



**BUND CENTER INVESTMENT LTD**

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**Half Year Financial Statement And Dividend Announcement**  
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**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a) An income statement and statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**UNAUDITED CONSOLIDATED INCOME STATEMENT  
 FOR THE PERIOD ENDED 30 JUNE 2015**

	<b>1st Half 2015 S\$'000</b>	<b>1st Half 2014 S\$'000</b>	<b>Change %</b>	<b>2nd Qtr 2015 S\$'000</b>	<b>2nd Qtr 2014 S\$'000</b>	<b>Change %</b>
Revenue	69,801	62,903	11.0	36,452	33,155	9.9
Cost of sales	<u>(32,926)</u>	<u>(30,337)</u>	8.5	<u>(16,524)</u>	<u>(15,311)</u>	7.9
Gross profit	<u>36,875</u>	<u>32,566</u>	13.2	<u>19,928</u>	<u>17,844</u>	11.7
Operating expenses						
Selling expenses	(3,159)	(2,845)	11.0	(1,775)	(1,610)	10.2
General and administrative expenses	<u>(11,998)</u>	<u>(9,937)</u>	20.7	<u>(5,600)</u>	<u>(4,875)</u>	14.9
Total operating expenses	<u>(15,157)</u>	<u>(12,782)</u>	18.6	<u>(7,375)</u>	<u>(6,485)</u>	13.7
Operating profit	21,718	19,784	9.8	12,553	11,359	10.5
Financial income	1,353	1,609	(15.9)	747	41	1,722.0
Financial expenses	(440)	(396)	11.1	(164)	(192)	(14.6)
Other operating income, net	<u>6,003</u>	<u>4,200</u>	42.9	<u>5,841</u>	<u>6,075</u>	(3.9)
Profit before income tax	28,634	25,197	13.6	18,977	17,283	9.8
Income tax	<u>(8,929)</u>	<u>(12,426)</u>	(28.1)	<u>(6,110)</u>	<u>(9,609)</u>	(36.4)
Total profit for the period	<u>19,705</u>	<u>12,771</u>	54.3	<u>12,867</u>	<u>7,674</u>	67.7
Attributable to:						
Owners of the Company	18,965	12,127	56.4	12,404	7,270	70.6
Non-controlling interests	<u>740</u>	<u>644</u>	14.9	<u>463</u>	<u>404</u>	14.6
	<u>19,705</u>	<u>12,771</u>	54.3	<u>12,867</u>	<u>7,674</u>	67.7

**1(a) A statement of total comprehensive income together with a comparative statement for the corresponding period of the immediately preceding financial year**

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2015**

	<b>1st Half 2015 <u>S\$'000</u></b>	<b>1st Half 2014 <u>S\$'000</u></b>	<b>2nd Qtr 2015 <u>S\$'000</u></b>	<b>2nd Qtr 2014 <u>S\$'000</u></b>
Total profit for the period	19,705	12,771	12,867	7,674
<b>Other comprehensive income/(loss):</b>				
<u>Items that may be reclassified subsequently to the profit or loss:</u>				
Foreign currency translation, net of tax	<u>8,569</u>	<u>(19,029)</u>	<u>(10,585)</u>	<u>(6,041)</u>
<b>Total comprehensive income/(loss) for the period</b>	<b><u>28,274</u></b>	<b><u>(6,258)</u></b>	<b><u>2,282</u></b>	<b><u>1,633</u></b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	27,220	(6,179)	2,216	1,412
Non-controlling interests	<u>1,054</u>	<u>(79)</u>	<u>66</u>	<u>221</u>
	<u>28,274</u>	<u>(6,258)</u>	<u>2,282</u>	<u>1,633</u>

**ADDITIONAL INFORMATION**

	<b>1st Half 2015 <u>S\$'000</u></b>	<b>1st Half 2014 <u>S\$'000</u></b>	<b>Change %</b>	<b>2nd Qtr 2015 <u>S\$'000</u></b>	<b>2nd Qtr 2014 <u>S\$'000</u></b>	<b>Change %</b>
<b>Earnings before tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss) and exceptional items ("EBITDA")</b>	40,817	37,078	10.1	24,457	21,529	13.6
Interest on borrowings	(440)	(396)	11.1	(164)	(192)	(14.6)
Depreciation and amortisation	(11,454)	(10,542)	8.7	(5,709)	(5,210)	9.6
Foreign exchange (loss)/gain, net	<u>(289)</u>	<u>(943)</u>	(69.4)	<u>393</u>	<u>1,156</u>	(66.0)
Profit before income tax	<u>28,634</u>	<u>25,197</u>	13.6	<u>18,977</u>	<u>17,283</u>	9.8

