



Full Year Financial Statement and Dividend Announcement for the Year Ended 31 December 2015

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

	Note	Group		+/(-) %	Group		+/(-) %
		4Q 2015 \$'000	4Q 2014 \$'000		FY 2015 \$'000	FY 2014 \$'000	
Revenue							
- Property developments		74,720	289,843	(74.2)	347,498	765,647	(54.6)
- Construction		70,397	77,321	(9.0)	305,759	334,228	(8.5)
- Hospitality		6,459	-	NM	14,129	-	NM
- Property investments & others		2,296	1,450	58.3	9,066	5,865	54.6
		<u>153,872</u>	<u>368,614</u>	(58.3)	<u>676,452</u>	<u>1,105,740</u>	(38.8)
Cost of sales		(111,491)	(188,071)	(40.7)	(515,000)	(773,253)	(33.4)
Gross profit		<u>42,381</u>	<u>180,543</u>	(76.5)	<u>161,452</u>	<u>332,487</u>	(51.4)
Other items of income							
Interest income	1	669	198	237.9	2,477	784	215.9
Other income	2	1,127	39,054	(97.1)	4,578	40,276	(88.6)
Other items of expense							
Marketing and distribution		(905)	(704)	28.6	(28,139)	(5,770)	387.7
Administrative expenses	3	(26,950)	(25,293)	6.6	(57,459)	(56,755)	1.2
Finance costs	4	(6,344)	(2,032)	212.2	(16,358)	(4,453)	267.3
Share of results of associates	5	(115)	395	(129.1)	1,021	17,107	(94.0)
Profit before tax		<u>9,863</u>	<u>192,161</u>	(94.9)	<u>67,572</u>	<u>323,676</u>	(79.1)
Income tax expense	6	649	(24,577)	(102.6)	(10,326)	(42,946)	(76.0)
Profit after tax		<u>10,512</u>	<u>167,584</u>	(93.7)	<u>57,246</u>	<u>280,730</u>	(79.6)
Profit attributable to:							
Owners of the company		9,760	167,587	(94.2)	62,990	280,733	(77.6)
Non-controlling interests		752	(3)	NM	(5,744)	(3)	NM
		<u>10,512</u>	<u>167,584</u>	(93.7)	<u>57,246</u>	<u>280,730</u>	(79.6)

1(a)(ii) Items, which if significant, must be included in the income statement

	Group		+/(-) %	Group		+/(-) %
	4Q 2015 \$'000	4Q 2014 \$'000		FY 2015 \$'000	FY 2014 \$'000	
Other income						
Unrealised foreign exchange gain	258	-	NM	263	-	NM
Government grants	232	69	236.2	705	439	60.6
Rental income from development properties	230	-	NM	639	-	NM
Net gain on disposal of property, plant and equipment	207	242	(14.5)	359	268	34.0
Sales of materials	144	263	(45.2)	980	563	74.1
Deposits forfeited from buyers	15	272	(94.5)	215	316	(32.0)
Dividend income from investment securities	-	70	(100.0)	700	205	241.5
Disposal of show units	-	-	NM	350	-	NM
Net fair value gain on investment properties	-	37,902	(100.0)	-	37,902	(100.0)
Others	41	236	(82.6)	367	583	(37.0)
	<u>1,127</u>	<u>39,054</u>	(97.1)	<u>4,578</u>	<u>40,276</u>	(88.6)

The following items have been included in arriving at profit before tax:

Employee benefits expenses	14,419	31,703	(54.5)	60,454	88,165	(31.4)
Impairment loss on development properties	10,400	-	NM	10,400	-	NM
Net fair value loss on investment properties	4,225	-	NM	4,225	-	NM
Depreciation of property, plant and equipment	1,728	1,110	55.7	6,065	3,856	57.3
Operating lease expenses	157	156	0.6	627	627	-
Unrealised foreign exchange loss	-	1,240	(100.0)	-	2,656	(100.0)
Impairment loss on trade receivables	-	385	(100.0)	-	385	(100.0)

Note:-

NM - Not meaningful.

1(a)(ii) Items, which if significant, must be included in the income statement (Cont'd)

Notes to Group Income Statement

- 1 Interest income in 4Q2015 was in relation to interest income earned from fixed deposits.
- 2 Lower other income in 4Q2015 was due to absence of fair value gain on investment properties.
- 3 Higher administrative expenses in 4Q2015 was due to fair value loss on investment properties and impairment loss on a development property in 4Q2015. The increase was also due to new operating expenses arising from commencement of our hotel business in May 2015.
- 4 Finance costs was higher for 4Q2015 as a result of interest for the \$150 million Fixed Rate Notes issued in October 2014 and loans drawn down for working capital purpose.
- 5 Share of loss from associates for 4Q2015 was mainly due to expenses incurred for certain joint venture projects.
- 6 The negative tax expense in 4Q2015 was due to write-back of overprovision of tax in respect of prior years.

