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**First Quarter Financial Statement and Dividend Announcement for the Period Ended 31 March 2010**


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

- 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Consolidated Income Statement**

	Note	3 months ended		+ / (-) %
		31.3.10 \$'000	31.3.09 \$'000	
Revenue	1	116,187	86,167	35
Cost of sales	2	(56,822)	(31,417)	81
Gross profit		59,365	54,750	8
Investment income		156	357	(56)
Other gains/(losses) - net		429	201	113
Selling and distribution costs		(2,893)	(2,628)	10
Administrative expenses		(2,078)	(2,091)	(1)
Finance expenses		(967)	(2,029)	(52)
Share of results of associated companies		11,033	16,158	(32)
Profit before income tax	3	65,045	64,718	1
Income tax (expense)/credit	4	(9,094)	17,779	n.m.
Net profit		55,951	82,497	(32)
Attributable to:				
Owners of the parent		48,153	73,150	(34)
Minority interests		7,798	9,347	(17)
		55,951	82,497	(32)

n.m. - not meaningful

## Consolidated Statement of Comprehensive Income

	3 months ended	
	31.3.10	31.3.09
	\$'000	\$'000
Net profit	55,951	82,497
Other comprehensive (expense)/income taken directly to equity:		
Net exchange differences on translation of financial statement of a foreign entity	(211)	3,047
Effect of reduction in deferred income tax liability on asset revaluation reserve	-	1,629
	<u>(211)</u>	<u>4,676</u>
Total comprehensive (expense)/income	<u>55,740</u>	<u>87,173</u>
Total comprehensive (expense)/income attributable to:		
Owners of the parent	47,942	77,061
Minority interests	7,798	10,112
	<u>55,740</u>	<u>87,173</u>

### Notes to the income statement

	3 months ended	
	31.3.10	31.3.09
	\$'000	\$'000
<u>1. Revenue</u>		
Gross rental income	61,445	63,486
Gross revenue from hotel operations	25,439	21,261
Sales of properties held for sale	27,900	-
Car parking income and property management fees	1,403	1,420
	<u>116,187</u>	<u>86,167</u>
<u>2. Cost of sales</u>		
Property operating expenses	14,558	17,106
Cost of sales from hotel operations	17,374	14,311
Cost of properties held for sale sold	24,890	-
	<u>56,822</u>	<u>31,417</u>
<u>3. Profit before income tax</u>		
Profit before income tax is stated after charging:		
Depreciation	2,820	2,832
	<u>2,820</u>	<u>2,832</u>
<u>4. Income tax (expense)/credit</u>		
Income tax (expense)/credit includes the following:		
One-time write-back of deferred income tax liability resulting from reduction in corporate tax rate from 18% to 17%	-	26,426
	<u>-</u>	<u>26,426</u>

