of the Group are generally secured by first legal mortgage and assignment of rental and sale proceeds over investment properties and development properties of the borrowing entity within the Group.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS For The Second Quarter Ended 30th June 2017

	2nd Quarter Ended 30th June		1st Half Ended 30th June	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
Cash flows from operating activities				
Profit for the period	36,696	42,052	93,219	60,428
<i>Adjustments for:</i>				
Depreciation of property, plant & equipment	255	188	491	405
Property, plant & equipment written off	5	-	5	-
Gain on sale of properties held for sale	-	-	(7,352)	-
Gain on sale of quoted equity investment	-	-	(485)	-
Unrealised loss in foreign exchange	1,431	4,438	828	10,204
Dividend income	-	(1)	-	(21)
Distribution income from financial assets at fair value through profit & loss	(59)	(56)	(74)	(56)
Finance costs	6,497	8,305	12,894	18,517
Interest income	(516)	(129)	(988)	(931)
Net change in fair value of financial assets through profit & loss	(19)	39	437	209
Share of profits of jointly-controlled entities	(3,244)	(548)	(5,027)	(640)
Share of profits of associates	(12,221)	(7,612)	(44,894)	(16,900)
Income tax expense	3,554	9,854	10,740	13,220
Operating profit before changes in working capital	32,379	56,530	59,794	84,435

	2nd Quarter Ended 30th June		1st Half Ended 30th June	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
Changes in working capital				
Development properties	1,129	79,732	6,071	50,593
Trade & other receivables	(2,729)	21,126	5,510	20,797
Trade & other payables	8,440	(9,600)	(3,718)	(17,121)
Cash generated from operations	39,219	147,788	67,657	138,704
Income tax paid	(9,007)	(14,148)	(12,843)	(28,941)
Net cash inflow from operating activities	30,212	133,640	54,814	109,763
Cash flows from investing activities				
Interest received	243	230	444	286
Dividend received	-	1	-	21
(Advances to)/Repayment from jointly-controlled entities	(515)	1,020	535	1,432
Repayment from corporate shareholder of associate	-	19,973	-	19,973
Repayment from investee company	23,707	-	23,707	-
Proceeds from disposal of investment properties	-	-	167,237	-
Proceeds from sale of quoted equity investment	-	-	4,259	-
Purchase of investment properties	(231,705)	-	(231,705)	-
Purchase of property, plant & equipment	(819)	(244)	(1,829)	(244)
Purchase of other financial assets	-	-	(4)	(4)
Distribution income of other financial assets	107	89	155	189
Net cash (outflow)/inflow from investing activities	(208,982)	21,069	(37,201)	21,653
Cash flows from financing activities				
Proceeds from term loans	174,639	92,443	174,639	128,057
Interest paid	(6,497)	(8,777)	(12,894)	(18,517)
Repayment of term loans	(19,853)	(115,791)	(101,942)	(121,453)
Dividends paid	(39,943)	(46,636)	(39,943)	(46,636)
Net cash inflow/(outflow) from financing activities	108,346	(78,761)	19,860	(58,549)
Net (decrease)/increase in cash and cash equivalents	(70,424)	75,948	37,473	72,867
Effect of foreign exchange rate changes on consolidation	1,380	(5)	487	9
Cash and cash equivalents at beginning of period	161,264	11,502	54,260	14,569
Cash and cash equivalents at end of period	92,220	87,445	92,220	87,445

1(d) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Second Quarter Ended 30th June 2017

	2nd Quarter Ended 30th June			1st Half Ended 30th June		
	2017	2016	Change	2017	2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	36,696	42,052	(12.7)	93,219	60,428	54.3
Other comprehensive income/(expense):						
Share of foreign currency translation difference of associate	733	(12,516)	NM	(12,355)	(32,802)	(62.3)
Exchange differences on consolidation of foreign subsidiary	4,604	(16,287)	NM	(1,232)	(40,360)	(96.9)
Effective portion of changes in fair value of cash flow hedges	(173)	(3,354)	(94.8)	(438)	(6,969)	(93.7)
Total comprehensive income/(expense) for the period	41,860	9,895	323.0	79,194	(19,703)	NM
Attributable to:						
Owners of the Company	41,482	9,848	321.3	79,105	(19,005)	NM
Non-controlling interests	378	47	687.5	89	(698)	NM
	41,860	9,895	323.0	79,194	(19,703)	NM