1(a)(iii) Statement of Comprehensive Income

Note	Group		+ / (-) %	Group		+ / (-) %
	4Q 2015 \$'000	4Q 2014 \$'000		FY 2015 \$'000	FY 2014 \$'000	
Profit after tax	10,512	167,584	(93.7)	57,246	280,730	(79.6)
Other comprehensive income:						
<i>Items that will not be reclassified to profit or loss</i>						
Net (deficit)/surplus on revaluation of freehold land and building	(1,634)	204		(1,634)	(163)	NM
Foreign currency translation gain/(loss) on revaluation of freehold land and building	41	-	NM	(262)	-	NM
Share of gain on property revaluation of associates	-	-		191	1,190	(83.9)
Income tax relating to components of other comprehensive income	87	(21)	(514.3)	77	333	(76.9)
	(1,506)	183		(1,628)	1,360	
<i>Items that may be reclassified subsequently to profit or loss</i>						
Net gain/(loss) on fair value changes of available-for-sale financial assets	369	(221)	(267.0)	1,066	175	509.1
Foreign currency translation gain/(loss)	4,598	(2,683)	(271.4)	(6,466)	(4,012)	61.2
	4,967	(2,904)		(5,400)	(3,837)	
Other comprehensive income/(loss) for the quarter/period, net of tax	3,461	(2,721)	(227.2)	(7,028)	(2,477)	NM
Total comprehensive income for the quarter/period	13,973	164,863	(91.5)	50,218	278,253	(82.0)
Total comprehensive income attributable to:						
Owners of the company	13,221	164,866	(92.0)	55,962	278,256	(79.9)
Non-controlling interests	752	(3)	NM	(5,744)	(3)	NM
	13,973	164,863	(91.5)	50,218	278,253	(82.0)

Notes to Statement of Comprehensive Income

- 1 Foreign currency translation arose from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. The translation gain for 4Q2015 was due to the strengthening of the Australian dollar and Malaysian Ringgit against the Singapore dollar. The translation loss for FY2015 was due to the weakening of the Australian dollar and Malaysian Ringgit against the Singapore dollar.

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

	The Group		The Company			
	Note	31 Dec 2015 \$'000	31 Dec 2014 \$'000	Note	31 Dec 2015 \$'000	31 Dec 2014 \$'000
Non-current assets						
Property, plant and equipment	1	225,206	213,525		1,322	1,704
Investment properties	2	283,637	288,983		-	-
Intangible assets		98	294		85	269
Investment in subsidiaries		-	-		48,302	48,302
Investment in associates		12,121	13,338		650	650
Deferred tax assets		3,606	-		-	-
Other receivables		7,272	10,315	10	180,219	224,458
Investment securities		3,864	2,359		3,864	2,331
		535,804	528,814		234,442	277,714
Current assets						
Gross amount due from customers for contract work-in-progress		10,826	9,137		-	-
Development properties	3	625,362	923,559		-	-
Assets held for sale		39,463	40,249		-	-
Prepayments and deposits		3,854	5,075		1,399	2,293
Trade and other receivables	4	249,272	216,441	10	27,524	31,642
Cash and short-term deposits	5	442,456	285,049	11	49,904	22,970
		1,371,233	1,479,510		78,827	56,905
Total assets		1,907,037	2,008,324		313,269	334,619
Deduct: Current liabilities						
Loans and borrowings	6	120,415	2,400		-	-
Gross amount due to customers for contract work-in-progress		9,646	20,104		-	-
Trade and other payables		116,632	110,543		227	1,527
Other liabilities	7	36,970	56,757	7	5,764	22,032
Income tax payable	8	33,001	54,542		-	-
		316,664	244,346		5,991	23,559
Net current assets		1,054,569	1,235,164		72,836	33,346
Deduct: Non-current liabilities						
Loans and borrowings	6	738,287	938,416		150,000	150,000
Trade and other payables	9	93,188	79,481		-	-
Other liabilities		-	1,916		-	-
Deferred tax liabilities		15,931	7,753		16	5
		847,406	1,027,566		150,016	150,005
Net assets		742,967	736,412		157,262	161,055
Equity attributable to owners of the Company						
Share capital		79,691	79,691		79,691	79,691
Treasury shares		(33,653)	(27,374)		(33,653)	(27,374)
Retained earnings		722,851	697,245		110,246	108,826
Other reserves		(20,575)	(13,547)		978	(88)
		748,314	736,015		157,262	161,055
Non-controlling interests		(5,347)	397		-	-
Total equity		742,967	736,412		157,262	161,055