**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**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION**

	Group		Company	
	As at 30/6/2015 S\$'000	31/12/2014 S\$'000	As at 30/6/2015 S\$'000	31/12/2014 S\$'000
<b><u>Assets</u></b>				
Current Assets				
Cash and cash equivalents	91,683	60,221	365	919
Short-term investments	3,570	2,628	-	-
Trade receivables and other current assets	5,248	8,146	4,510	4,434
Inventories, at cost	430	448	-	-
	100,931	71,443	4,875	5,353
Non-Current Assets				
Interest in subsidiaries	-	-	410,659	410,659
Investment properties	257,257	258,882	-	-
Property, plant and equipment	200,160	201,095	-	-
Deferred tax assets	5,540	5,585	-	-
Deferred charges	711	712	-	-
	463,668	466,274	410,659	410,659
<b>Total Assets</b>	<b>564,599</b>	<b>537,717</b>	<b>415,534</b>	<b>416,012</b>
<b><u>Liabilities and Equity</u></b>				
Current Liabilities				
Trade and other payables	24,923	29,665	3	275
Income tax payable	4,957	3,855	-	-
Obligations under finance lease	19	19	-	-
	29,899	33,539	3	275
Non-Current Liabilities				
Borrowings	53,066	52,134	-	-
Long-term liabilities	11,770	11,370	-	-
Obligations under finance lease	31	41	-	-
Deferred tax liabilities	3,207	2,106	-	-
	68,074	65,651	-	-
Total Liabilities	97,973	99,190	3	275
Equity Attributable to Owners of the Company				
Share capital	105,784	105,784	105,784	105,784
Share premium	304,881	304,881	304,881	304,881
Treasury shares	(1,437)	(1,262)	(1,437)	(1,262)
Asset revaluation reserve	65,175	65,175	-	-
Merger reserve	(133,639)	(133,639)	-	-
Foreign currency translation reserve	66,196	57,941	-	-
Retained earnings	41,916	22,951	6,303	6,334
	448,876	421,831	415,531	415,737
Non-Controlling Interests	17,750	16,696	-	-
Total Equity	466,626	438,527	415,531	415,737
<b>Total Liabilities and Equity</b>	<b>564,599</b>	<b>537,717</b>	<b>415,534</b>	<b>416,012</b>

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

	As at 30/6/2015			As at 31/12/2014		
	Secured S\$'000	Unsecured S\$'000	Total S\$'000	Secured S\$'000	Unsecured S\$'000	Total S\$'000
Amount repayable in one year or less, or on demand	19	-	19	19	-	19
Amount repayable after one year	53,097	-	53,097	52,175	-	52,175
<b>Total</b>	<b>53,116</b>	<b>-</b>	<b>53,116</b>	<b>52,194</b>	<b>-</b>	<b>52,194</b>

### Details of any collateral

The secured borrowings are collateralised by certain property, plant and equipment.

## 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

### UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2015

	1st Half 2015 S\$'000	1st Half 2014 S\$'000	2nd Qtr 2015 S\$'000	2nd Qtr 2014 S\$'000
<b>Cash flows from operating activities</b>				
<b>Profit before income tax</b>	<b>28,634</b>	<b>25,197</b>	<b>18,977</b>	<b>17,283</b>
Adjustments for:				
Depreciation of property, plant and equipment	4,952	4,433	2,473	2,200
Depreciation of investment properties	6,487	6,095	3,228	3,003
Amortisation of deferred charges	15	14	8	7
Changes in fair value of financial assets at fair value through profit or loss	(942)	289	(318)	(9)
Gain on disposal of property, plant and equipment	(63)	-	(63)	-
Property, plant and equipment written off	6	-	6	-
Interest income	(1,353)	(1,609)	(747)	(41)
Interest expense	440	396	164	192
Unrealised foreign exchange (gain)/loss, net	(283)	2,329	163	(1,192)
Operating cash flows before working capital changes	37,893	37,144	23,891	21,443
Changes in working capital:				
Trade receivables and other current assets	2,893	(2,777)	4,365	(1,513)
Inventories	18	41	2	15
Trade and other payables	(4,342)	(1,984)	(8,566)	(388)
Cash generated from operations	36,462	32,424	19,692	19,557
Income tax paid	(6,647)	(6,340)	(2,709)	(2,633)
Interest received	1,358	1,593	752	10
Interest paid	(440)	(396)	(164)	(192)
<b>Net cash from operating activities</b>	<b>30,733</b>	<b>27,281</b>	<b>17,571</b>	<b>16,742</b>

