



First Quarter Financial Statement and Dividend Announcement for the Period Ended 31 March 2011

**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		+ / (-) %
		31.3.11 \$'000	31.3.10 \$'000 (restated)	
Revenue	1	138,314	107,587	29
Cost of sales	2	(72,424)	(48,674)	49
Gross profit		65,890	58,913	12
Investment income		62	156	(60)
Other gains/(losses) - net		311	429	(28)
Selling and distribution costs		(3,213)	(2,893)	11
Administrative expenses		(2,075)	(2,078)	(0)
Finance expenses		(469)	(967)	(51)
Share of results of associated companies		8,227	11,033	(25)
Profit before income tax	3	68,733	64,593	6
Income tax expense		(10,499)	(9,094)	15
Net profit		58,234	55,499	5
Attributable to:				
Equity holders of the Company		48,779	47,701	2
Non-controlling interests		9,455	7,798	21
		58,234	55,499	5

Consolidated Statement of Comprehensive Income

	3 months ended	
	31.3.11	31.3.10
	\$'000	\$'000
		(restated)
Net profit	58,234	55,499
Other comprehensive expense taken directly to equity:		
Net exchange differences on translation of		
financial statements of foreign entities	(2,035)	(211)
Total comprehensive income	<u>56,199</u>	<u>55,288</u>
Total comprehensive income attributable to:		
Equity holders of the Company	46,744	47,490
Non-controlling interests	9,455	7,798
	<u>56,199</u>	<u>55,288</u>

Notes to the income statement

	3 months ended	
	31.3.11	31.3.10
	\$'000	\$'000
		(restated)
<u>1. Revenue</u>		
Gross rental income	59,972	61,445
Gross revenue from hotel operations	28,496	25,439
Sales of properties held for sale	48,360	19,300
Car parking income and property management fees	1,486	1,403
	<u>138,314</u>	<u>107,587</u>
<u>2. Cost of sales</u>		
Property operating expenses	14,322	14,558
Cost of sales from hotel operations	18,472	17,374
Cost of properties held for sale sold	39,630	16,742
	<u>72,424</u>	<u>48,674</u>
<u>3. Profit before income tax</u>		
Profit before income tax is stated after charging:		
Depreciation	<u>2,808</u>	<u>2,820</u>

4. Restatement of comparative figures

In the 2010 full year financial results announcement in February 2011, the Group disclosed that it had early adopted Interpretation of Financial Reporting Standard "INT FRS" 115 – Agreements for the Construction of Real Estate. As the adoption of INT FRS 115 was effected only in the 2010 full year financial results and not in the quarterly results for that year, the comparatives for the three months ended 31 March 2010 have been accordingly restated to take into account the adoption of INT FRS 115. The Group's revenue and net attributable profit for first quarter 2010 were reduced by \$8.6 million and \$0.5 million respectively.

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	
		31.3.11 \$'000	31.12.10 \$'000	31.3.11 \$'000	31.12.10 \$'000
ASSETS					
Non-current assets					
Other receivables	1	49,090	7,490	315,456	176,941
Financial assets, available-for-sale		12,045	12,045	-	-
Investments in associated companies	2	520,365	404,383	350	350
Investments in subsidiary companies		-	-	972,442	972,442
Investment properties	3	4,351,231	4,350,000	-	-
Property, plant and equipment		378,895	381,039	-	-
		<u>5,311,626</u>	<u>5,154,957</u>	<u>1,288,248</u>	<u>1,149,733</u>
Current assets					
Cash and cash equivalents		77,548	84,870	145	259
Properties held for sale		388,322	373,548	-	-
Trade and other receivables		15,171	39,759	196	194
Inventories		882	948	-	-
		<u>481,923</u>	<u>499,125</u>	<u>341</u>	<u>453</u>
Total assets		5,793,549	5,654,082	1,288,589	1,150,186
LIABILITIES					
Current liabilities					
Trade and other payables		186,788	171,258	1,131	1,014
Current income tax liabilities		43,000	41,145	1,237	1,261
Borrowings		281,675	181,607	158,400	46,772
		<u>511,463</u>	<u>394,010</u>	<u>160,768</u>	<u>49,047</u>
Non-current liabilities					
Trade and other payables	1	25,056	40,279	64,021	37,364
Borrowings		84,834	104,945	-	-
Deferred income tax liabilities		469,209	468,060	-	-
		<u>579,099</u>	<u>613,284</u>	<u>64,021</u>	<u>37,364</u>
Total liabilities		1,090,562	1,007,294	224,789	86,411
NET ASSETS		<u>4,702,987</u>	<u>4,646,788</u>	<u>1,063,800</u>	<u>1,063,775</u>
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		840,349	840,349	840,349	840,349
Reserves		3,330,474	3,283,730	223,451	223,426
		<u>4,170,823</u>	<u>4,124,079</u>	<u>1,063,800</u>	<u>1,063,775</u>
Non-controlling interests		532,164	522,709	-	-
TOTAL EQUITY		<u>4,702,987</u>	<u>4,646,788</u>	<u>1,063,800</u>	<u>1,063,775</u>

Notes to the balance sheet

- The Company's other receivables and trade and other payables, which include amounts due from and to subsidiary companies, increased due to intercompany funding.
The Group's other receivables include loans to associated companies.
- The Group's investments in associated companies increased due mainly to additional capital contribution to associated company, Shanghai Jin Peng Realty Co Ltd.
- Investment properties are stated at 31 December 2010 valuations by independent professional valuers, with \$1.2 million upgrading costs incurred during the first quarter of 2011. Valuations are carried out half yearly in June and December.