Notes to Statement of Financial Position

Note

The Group

- The increase in property, plant and equipment was due to construction costs incurred and purchase of equipment for Park Hotel Alexandra.
- The decrease in investment properties was mainly due to fair value loss on the investment properties.
- The decrease in development properties was mainly due to the completion of development projects; namely Nine Residences & Junction Nine and receipt of progress billings from buyers of High Park Residences. The decrease was partially offset by the development costs incurred for on-going development projects; namely, Fulcrum, High Park Residences and Williamsons Estate & Willow Apartments (Melbourne, Australia).
- The increase in trade and other receivables for the Group was mainly due to the progress billings receivable for completed development projects (Nine Residences & Junction Nine) following the receipts of TOP of these projects.
- The increase in cash and cash equivalent was due to payments received from buyers of High Park Residences.
- The decrease in combined current and non-current loans and borrowings was due to repayment of bank loans. The decrease is partially offset by loans drawn down for property development and working capital.

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)

- 7 The decrease in other liabilities for the Group and the Company was mainly due to lower expenses accrued for FY2015.
 8 The decrease in income tax payable is in line with lower profit in the current year.
 9 The increase in trade and other payables was due to loans extended to the Group's joint venture project by minority shareholders.

The Company

- 10 The decrease in trade and other receivables was due to repayment of loans by subsidiaries.
 11 The increase in cash and cash equivalent was due to dividends received from subsidiaries.

1(b)(ii) Aggregate amount of the group's borrowings and debt securities as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year

	As at 31 Dec 2015 \$'000	As at 31 Dec 2014 \$'000
Amount repayable in one year or less, or on demand		
- Secured	120,415	2,400
- Unsecured	-	-
Amount repayable after one year		
- Secured	588,287	788,416
- Unsecured	150,000	150,000

Details of any collateral

The Group's borrowings of \$858.7 million are loans taken to finance property development projects, investment properties and hotel, and for working capital.

The Group's borrowings are mainly secured by :

- (a) legal mortgage on the development properties, investment properties and hotel;
 (b) subordination of shareholder's loan to the property development companies;
 (c) assignment of sale proceeds of the development properties;
 (d) assignment of all rights, title, interest and benefits under contracts in respect of the development properties;
 (e) assignment of construction contracts, performance bonds and fire insurance policy on the development properties;
 (f) assignment of tenancy and sale agreements of the investment properties;
 (g) fixed and floating charge on the hotel; and
 (h) corporate guarantee from the Company.

The unsecured borrowings of \$150 million relates to the issuance of \$150 million Fixed Rate Notes (the "Notes") on 17 October 2014 under Chip Eng Seng Corporation Ltd's \$500 million Multicurrency Debt Issuance Programme. The Notes bear interest at the rate of 4.25 per cent. per annum payable semi-annually in arrear and will due on 17 October 2017.

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

	Group		Group	
	4Q 2015 \$'000	4Q 2014 \$'000	FY 2015 \$'000	FY 2014 \$'000
Cash flows from operating activities				
Operating profit before taxation	9,863	192,161	67,572	323,676
Adjustments for:				
Depreciation and amortisation	1,725	1,121	6,092	3,897
Interest income	(669)	(198)	(2,477)	(784)
Dividend income from investment securities	-	(70)	(700)	(205)
Interest expense	6,344	2,032	16,358	4,453
Net gain on disposal of property, plant and equipment	(207)	(242)	(359)	(268)
Foreign currency translation adjustment	2,482	(3,503)	(3,067)	(5,621)
Net fair value gain on investment securities	-	-	-	(29)
Share of results of associates	115	(395)	(1,021)	(17,107)
Net fair value gain on investment properties	4,225	(37,902)	4,225	(37,902)
Net loss on disposal of investment securities	-	-	-	2
Net loss on disposal of intangible assets	169	-	169	50
Property, plant and equipment written off	3	86	3	86
Impairment loss on receivables	-	385	-	385
Impairment loss on investment securities	28	-	28	-
Impairment loss on development properties	10,400	-	10,400	-
Operating profit before reinvestment of working capital	34,478	153,475	97,223	270,633
Decrease/(increase) in development properties	199,242	(392,050)	287,797	1,996
Increase in assets held for sale	(256)	(40,249)	(984)	(40,249)
(Increase)/decrease in trade and other receivables	(130,597)	21,905	(26,679)	(127,979)
(Increase)/decrease in prepayments and deposits	(141)	133,663	1,221	3,705
Decrease in gross amount due to customers for contract work-in-progress, net	(7,276)	(12,373)	(12,147)	(6,033)
Increase/(decrease) in trade and other payables	4,978	(117,725)	16,218	(192,966)
(Decrease)/increase in other liabilities	(4,104)	18,254	(21,649)	24,247
Cash generated from/(used in) operations	96,324	(235,100)	341,000	(66,646)
Interest paid	(8,087)	(209)	(16,411)	(2,836)
Interest received	669	197	2,477	3,320
Income tax paid	(2,985)	(414)	(27,220)	(7,714)
Net cash generated from/(used in) operating activities	85,921	(235,526)	299,846	(73,876)