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 JUNE 2015 (cont'd)**

	<b>1st Half 2015 S\$'000</b>	<b>1st Half 2014 S\$'000</b>	<b>2nd Qtr 2015 S\$'000</b>	<b>2nd Qtr 2014 S\$'000</b>
<b>Cash flows from investing activities</b>				
Payments for deferred expenditure	-	(4)	-	-
Capital expenditure on investment properties	-	(32)	-	(32)
Capital expenditure on property, plant and equipment	(281)	(217)	(203)	(116)
Proceeds from disposal of property, plant and equipment	97	-	97	-
Proceeds from investment in short-term investments	-	89,523	-	51,765
<b>Net cash (used in)/generated from investing activities</b>	<b>(184)</b>	<b>89,270</b>	<b>(106)</b>	<b>51,617</b>
<b>Cash flows from financing activities</b>				
Payments of obligations under finance lease	(10)	(10)	(5)	(5)
Payments for shares buy back	(175)	-	-	-
<b>Net cash used in financing activities</b>	<b>(185)</b>	<b>(10)</b>	<b>(5)</b>	<b>(5)</b>
Net increase in cash and cash equivalents	30,364	116,541	17,460	68,354
Cash and cash equivalents at beginning of the period	60,221	20,174	75,850	66,977
Effect of exchange rate changes on balances of cash held in foreign currencies	1,098	(2,323)	(1,627)	(939)
<b>Cash and cash equivalents at end of the period</b>	<b>91,683</b>	<b>134,392</b>	<b>91,683</b>	<b>134,392</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**

<b><u>The Company</u></b>	<b>Share Capital S\$'000</b>	<b>Share Premium S\$'000</b>	<b>Treasury Shares S\$'000</b>	<b>Retained Earnings S\$'000</b>	<b>Total S\$'000</b>
Balance as at 1 Jan 2015	105,784	304,881	(1,262)	6,334	415,737
Shares buy back	-	-	(175)	-	(175)
Total comprehensive income for the period	-	-	-	102	102
Balance as at 31 Mar 2015	105,784	304,881	(1,437)	6,436	415,664
Total comprehensive loss for the period	-	-	-	(133)	(133)
Balance as at 30 Jun 2015	105,784	304,881	(1,437)	6,303	415,531
Balance as at 1 Jan 2014	105,784	304,881	(1,154)	4,654	414,165
Total comprehensive loss for the period	-	-	-	(67)	(67)
Balance as at 31 Mar 2014	105,784	304,881	(1,154)	4,587	414,098
Total comprehensive income for the period	-	-	-	98,709	98,709
Balance as at 30 Jun 2014	105,784	304,881	(1,154)	103,296	512,807

**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**

<b>The Group</b>	← <b>Attributable to Owners of the Company</b> →									<b>Total Equity</b>
	<b>Share Capital</b>	<b>Share Premium</b>	<b>Treasury Shares</b>	<b>Asset Revaluation Reserve</b>	<b>Merger Reserve</b>	<b>Foreign Currency Translation Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>	<b>Non-Controlling Interests</b>	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2015	105,784	304,881	(1,262)	65,175	(133,639)	57,941	22,951	421,831	16,696	438,527
Shares buy back	-	-	(175)	-	-	-	-	(175)	-	(175)
Profit for the period	-	-	-	-	-	-	6,561	6,561	277	6,838
Other comprehensive income for the period – Foreign currency translation	-	-	-	-	-	18,443	-	18,443	711	19,154
Total comprehensive income for the period	-	-	-	-	-	18,443	6,561	25,004	988	25,992
Balance as at 31 Mar 2015	105,784	304,881	(1,437)	65,175	(133,639)	76,384	29,512	446,660	17,684	464,344
Profit for the period	-	-	-	-	-	-	12,404	12,404	463	12,867
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(10,188)	-	(10,188)	(397)	(10,585)
Total comprehensive income for the period	-	-	-	-	-	(10,188)	12,404	2,216	66	2,282
Balance as at 30 Jun 2015	105,784	304,881	(1,437)	65,175	(133,639)	66,196	41,916	448,876	17,750	466,626