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

At 31.3.11		At 31.12.10	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
123,275	158,400	134,835	46,772

Amount repayable after one year

At 31.3.11		At 31.12.10	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
7,334	77,500	7,445	97,500

Details of any collateral

The \$130.6 million (31 December 2010: \$142.3 million) loans are secured by way of mortgages over the 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	
	31.3.11	31.3.10
	\$'000	\$'000
		(restated)
Cash flows from operating activities		
Profit before income tax	68,733	64,593
Adjustments to profit	(5,036)	(7,254)
Working capital changes	10,858	3,263
Interest paid	(1,709)	(4,188)
Income tax paid	(7,496)	(7,585)
Net cash provided by operating activities	65,350	48,829
Cash flows from investing activities		
Purchase of property, plant and equipment	(637)	(214)
Upgrading of investment properties	(1,232)	(697)
Repayment of loan by an associated company	3,200	2,800
Loan to an associated company	(44,800)	-
Investment in an associated company	(109,351)	-
Interest received	191	71
Net cash (used in)/provided by investing activities	(152,629)	1,960
Cash flows from financing activities		
Proceeds from/(Repayment of) borrowings	79,957	(91,618)
Net cash provided by/(used in) financing activities	79,957	(91,618)
Net decrease in cash and cash equivalents	(7,322)	(40,829)
Cash and cash equivalents at 1 January	84,870	88,861
Cash and cash equivalents as at 31 March	77,548	48,032

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.

<u>Group</u>	Attributable to equity holders of the Company				Total \$'000	Non- controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Retained earnings \$'000	Foreign currency reserve \$'000	Asset revaluation reserve \$'000			
2011							
Balance at 1 January 2011	840,349	3,243,587	(427)	40,570	4,124,079	522,709	4,646,788
Total comprehensive income/(expense)	-	48,779	(2,035)	-	46,744	9,455	56,199
Balance at 31 March 2011	840,349	3,292,366	(2,462)	40,570	4,170,823	532,164	4,702,987
2010							
(restated)							
Balance at 1 January 2010	840,349	2,664,368	2,227	40,570	3,547,514	490,537	4,038,051
Total comprehensive income/(expense)	-	47,701	(211)	-	47,490	7,798	55,288
Balance at 31 March 2010	840,349	2,712,069	2,016	40,570	3,595,004	498,335	4,093,339

<u>Company</u>	Share capital \$'000	Retained earnings \$'000	Total equity \$'000
2011			
Balance at 1 January 2011	840,349	223,426	1,063,775
Total comprehensive income	-	25	25
Balance at 31 March 2011	840,349	223,451	1,063,800
2010			
Balance at 1 January 2010	840,349	219,696	1,060,045
Total comprehensive income	-	163	163
Balance at 31 March 2010	840,349	219,859	1,060,208

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.

	31.3.11	31.12.10
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 2010 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
	31.3.11	31.3.10
Earnings per ordinary share		(restated)
(a) Based on the weighted average number of ordinary shares on issue	11.8 cents	11.6 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.

	31.3.11	31.12.10
Net asset value per ordinary share		
Group	\$10.11	\$10.00
Company	\$2.58	\$2.58

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.

Revenue at \$138.3 million increased by \$30.7 million (29%) due to higher progressive sales recognition of trading properties and improved revenue in Pan Pacific Singapore hotel, partially offset by lower rental income. Sales of trading properties at \$48.4 million was higher by \$29.1 million (151%) due to additional units sold and higher percentage of completion in The Trizon residential project. Revenue in Pan Pacific Singapore hotel increased by \$3.1 million (12%) to \$28.5 million with higher room and occupancy rates, and F&B revenue. Although occupancy rates have improved, gross rental income from investment properties dropped by \$1.5 million (2%) to \$60.0 million as renewal rental rates were still lower than the expiry rates.

Share of operating results of associated companies decreased by \$2.8 million (25%) to \$8.2 million attributable mainly to absence of contribution from One Amber residential project (fully sold and completed in April 2010), partially offset by higher contributions from Mandarin Oriental and Marina Mandarin hotels (higher room and F&B revenue).

Overall, net attributable profit increased by \$1.1 million (2%) to \$48.8 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 the supply of new and secondary office space coming on-stream, the Singapore office rental market is expected to improve amidst healthy take-up rates.

The retail leasing market is likely to remain stable especially in the suburban malls, underpinned by good catchment demand.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended 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 2011.

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 2011 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Susie Koh
Company Secretary
27 April 2011