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)**

	Group		Group	
	4Q 2015 \$'000	4Q 2014 \$'000	FY 2015 \$'000	FY 2014 \$'000
Cash flows from investing activities:				
Purchase of property, plant and equipment	(497)	(23,022)	(20,667)	(55,984)
Proceeds from disposal of property, plant and equipment	216	375	661	403
Investment in an associate	(929)	-	(929)	-
Proceeds from disposal of investment securities	-	68	-	11
Dividend income	-	8,213	4,523	33,428
Repayment of advances from associates, net	(5,782)	744	(462)	38,909
Additions to intangible assets	-	14	-	(88)
Additions to investment properties	(846)	(7,085)	(1,070)	(75,224)
Net cash used in investing activities	(7,838)	(20,693)	(17,944)	(58,545)
Cash flows from financing activities:				
Repayment of loans and borrowings	(105,835)	(132,498)	(213,027)	(460,498)
Proceeds from loans and borrowings	-	340,938	132,195	484,395
Proceeds from issuance of term notes	-	150,000	-	150,000
Dividends paid	-	-	(37,384)	(25,681)
Proceeds from issue of new shares by subsidiary to non-controlling interests	-	400	-	400
Share buyback	-	(1,480)	(6,279)	(15,368)
Net cash (used in)/generated used in financing activities	(105,835)	357,360	(124,495)	133,248
Net (decrease)/increase in cash and cash equivalents	(27,752)	101,141	157,407	827
Cash and cash equivalents at beginning of the period	470,208	183,908	285,049	284,222
Cash and cash equivalents at end of the period/year	442,456	285,049	442,456	285,049
Cash and cash equivalents comprise:				
Short term deposits	271,574	135,631	271,574	135,631
Cash and bank balances	170,882	149,418	170,882	149,418
	442,456	285,049	442,456	285,049

Net cash generated from/(used in) operating activities

Net cash generated from operating activities in 4Q2015 was due to progress payment received from buyers of High Park Residences. Net cash used in operating activities in 4Q2014 was primarily due to the development cost incurred for High Park Residences.

Despite lower profit contribution, higher net cash generated from operating activities in FY2015 as compared to FY2014 was due to more cash received from completed development projects - Nine Residences and Junction Nine in Yishun and progress payment received from buyers of High Park Residences.

Net cash used in investing activities

Lower net cash used in investing activities in 4Q2015 was mainly due to lesser property, plant and equipment purchased and additions to investment properties.

Lower net cash used in investing activities in FY2015 as compared to FY2014 was due to the absence of acquisition of investment property (420 St Kilda Road in Melbourne, Australia), lower construction costs paid for hotel and CES Centre in Singapore and lower purchase of property, plant and equipment. In addition, the Group received lesser dividend income and loan repayment from associates in FY2015 as compared to FY2014.

Net cash (used in)/generated used in financing activities

Higher net cash used in financing activities in 4Q2015 was due to absence of proceeds from loans and borrowings and issuance of term notes.

Net cash used in financing activities in FY2015 as compared to net cash generated from financing activities in FY2014 was due to absence of proceeds from issuance of \$150 million term notes and higher net repayment of borrowings as compared to borrowings from bank in FY2014.

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	Attributable to owners of the Company									Non-controlling interests	Total equity
	Issued capital	Treasury shares	Treasury shares reserve	Capital reserve	Fair value adjustment reserve	Asset revaluation reserve	Currency translation reserve	Retained earnings	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2015	79,691	(27,374)	(533)	674	445	4,110	(18,243)	697,245	736,015	397	736,412
Total comprehensive income for the period	-	-	-	-	697	(122)	(11,064)	53,230	42,741	(6,496)	36,245
Dividends paid	-	-	-	-	-	-	-	(37,384)	(37,384)	-	(37,384)
Share buyback	-	(6,279)	-	-	-	-	-	-	(6,279)	-	(6,279)
At 30 September 2015	79,691	(33,653)	(533)	674	1,142	3,988	(29,307)	713,091	735,093	(6,099)	728,994
Total comprehensive income for the period	-	-	-	-	369	(1,506)	4,598	9,760	13,221	752	13,973
At 31 December 2015	79,691	(33,653)	(533)	674	1,511	2,482	(24,709)	722,851	748,314	(5,347)	742,967

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 (Cont'd)