**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**

<b>The Group</b>	← Attributable to Owners of the Company →								Non-Controlling Interests	Total Equity
	Share Capital	Share Premium	Treasury Shares	Asset Revaluation Reserve	Merger Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jan 2014	105,784	304,881	(1,154)	65,175	(133,639)	58,157	86,916	486,120	18,661	504,781
Profit for the period	-	-	-	-	-	-	4,857	4,857	240	5,097
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(12,448)	-	(12,448)	(540)	(12,988)
Total comprehensive loss for the period	-	-	-	-	-	(12,448)	4,857	(7,591)	(300)	(7,891)
Balance as at 31 Mar 2014	105,784	304,881	(1,154)	65,175	(133,639)	45,709	91,773	478,529	18,361	496,890
Profit for the period	-	-	-	-	-	-	7,270	7,270	404	7,674
Other comprehensive loss for the period – Foreign currency translation	-	-	-	-	-	(5,858)	-	(5,858)	(183)	(6,041)
Total comprehensive income for the period	-	-	-	-	-	(5,858)	7,270	1,412	221	1,633
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	(3,450)	(3,450)
Balance as at 30 Jun 2014	105,784	304,881	(1,154)	65,175	(133,639)	39,851	99,043	479,941	15,132	495,073

**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**

As at 30 June 2015, the Company's issued and paid up capital (excluding treasury shares) comprises 3,035,405,440 ordinary shares of US\$0.025 each. Movements in the Company's issued share capital (excluding treasury shares) during the period ended 30 June 2015 were as follows:

	<b>Number of ordinary shares</b>
Balance as at 1 January 2015	3,036,248,440
Treasury shares purchased	(843,000)
Balance as at 30 June 2015	<u>3,035,405,440</u>

**1(d)(iii) To show the 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 total number of issued shares excluding treasury shares as at 30 June 2015 and 31 December 2014 are 3,035,405,440 and 3,036,248,440 ordinary shares, respectively.

**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**

Movements in the Company's treasury shares during the period ended 30 June 2015 were as follows:

	<b><u>Number of ordinary shares</u></b>
Balance as at 1 January 2015	5,711,000
Shares buy back	843,000
Balance as at 30 June 2015	<u>6,554,000</u>

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice**

These figures have not been audited, or reviewed by the auditors.

**3. Where the figures have been audited or reviewed, the auditors' 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 disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation consistent with those used in the audited consolidated financial statements for the year ended 31 December 2014.

**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**

The Group has adopted various new and amendments to the International Financial Reporting Standards ("IFRSs") that are relevant to its operations and effective for the period beginning 1 January 2015. The adoption of these new and amendments to the IFRSs has had no material impact on the true and fair presentation of the Group's financial statements.



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**

	<b>The Group</b>			
	<b>1st Half 2015</b>	<b>1st Half 2014</b>	<b>2nd Qtr 2015</b>	<b>2nd Qtr 2014</b>
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	SGD0.62cents	SGD0.40cents	SGD0.41cents	SGD0.24cents
- Weighted average numbers of shares	3,035,586,434	3,036,775,440	3,035,405,440	3,036,775,440
(ii) On a fully diluted basis	Not applicable	Not applicable	Not applicable	Not applicable

7. **Net asset value (for the issuer and group) per ordinary share based on issued 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>The Group</b>		<b>The Company</b>	
	<b>As at 30 Jun 2015</b>	<b>As at 31 Dec 2014</b>	<b>As at 30 Jun 2015</b>	<b>As at 31 Dec 2014</b>
Net asset value per ordinary share based on existing issued share capital of 3,035,405,440 (31 Dec 2014: 3,036,248,440) shares	S\$0.15	S\$0.14	S\$0.14	S\$0.14

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 and gross profit breakdown by segment:**

	<b>1st Half 2015 S\$'000</b>	<b>1st Half 2014 S\$'000</b>	<b>Change %</b>
<b>Revenue from:</b>			
Hotel	33,189	28,933	14.7
Property leasing	36,612	33,970	7.8
Total revenue	<u>69,801</u>	<u>62,903</u>	11.0
<b>Gross Profit from:</b>			
Hotel	14,429	12,210	18.2
Property leasing	22,446	20,356	10.3
Total gross profit	<u>36,875</u>	<u>32,566</u>	13.2
<b>Gross Profit Margin</b>			
Hotel	43.5%	42.2%	1.3
Property leasing	61.3%	59.9%	1.4
Overall	<u>52.8%</u>	<u>51.8%</u>	1.0

## **REVIEW OF PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2015**

The Group's revenue rose by 11.0% to S\$69.8 million for half year ended 30 June 2015 ("1H2015"), as compared to S\$62.9 million in the corresponding period in 2014 ("1H2014"). Better operating performance and lower tax expenses have resulted in a 56.4% increase in net profit attributable to owners of the Company to S\$19.0 million.