1(e)(i) STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital & Other Reserves S\$'000	Currency Translation Reserves S\$'000	Accum. Profits S\$'000	Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
Balance at 1st Jan 2016	156,048	(62,859)	4,458	33,307	2,689,487	2,820,441	13,459	2,833,900
Total comprehensive income/(expense) for 1st qtr 2016	-	-	(3,615)	(43,698)	18,460	(28,853)	(745)	(29,598)
Balance at 31st Mar 2016	156,048	(62,859)	843	(10,391)	2,707,947	2,791,588	12,714	2,804,302
Total comprehensive income/(expense) for 2nd qtr 2016	-	-	(3,354)	(28,824)	42,026	9,848	47	9,895
Dividends paid	-	-	-	-	(46,636)	(46,636)	-	(46,636)
Balance at 30th Jun 2016	156,048	(62,859)	(2,511)	(39,215)	2,703,337	2,754,800	12,761	2,767,561

GROUP	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital & Other Reserves S\$'000	Currency Translation Reserves S\$'000	Accum. Profits S\$'000	Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
Balance at 1st Jan 2017	156,048	(63,930)	(717)	(25,727)	2,859,607	2,925,281	13,939	2,939,220
Total comprehensive income/(expense) for 1st qtr 2017	-	-	(265)	(18,427)	56,315	37,623	(289)	37,334
Balance at 31st Mar 2017	156,048	(63,930)	(982)	(44,154)	2,915,922	2,962,904	13,650	2,976,554
Total comprehensive income/(expense) for 2nd qtr 2017	-	-	(173)	5,544	36,111	41,482	378	41,860
Dividends paid	-	-	-	-	(39,943)	(39,943)	-	(39,943)
Balance at 30th Jun 2017	156,048	(63,930)	(1,155)	(38,610)	2,912,090	2,964,443	14,028	2,978,471

COMPANY	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital Reserve S\$'000	Accum. Profits S\$'000	Total S\$'000
Balance at 1st Jan 2016	156,048	(62,859)	-	1,241,295	1,334,484
Total comprehensive expense for 1st qtr 2016	-	-	-	(7,126)	(7,126)
Balance at 31st Mar 2016	156,048	(62,859)	-	1,234,169	1,327,358
Total comprehensive expense for 2nd qtr 2016	-	-	-	(5,828)	(5,828)
Dividends paid	-	-	-	(46,636)	(46,636)
Balance at 30th Jun 2016	156,048	(62,859)	-	1,181,705	1,274,894

COMPANY	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital Reserve S\$'000	Accum. Profits S\$'000	Total S\$'000
Balance at 1st Jan 2017	156,048	(63,930)	-	1,244,324	1,336,442
Total comprehensive expense for 1st qtr 2017	-	-	-	(2,598)	(2,598)
Balance at 31st Mar 2017	156,048	(63,930)	-	1,241,726	1,333,844
Total comprehensive expense for 2nd qtr 2017	-	-	-	(2,072)	(2,072)
Dividends paid	-	-	-	(39,943)	(39,943)
Balance at 30th Jun 2017	156,048	(63,930)	-	1,199,711	1,291,829

1(e)(ii) DETAILS OF CHANGES IN THE COMPANY'S ISSUED SHARE CAPITAL

	2nd Quarter Ended 30th Jun 2017		2nd Quarter Ended 30th Jun 2016		Full Year Ended 31st Dec 2016	
	No. of Ordinary Shares	S\$'000	No. of Ordinary Shares	S\$'000	No. of Ordinary Shares	S\$'000
Balance at beginning of period	703,338,000	156,048	703,338,000	156,048	703,338,000	156,048
Balance at end of period	703,338,000	156,048	703,338,000	156,048	703,338,000	156,048

There were 37,617,400 treasury shares held by the Company as at 30th June 2017 and 31st December 2016 (30th June 2016: 37,103,200) and these were included in the above number of issued ordinary shares. There were no sale, transfer, cancellation and/or use of treasury shares for the financial period ended 30th June 2017.

The Company has no subsidiary holdings as at 30th June 2017 and 30th June 2016. There was no sale, transfer, cancellation and/or use of subsidiary holdings for the financial period ended 30th June 2017.

2. AUDIT

The figures have not been audited or reviewed by the Company's auditors.

3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The Group has applied the same accounting policies and methods of computation in the consolidated financial statements for the current financial period as in the audited consolidated financial statements for the year ended 31st December 2016.

4. CHANGES IN ACCOUNTING POLICIES

There are no changes in accounting policies and methods of computation.