Group	Attributable to owners of the Company									Non-controlling interests \$'000	Total equity \$'000
	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Capital reserve \$'000	Fair value adjustment reserve \$'000	Asset revaluation reserve \$'000	Currency translation reserve \$'000	Retained earnings \$'000	Total equity \$'000		
At 1 January 2014	79,691	(12,006)	(533)	674	270	2,750	(14,231)	442,193	498,808	-	498,808
Total comprehensive income for the period	-	-	-	-	396	1,177	(1,329)	113,146	113,390	-	113,390
Dividends paid	-	-	-	-	-	-	-	(25,681)	(25,681)	-	(25,681)
Share buyback	-	(13,888)	-	-	-	-	-	-	(13,888)	-	(13,888)
At 30 September 2014	79,691	(25,894)	(533)	674	666	3,927	(15,560)	529,658	572,629	-	572,629
Total comprehensive income for the period	-	-	-	-	(221)	183	(2,683)	167,587	164,866	(3)	164,863
Share buyback	-	(1,480)	-	-	-	-	-	-	(1,480)	-	(1,480)
Incorporation of a subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	400	400
At 31 December 2014	79,691	(27,374)	(533)	674	445	4,110	(18,243)	697,245	736,015	397	736,412

Company	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Fair value adjustment reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2015	79,691	(27,374)	(533)	445	108,826	161,055
Total comprehensive income for the period	-	-	-	697	(2,892)	(2,195)
Dividends paid	-	-	-	-	(37,384)	(37,384)
Share buyback	-	(6,279)	-	-	-	(6,279)
At 30 September 2015	79,691	(33,653)	(533)	1,142	68,550	115,197
Total comprehensive income for the period	-	-	-	369	41,696	42,065
At 31 December 2015	79,691	(33,653)	(533)	1,511	110,246	157,262

Company	Issued capital \$'000	Treasury shares \$'000	Treasury shares reserve \$'000	Fair value adjustment reserve \$'000	Retained earnings \$'000	Total equity \$'000
At 1 January 2014	79,691	(12,006)	(533)	270	115,897	183,319
Total comprehensive income for the period	-	-	-	396	1,556	1,952
Dividends paid	-	-	-	-	(25,681)	(25,681)
Share buyback	-	(13,888)	-	-	-	(13,888)
At 30 September 2014	79,691	(25,894)	(533)	666	91,772	145,702
Total comprehensive income for the period	-	-	-	(221)	17,054	16,833
Share buyback	-	(1,480)	-	-	-	(1,480)
At 31 December 2014	79,691	(27,374)	(533)	445	108,826	161,055

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 the end of the financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

As at 31 December 2015, the Company held 46,501,100 ordinary shares as treasury shares (31 December 2014 : 39,646,000 ordinary shares). The total number of issued shares of the Company excluding treasury shares as at 31 December 2015 and 31 December 2014 were 621,014,061 and 627,869,161 shares respectively.

There are no performance shares being granted under the "Chip Eng Seng Performance Share Plan" as at 31 December 2015 and 31 December 2014.

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 total number of issued shares excluding treasury shares of 46,501,100 (31 December 2014 : 39,646,000) shares as at 31 December 2015 and 31 December 2014 were 621,014,061 and 627,869,161 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

Not applicable as no treasury shares had been sold, transferred, disposed, cancelled or used in any other manner.

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 matters)

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 in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2014, as well as all the applicable Financial Reporting Standards ("FRS") which became effective for the financial year beginning on or after 1 January 2015.

The adoption of those new and revised FRSs has no material effect on the current financial statements for the current 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

Following the completion of Park Hotel Alexandra, the Group has re-evaluated its accounting policies for both its freehold and leasehold land and buildings and has decided to align its accounting policy with respect to the measurement of freehold land and buildings, classified under property, plant and equipment to that of leasehold land and buildings. The measurement for freehold land and buildings has been changed from revaluation model to cost model. Previously under the revaluation model, freehold land and buildings are initially recognised at cost and subsequent to recognition, measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of revaluation. Under the cost model, the Group will measure its freehold land and buildings at cost less accumulated depreciation on buildings and any accumulated impairment losses. These two methods of measurement are permitted by FRS 16 - Property, Plant and Equipment.

The Board is of the opinion that the cost model is more appropriate measurement because the future economic benefits from its freehold land and buildings that are held for continued use in the Group's precast business are realised through their use rather than through sale or rental. The revaluation surplus on freehold land and buildings do not impact the production capacity or reflect the operational results of the Group. Hence, cost model would provide more relevant financial information of the Group's operations.

As the revaluation surplus is immaterial, and in accordance to FRS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, this change in accounting policy has been applied prospectively from the earliest date practicable.