### **REVENUE**

The Group recorded an 11.0% increase in revenue in 1H2015 primarily attributable to improved average occupancy and room rate in our hotel, together with higher rental rate for our Bund Center office tower. Hotel revenue increased by 14.7% or S\$4.3 million to S\$33.2 million in 1H2015 mainly due to higher average occupancy rate and room rate of 77.8% and RMB1,247 respectively (1H2014: 74.3% and RMB1,219 respectively). Despite the competitive operating environment, the Group continues to achieve higher average occupancy and average room rate in the current period, as compared to the average occupancy rate and average room rate achieved by five-star hotels in Shanghai in the same period of 63.5% and RMB976 respectively (extracted from Shanghai Municipal Tourism Administration's publication).

The leasing income from our office tower increased by 7.8% to S\$36.6 million in 1H2015 mainly due to higher rent rate secured for the renewal and expansion deals, in spite of a quiet and slow leasing market in Shanghai.

### **GROSS PROFIT**

The Group's gross profit increased by 13.2% to S\$36.9 million in 1H2015 in line with higher revenue recorded. Consequently, the overall gross profit margin increased from 51.8% in 1H2014 to 52.8 %.

### **OPERATING EXPENSES**

Selling expenses of S\$3.2 million mainly comprised advertising and promotion expenses, salaries and related expenses and marketing expenses. General and administrative expenses of S\$12.0 million mainly comprised salaries and related expenses, office and hotel supplies, repair and maintenance, tax and licences fees, professional advisory fees and management fee payable to the hotel operator. Total operating expenses increased by S\$2.4 million to S\$15.2 million in 1H2015 mainly due to increases in salary and related expenses, management fee payable in line with higher hotel revenue and professional fees.

### **FINANCIAL INCOME**

Financial income decreased from S\$1.6 million to S\$1.4 million in 1H2015 mainly due to lower structured deposits amount in the current period.

### **OTHER OPERATING INCOME, NET**

Net other operating income mainly comprised net foreign exchange (loss)/gain, business assistance grants, advertising income and other miscellaneous income (net of operating expenses). Higher net operating income was mainly attributable to fair value gain on its short-term investments and decrease in net foreign exchange loss from S\$0.9 million in 1H2014 to S\$0.3 million in the current period.

### **INCOME TAX**

Income tax is derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Income tax expense decreased from S\$12.4 million to S\$8.9 million in 1H2015 mainly due to absence of withholding tax of S\$5.2 million, partially offset by higher current income tax in line with better operating results.

## REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2015

### ASSETS

The Group's total assets of S\$564.6 million mainly consist of investment properties of S\$257.3 million; property, plant and equipment of S\$200.2 million and cash and cash equivalents of S\$91.7 million. Comparing to total assets as at 31 December 2014, the increase of S\$26.9 million was mainly attributable to higher cash flows generated from operations during the current period.

### LIABILITIES

The Group's total liabilities decreased by S\$1.2 million to S\$98.0 million as at 30 June 2015 mainly attributable to lower other payables to third parties following settlement made during the current period.

## REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2015

Cash and cash equivalents increased to S\$91.7 million as at 30 June 2015 mainly due to higher cash generated from operating activities during the current period in line with better operating results, after payments for 843,000 shares bought and held as treasury shares and furniture and fittings purchased during the current period.

**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 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 Group's operating performance will be affected by the challenging operating environment in Shanghai given the forecasted slowdown in economic growth in China and increase in supply of office spaces in both centralised and decentralised business areas and new hotel rooms in Shanghai. The Group will continue to enhance its operating performance by improving its cost efficiency and adopting the flexible yield strategy.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any ordinary dividend declared for the current financial period reported on? No

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

Any ordinary dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend:	Interim dividend
Dividend Type:	Cash
Dividend Amount per share:	S\$0.032 per ordinary share
Number of shares:	3,036,775,440
Tax Rate:	Tax not applicable

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No interim dividend has been declared for the second quarter ended 30 June 2015.

**13. Interested persons transactions disclosure**

There is no relevant interested persons transaction entered into during the half year ended 30 June 2015.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**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**

Not applicable.

**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**

Not applicable.

**16. A breakdown of sales**

Not applicable.

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

Not applicable.

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

We, Frankle (Djafar) Widjaja and Chew Yow Foo, being two directors of Bund Center Investment Ltd (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the second quarter and half year ended 30 June 2015 unaudited financial results to be false or misleading.

On behalf of the board of directors

Frankle (Djafar) Widjaja  
Director

and Chew Yow Foo  
Director

12 August 2015

**BY ORDER OF THE BOARD**

Frankle (Djafar) Widjaja  
Director  
12 August 2015

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 12 August 2015 to the SGX