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

	Note	Group		Company	
		31.3.10 \$'000	31.12.09 \$'000	31.3.10 \$'000	31.12.09 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Other receivables	1	70,100	72,810	199,602	256,798
Financial assets, available-for-sale		12,045	12,045	-	-
Investment in associated companies		375,562	364,530	350	350
Investment in subsidiary companies		-	-	972,442	972,442
Investment properties	2	3,804,197	3,803,500	-	-
Property, plant and equipment		386,999	389,753	-	-
		<u>4,648,903</u>	<u>4,642,638</u>	<u>1,172,394</u>	<u>1,229,590</u>
<b>Current assets</b>					
Cash and cash equivalents		48,032	88,861	146	277
Properties held for sale		387,358	389,579	-	-
Trade and other receivables		9,799	10,353	161	173
Inventories, at cost		866	929	-	-
		<u>446,055</u>	<u>489,722</u>	<u>307</u>	<u>450</u>
<b>Total assets</b>		<b>5,094,958</b>	<b>5,132,360</b>	<b>1,172,701</b>	<b>1,230,040</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		87,236	88,707	1,536	1,606
Current income tax liabilities		42,974	41,387	1,571	1,572
Borrowings		112,914	141,252	59,710	141,252
		<u>243,124</u>	<u>271,346</u>	<u>62,817</u>	<u>144,430</u>
<b>Non-current liabilities</b>					
Trade and other payables	3	42,187	43,750	49,676	25,565
Borrowings		344,665	407,945	-	-
Deferred income tax liabilities		371,191	371,268	-	-
		<u>758,043</u>	<u>822,963</u>	<u>49,676</u>	<u>25,565</u>
<b>Total liabilities</b>		<b>1,001,167</b>	<b>1,094,309</b>	<b>112,493</b>	<b>169,995</b>
<b>NET ASSETS</b>		<b>4,093,791</b>	<b>4,038,051</b>	<b>1,060,208</b>	<b>1,060,045</b>
<b>EQUITY</b>					
<b>Equity attributable to owners of the parent</b>					
Share capital		840,349	840,349	840,349	840,349
Reserves		2,755,107	2,707,165	219,859	219,696
		<u>3,595,456</u>	<u>3,547,514</u>	<u>1,060,208</u>	<u>1,060,045</u>
Minority interests		498,335	490,537	-	-
<b>TOTAL EQUITY</b>		<b>4,093,791</b>	<b>4,038,051</b>	<b>1,060,208</b>	<b>1,060,045</b>

Notes to the balance sheet

1. The Company's other receivables, comprising mainly amounts due from subsidiary companies, decreased due to intercompany funding.

2. Investment properties are stated at 31 December 2009 valuations by independent professional valuers, with \$0.7 million upgrading costs incurred during the first quarter of 2010. Valuations are carried out half yearly in June and December.

3. The Company's trade and other payables, comprising mainly amounts due to subsidiary companies, increased due to intercompany funding.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.****Amount repayable in one year or less, or on demand**

At 31.3.10		At 31.12.09	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
-	112,914	-	141,252

**Amount repayable after one year**

At 31.3.10		At 31.12.09	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
217,665	127,000	258,945	149,000

**Details of any collateral**

The \$217.7 million (31 December 2009: \$258.9 million) loans are secured by way of mortgages over certain property development projects.

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

	3 months ended	
	31.3.10	31.3.09
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	65,045	64,718
Adjustments to profit	(7,254)	(11,390)
Working capital changes	2,811	(13,167)
Interest paid	(4,188)	(4,832)
Income tax paid	(7,585)	(2,050)
<b>Net cash provided by operating activities</b>	<b>48,829</b>	<b>33,279</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(214)	(626)
Upgrading of investment properties	(697)	(553)
Repayment of loans by associated company	2,800	2,800
Interest received	71	80
<b>Net cash provided by investing activities</b>	<b>1,960</b>	<b>1,701</b>
<b>Cash flows from financing activity</b>		
Repayment of borrowings	(91,618)	(40,249)
<b>Net cash used in financing activity</b>	<b>(91,618)</b>	<b>(40,249)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(40,829)</b>	<b>(5,269)</b>
Cash and cash equivalents at 1 January	88,861	46,849
<b>Cash and cash equivalents at 31 March</b>	<b>48,032</b>	<b>41,580</b>

- 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.