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

	Group		Group	
	4Q 2015	4Q 2014	FY 2015	FY 2014
Earnings per ordinary share for the period :-				
(i) Based on weighted average number of ordinary shares in issue (in cents)	1.57	26.31	10.11	44.07
(ii) On a fully diluted basis (in cents)	1.57	26.31	10.11	44.07

Notes:

(i) The computation of basic earnings per share was based on the weighted average of 623,069,917 ordinary shares (31 December 2014 : 636,983,304 ordinary shares).

(ii) The computation of fully diluted basic earnings per share was based on the adjusted weighted average of 623,069,917 ordinary shares (31 December 2014 : 636,983,304 ordinary shares).

7 Net asset value (for the issuer and group) per ordinary share based on the total number of 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

	Group		Company	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Net asset value per ordinary share (in cents) based on issued share capital as at the end of the period reported on	120.50	117.22	25.32	25.65

The computation of net asset value per ordinary share was based on 621,014,061 ordinary shares (excluding Treasury shares of 46,501,100) (31 December 2014 : 627,869,161 ordinary shares excluding Treasury shares of 39,646,000).

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

4Q2015 vs 4Q2014

Overall

The Group's total revenue decreased by 58.3% to \$153.9 million in 4Q2015, compared to \$368.6 million in 4Q2014, due to lower contributions from the Property Development Division.

In line with the lower revenue, gross profit also decreased.

The Group's pre-tax profit dropped by a higher percentage of 94.9% from \$192.2 million in 4Q2014 to \$9.9 million in 4Q2015 due to fair value loss on investment properties as compared to a fair value gain in 4Q2014.

Property Developments

Revenue decreased from \$289.8 million in 4Q2014 to \$74.7 million in 4Q2015 mainly due to completion of a retail development project, Alexandra Central which was completed and its entire revenue was recognised one-off on a completion basis in 4Q2014. In 4Q2015, revenue was derived mainly from two development projects, Nine Residences and Junction Nine in Yishun and High Park Residences at Fernvale Road.

Construction

Revenue decreased from \$77.3 million in 4Q2014 to \$70.4 million in 4Q2015 due to completion of several projects in 2014 and fewer active projects as compared to 4Q2014.

Hospitality

The Group's maiden hotel – Park Hotel Alexandra, which commenced business in May 2015, delivered \$6.5 million revenue from its room and food & beverage sales in this quarter.

Property Investments & others

Revenue rose 58.3% to \$2.3 million in 4Q2015, against \$1.5 million in 4Q2014, due principally to rental income contributed by CES Centre, which commenced its leasing business from 1Q2015.

FY2015 vs FY2014

Overall

The Group's total revenue declined by 38.8% to \$676.5 million in FY2015 from \$1.11 billion in FY2014 due to lower contributions from the Property Development Division.

With the declining revenue, gross profit decreased by 51.4% to \$161.5 million in FY2015 as compared to \$332.5 million in FY2014. Similarly, pre-tax profit had also decreased but by a larger magnitude of 79.1% to \$67.6 million in FY2015 due to higher marketing expenses incurred for new property launches, finance costs and operating expenses incurred for the new hospitality division. The decrease was also due to fair value loss on investment properties in FY2015 as compared to a fair value gain in FY2014.

Property Developments

Revenue decreased to \$347.5 million in FY2015 compared to \$765.6 million in FY2014. Revenue for FY2015 was primarily contributed by the progressive recognition of Nine Residences & Junction Nine (which obtained TOP in December 2015) and Fulcrum. Back in FY2014, revenue was mainly contributed by Alexandra Central, 100 Pasir Panjang and Beldia which were recognised on a completion basis.

Lower share of profit from associates for FY2015 was mainly due to absence of significant contribution from the joint venture project - Belysa.

Construction

Revenue decreased by 8.5% to \$305.8 million in FY2015 compared to \$334.2 million in FY2014. The decrease was primarily due to completion of several projects in 2014 and fewer active projects compared to FY2014.

Hospitality

The Group's maiden hotel – Park Hotel Alexandra, which commenced business in May 2015, delivered \$14.1 million revenue from its room and food & beverage sales in FY2015.

Property Investments & Others

Revenue from Property Investment Division grew by 54.6% to \$9.1 million in FY2015, compared to \$5.9 million in FY2014 due to rental income contributed by CES Centre which commenced leasing in 1Q2015.

Group Statement of Financial Position Review

The Group's net current assets decreased by \$180.6 million to \$1.05 billion, due largely to certain loans becoming payable within the next 12 months. This also resulted in corresponding decrease in non-current liabilities by \$180.2 million to \$847.4 million as at 31 December 2015.

Shareholders' equity increased from \$736.4 million as at 31 December 2014 to \$743.0 million as at 31 December 2015. The increase of \$6.6 million was the result of the \$57.2 million in profit contribution for the current year which was offset by the dividend payment of \$37.4 million, translation loss of \$6.5 million and the share buyback amounting to \$6.3 million.