5. EARNINGS PER ORDINARY SHARE

	2nd Qtr Ended 30th June		1st Half Ended 30th June	
	2017	2016	2017	2016
Weighted average number of shares (excluding treasury shares)	665,720,600	666,234,800	665,720,600	666,234,800
Earnings per ordinary share for the period				
i) Based on weighted average number of ordinary shares (excluding treasury shares)	5.42 cts	6.31 cts	13.88 cts	9.08 cts
ii) On a fully diluted basis	5.42 cts	6.31 cts	13.88 cts	9.08 cts

Basic earnings per share and earnings per share on a fully diluted basis for the financial period ended 30th June 2017 were computed based on net profit attributable to owners of the Company of S\$36,111,000 for the 2nd quarter 2017 (2Q2016: S\$42,026,000), S\$92,426,000 for 1st half 2017 (1H2016: S\$60,486,000) and weighted average number of ordinary shares of 665,720,600 for the 2nd quarter 2017 and 1st half 2017 (2Q2016 and 1H2016: 666,234,800). There were no dilutive potential ordinary shares for the current and previous periods.

6. NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30th Jun 2017	31st Dec 2016	30th Jun 2017	31st Dec 2016
Net asset value per ordinary share	S\$4.45	S\$4.39	S\$1.94	S\$2.01

The calculation of net asset value per ordinary share of the Group and the Company was based on the net assets of the Group and the Company as at 30th June 2017 and 31st December 2016 after adjusting for non-controlling interests and 665,720,600 ordinary shares (excluding treasury shares) as at 30th June 2017 and 31st December 2016.

7. PERFORMANCE REVIEW OF THE GROUP

2nd Qtr 2017 vs 2nd Qtr 2016

Group revenue for the 2nd quarter of 2017 amounted to S\$37.4 million, 78% lower than that of the same period last year. This was due mainly to the higher sales recognition of two residential development projects in Melbourne and Gold Coast, Australia which were completed in the 2nd quarter of last year.

Despite the decrease in revenue, the Group's bottom-line was boosted by the share of profits from associates and jointly-controlled entities in China. Share of profits from associates rose 61% from S\$7.6 million in the corresponding period last year to S\$12.2 million. This profit was mainly from our residential project in Shanghai. Share of profits from jointly-controlled entities increased 492% to S\$3.2 million with the main contribution from the residential project in Tangshan. The Group has also received a distribution income amounting to S\$4.5 million from its jointly-controlled project in Melbourne, Epuro Tower which was recently completed.

Profit at pre-tax level decreased 22% from the same period last year to S\$40.3 million. After accounting for income tax, profit attributable to owners of the Company was S\$36.1 million, 14% lower than 2nd quarter 2016. This translates to an earnings of 5.42 cents per share.

1st Half 2017 vs 1st Half 2016

For the six months ended 30th June 2017, Group revenue decreased by 62%, from S\$210.0 million in the corresponding period last year to S\$79.8 million.

Our residential project in Shanghai was the main contributor to the share of profits from associates which amounted to S\$44.9 million, up 166% from the same period last year. Profit from jointly-controlled entities rose 685% to S\$5.0 million.

Profit before tax and non-controlling interests increased 41% to S\$104.0 million, while profit attributable to owners of the Company rose 53% from S\$60.5 million in the same period last year to S\$92.4 million. Earnings per share for the period under review was 13.88 cents compared to 9.08 cents in the preceding year.

Total shareholders' fund as at 30th June 2017 amounted to S\$2.96 billion, representing a net asset value of S\$4.45 per share.

8. VARIANCE BETWEEN ACTUAL RESULTS FOR THE CURRENT PERIOD AND PROSPECT STATEMENT PREVIOUSLY DISCLOSED

Not applicable.

9. COMMENTARY ON THE GROUP PROSPECTS

The Group has continued to enhance its recurring income base by acquiring another prime London commercial property in June 2017. With the strong recurring income and the expected development profits from its residential projects in Australia and China, the Group will remain profitable for the rest of the year.

10. DIVIDEND

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? **No**

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? **No**

11. INTERESTED PERSON TRANSACTIONS

The Company does not have a shareholders' mandate for interested person transactions.

BY ORDER OF THE BOARD

Desmond Woon
Executive Director
07/08/2017

CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

To the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited interim financial statements of the Group and the Company for the 2nd quarter ended 30th June 2017 to be false or misleading in any material aspect.

CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

ON BEHALF OF THE BOARD

Chua Thian Poh
Chairman & CEO

Desmond Woon
Executive Director

07/08/2017