	Group		Company	
	31.3.10	31.3.09	31.3.10	31.3.09
	\$'000	\$'000	\$'000	\$'000
<u>Share capital</u>				
<b>Balance at 1 January and 31 March</b>	840,349	840,349	840,349	840,349
<u>Retained earnings</u>				
<b>Balance at 1 January</b>	2,664,368	3,012,827	219,696	219,231
Total comprehensive income - net profit	48,153	73,150	163	430
<b>Balance at 31 March</b>	2,712,521	3,085,977	219,859	219,661
<u>Foreign currency reserve</u>				
<b>Balance at 1 January</b>	2,227	2,877	-	-
Total comprehensive (expense)/income				
- net exchange differences on translation	(211)	3,047	-	-
<b>Balance at 31 March</b>	2,016	5,924	-	-
<u>Asset revaluation reserve</u>				
<b>Balance at 1 January</b>	40,570	39,706	-	-
Total comprehensive income				
- effect of reduction in deferred income tax liability	-	864	-	-
<b>Balance at 31 March</b>	40,570	40,570	-	-
<u>Minority interests</u>				
<b>Balance at 1 January</b>	490,537	485,437	-	-
Total comprehensive income	7,798	10,112	-	-
<b>Balance at 31 March</b>	498,335	495,549	-	-
<u>Total equity</u>				
<b>Balance at 1 January</b>	4,038,051	4,381,196	1,060,045	1,059,580
Total comprehensive income	55,740	87,173	163	430
<b>Balance at 31 March</b>	4,093,791	4,468,369	1,060,208	1,060,010

- 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.

Nil.

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.

	<b>31.3.10</b>	<b>31.12.09</b>
Total number of issued shares	412,477,559	412,477,559

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 auditing standard or practice.

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

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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.

The same accounting policies and methods of computation as in the 2009 audited annual financial statements have been applied for the current reporting period.

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.

Nil.

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

	Latest quarter	Previous quarter
	31.3.10	31.3.09
Earnings per ordinary share		
(a) Based on the weighted average number of ordinary shares on issue	11.7 cents	17.7 cents
(b) <u>On a fully diluted basis</u> Diluted earnings per share is the same as basic earnings per share as the Company has not issued any options or warrants which would have a dilutive effect on earnings per share when exercised.		

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of shares excluding treasury shares of the issuer at the end of the :-**

- (a) **current financial period reported on; and**  
 (b) **immediately preceding financial year.**

	<b>31.3.10</b>	<b>31.12.09</b>
Net asset value per ordinary share		
Group	\$8.72	\$8.60
Company	\$2.57	\$2.57

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-**

- (a) **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; and**

- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group's revenue increased by \$30.0 million (35%) to \$116.2 million due mainly to sales of The Trizon and The Excellency (Chengdu) residential projects and higher revenue in Pan Pacific Singapore hotel, partially offset by lower rental income. Sales of The Trizon and The Excellency (Chengdu) resulted in revenue recognition of \$27.9 million on a percentage of completion basis. Revenue from Pan Pacific Singapore hotel increased by \$4.2 million (20%) to \$25.4 million with higher occupancy and higher F&B revenue. Gross rental income from investment properties at \$61.4 million was lower by \$2.0 million (3%) attributable to lower rental rates and occupancy.

Share of results of associated companies decreased by \$5.1 million (32%) due mainly to absence of \$6.2 million contribution in Q1 2009 from The Sixth Avenue Residences project (fully sold and completed in August 2009), partially offset by higher contribution from One Amber residential project (progressive recognition of development profits).

Following the reduction in corporate tax rate from 18% to 17% last year, the Group recognised a one-time write-back of deferred income tax of \$26.4 million (as reflected in the previous corresponding quarter ended 31 March 2009). Consequently, the Group's attributable net profit decreased by \$25.0 million (34%) to \$48.2 million. Excluding the \$25.5 million one-time write-back of deferred income tax (net of minority interests) in Q1 2009, the Group's net profit from operations increased by \$0.5 million (1%) to \$48.2 million.

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

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and 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.**

Despite economic recovery, the office rental market will remain challenging because of the large new supply.

Supported by expected growth in tourist arrivals and improving consumer confidence, the retail rental market is expected to be firm.

**11. Dividend**

*(a) Current Financial Period Reported On*

Any dividend declared for the current financial period reported on? None.

*(b) Corresponding Period of the Immediately Preceding Financial Year*

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

*(c) Date payable*

Not applicable.

*(d) Books closure date*

Not applicable.

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

No dividend has been declared/recommended for the quarter ended 31 March 2010.

**Confirmation by Directors**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the first quarter ended 31 March 2010 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Susie Koh  
Company Secretary  
23 April 2010