The progressive payment received from buyers caused a huge increase in cash and cash equivalent and led to decrease in net debts. As a result of reduced net debts, the Group's net debt to equity ratio declined from 0.89 as at 31 December 2014 to 0.56 as at 31 December 2015.

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

No prospects statements for 4Q2015 was previously provided.

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

Property Developments

The outlook for private residential market in 2016 remains challenging with economic slowdown, rising interest rates and property cooling measures weighing on the market.

In 4Q2015, despite the weak market, we managed to sell some more units of High Park Residences, raising the overall sale results to-date to more than 94%. We will continue our efforts in marketing the remaining units of High Park Residences. As for Fulcrum, we obtained TOP in Jan 2016 and will relaunch this project in 2Q2016 if the market conditions permit.

In Australia, we have sold 98% of the townhouses of Williamson Estate, a suburban project located in Doncaster, Melbourne. The apartments of this project, known as Willow Apartments, will be launched in 1Q2016. As regards Tower Melbourne, the dispute with the adjoining owner on the protection method is still on-going. We will progressively update this matter.

Property Investments

In Singapore, the Group currently holds one office building (CES Centre), one industrial building (CES Building) and a number of shop houses. With the softening commercial rental market, the Group will continue to exercise prudence in expanding its commercial building portfolio in Singapore.

In Australia, the Group owns an office building (420 St Kilda Melbourne). The Group will continue to look out for suitable commercial buildings with attractive yields to provide steady stream of income for the Group.

Construction

The residential construction demand is expected to remain weak in 2016. The Group will continue to actively participate in the tender of public housing projects. At the end of 4Q2015, the Group's construction order book stood at \$570.1 million.

Hospitality

The performance of the Group's hospitality segment is expected to improve in 2016.

Proposed spin-off and listing of construction business

The Company will issue a separate announcement in due course on the proposed spin-off and listing of construction business.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?
Yes.

Name of Dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	4.0 cents per ordinary share Tax exempt (one-tier tax)

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Name of Dividend	First & Final	Special Dividend
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	4.0 cents per ordinary share Tax exempt (one-tier tax)	2.0 cents per ordinary share Tax exempt (one-tier tax)

(c) Date payable

The proposed final dividend, if approved at the Annual General Meeting to be held on 22 April 2016, is expected to be paid on or about 20 May 2016.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed on 6 May 2016 for the purpose of determining shareholders' entitlement to the First & Final Dividend to be approved at the Annual General Meeting of the Company to be held on 22 April 2016. Duly completed registrable transfers in respect of the shares in the Company received up to close of business at 5.00 p.m. on 5 May 2016 by the Company's Share Registrar, RHT Corporate Advisory Pte. Ltd., Six Battery Road #10-01, Singapore 049909, will be registered to determine shareholders entitlement to such dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 5 May 2016 will be entitled to such proposed dividend.

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 does not have a shareholders' mandate 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

Business Segments

Year ended 31 December 2015	Construction	Property	Property	Hospitality	Corporate	Total
	\$'000	Developments	Investments		& Others	
		\$'000	\$'000	\$'000	\$'000	\$'000
Segment revenue						
Total segment sales	401,287	348,747	10,778	14,129	12,738	787,679
Intersegment sales	(95,528)	(1,249)	(1,813)	-	(12,637)	(111,227)
Sales to external customers	305,759	347,498	8,965	14,129	101	676,452
Interest income	665	1,359	41	-	412	2,477
Dividend income	-	-	-	-	700	700
Finance costs	(15)	(5,766)	(4,191)	(4,479)	(1,907)	(16,358)
Depreciation and amortisation	(2,045)	(249)	(13)	(3,222)	(563)	(6,092)
Share of results of associates	-	794	-	-	227	1,021
Net fair value loss on investment properties	-	-	(4,225)	-	-	(4,225)
Other non-cash items:						
Impairment loss on development properties	-	(10,400)	-	-	-	(10,400)
Segment profit	27,510	47,896	(2,655)	(5,841)	662	67,572

Assets and liabilities

Investment in associates	-	6,822	-	-	5,299	12,121
Additions to non-current assets:						
Property, plant and equipment	309	186	6	19,988	178	20,667
Investment properties	-	-	1,070	-	-	1,070
Segment assets	136,655	1,210,380	287,405	210,570	62,027	1,907,037
Segment liabilities	98,902	661,256	120,698	231,618	51,596	1,164,070

Year ended 31 December 2014

Segment revenue

Total segment sales	459,272	766,925	6,419	-	27,967	1,260,583
Intersegment sales	(125,044)	(1,278)	(567)	-	(27,954)	(154,843)
Sales to external customers	334,228	765,647	5,852	-	13	1,105,740
Interest income	298	419	26	-	41	784
Dividend income	-	-	-	-	205	205
Finance costs	(3)	(1,952)	(1,171)	-	(1,327)	(4,453)
Depreciation and amortisation	(1,919)	(211)	(3)	(1,265)	(499)	(3,897)
Share of results of associates	-	17,028	-	-	79	17,107
Net fair value gain on investment properties	-	-	37,902	-	-	37,902
Other non-cash items:						
Impairment loss on receivables	-	(385)	-	-	-	(385)
Segment profit	35,327	248,289	40,696	(1,584)	948	323,676

Assets and liabilities

Investment in associates	-	8,328	-	-	5,010	13,338
Additions to non-current assets:						
Property, plant and equipment	6,699	303	52	47,566	1,364	55,984
Investment properties	-	-	75,224	-	-	75,224
Intangible assets	-	-	-	-	88	88
Segment assets	164,759	1,324,487	293,539	190,937	34,602	2,008,324
Segment liabilities	117,733	751,075	113,751	115,309	174,044	1,271,912

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 (Cont'd)

Geographical Segments	Singapore \$'000	Australia \$'000	Malaysia \$'000	Total \$'000
Year ended 31 December 2015				
Revenue	659,622	4,485	12,345	676,452
Non-current assets	455,148	49,169	4,624	508,941
Year ended 31 December 2014				
Revenue	1,079,933	5,633	20,174	1,105,740
Non-current assets	445,385	49,817	7,600	502,802

Non-current assets information presented above consist of property, plant and equipment, investment properties and intangible assets as presented in the consolidated statement of financial position.

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 and 14.

16 Breakdown of Group's revenue and operating profit after tax for first half year and second half year

	Group		Increase/ (Decrease) %
	FY 2015 \$'000	FY 2014 \$'000	
Revenue			
- first half	364,279	321,433	13.3
- second half	312,173	784,307	(60.2)
Full year	<u>676,452</u>	<u>1,105,740</u>	
Operating profit after tax before deducting non-controlling interest			
- first half	37,859	40,231	(5.9)
- second half	19,387	240,499	(91.9)
Full year	<u>57,246</u>	<u>280,730</u>	

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

	FY 2015 \$	FY 2014 \$
Ordinary	37,384,137	25,681,367
Preference	-	-
Total:	<u>37,384,137</u>	<u>25,681,367</u>

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Lim Tian Back	67	Brother of Lim Tiam Seng and Lim Tiang Chuan; Uncle of Dawn Lim Sock Kiang; and Uncle-in-law of Chia Lee Meng Raymond.	Project Director Duties include: (i) Project management; and (ii) Monitoring defects and feedback during project defect liabilities period Position held since 1993	N/A
Lim Tian Moh	61	Brother of Lim Tiam Seng and Lim Tiang Chuan; Uncle of Dawn Lim Sock Kiang; and Uncle-in-law of Chia Lee Meng Raymond.	Project Director Duties include: (i) Overseeing Precast operation and coordinating construction site operation Position held since 1999	N/A
Lim Sock Joo	46	Daughter of Lim Tiam Seng; Spouse of Chia Lee Meng Raymond; Niece of Lim Tiang Chuan; and Sister of Dawn Lim Sock Kiang.	Executive Director of CEL Development Pte. Ltd. Duties include: (i) Matters relating to business, management and operation of CEL Development Pte Ltd and its subsidiaries, including business development and hospitality sector Position held since 1 July 2013	N/A
Lim Ling Kwee	45	Son of Lim Tiam Seng; Nephew of Lim Tiang Chuan; Brother of Dawn Lim Sock Kiang; and Brother-in-law of Chia Lee Meng Raymond.	Executive Director of CEL Development Pte. Ltd. Duties include: (i) Project management Position held since 2 March 1988	N/A
Sng Boon Siang	37	Nephew of Lim Tiam Seng and Lim Tiang Chuan; Cousin of Dawn Lim Sock Kiang; and Cousin-in-law of Chia Lee Meng Raymond.	Senior Project Manager Duties include: (i) Site project management Position held since 1 March 2015	Promoted from Executive Project Manager to Senior Project Manager on 1 March 2015.
Lin Jun Qiang Shawn	32	Nephew of Lim Tiam Seng and Lim Tiang Chuan; Cousin of Dawn Lim Sock Kiang; and Cousin-in-law of Chia Lee Meng Raymond.	Business Development cum Hospitality Manager Duties include: (i) Matters relating to business development and hospitality Position held since 1 March 2015	Promoted from Assistant Manager to Manager on 1 March 2015.

BY ORDER OF THE BOARD

Hoon Tai Meng
Executive Director

4 February 2016