

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2014

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

	Group		Increase/ (Decrease) %
	First Quarter Ended 30/09/2014 S\$'000	30/09/2013 S\$'000	
Revenue	223,597	233,947	(4)
Cost of sales	(156,742)	(189,678)	(17)
Gross profit	66,855	44,269	51
Other income	7,253	110,879	(93)
Administrative expenses	(18,117)	(17,164)	6
Other expenses	(844)	(9,565)	(91)
Finance costs	(16,861)	(23,165)	(27)
Share of (loss)/profit of associates and joint ventures (net of tax)	(306)	1,863	N/M
Profit before tax	37,980	107,117	(65)
Tax expense	(12,433)	(22,415)	(45)
Profit for the period	25,547	84,702	(70)
Profit attributable to:			
Equity holders of the Company	26,968	83,696	(68)
Non-controlling interests	(1,421)	1,006	N/M
	25,547	84,702	(70)

N/M : Not meaningful.

1(a)(i) Breakdown and explanatory notes to the income statement:-

	Group		Increase/ (Decrease) %
	First Quarter Ended 30/09/2014 S\$'000	30/09/2013 S\$'000	
Dividend income from equity securities	-	2	(100)
Interest income	2,137	1,942	10
Depreciation of property, plant and equipment	(2,132)	(2,129)	-
Gain on disposal of property, plant and equipment	83	95	(13)
Writeback of allowance for doubtful receivables	78	41	90
Net fair value gain on derivative financial instruments	90	8,346	(99)
Net foreign exchange gain/(loss)	3,713	(8,668)	N/M
Gain on disposal of interests in subsidiaries	-	98,935	(100)
Loss on disposal of equity securities	(71)	-	N/M

N/M : Not meaningful.

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.

	Group As At		Company As At	
	30/09/2014 S\$'000	30/06/2014 S\$'000	30/09/2014 S\$'000	30/06/2014 S\$'000
Non-current assets				
Property, plant and equipment	412,631	405,551	-	-
Investment properties	2,341,806	2,305,035	-	-
Subsidiaries	-	-	2,582,151	2,581,664
Associates and joint ventures	457,009	496,425	-	-
Other receivables, including derivatives	2,839	2,866	-	-
Other investments	1,219	1,717	-	-
Deferred tax assets	31,872	32,375	-	-
	3,247,376	3,243,969	2,582,151	2,581,664
Current assets				
Inventories	5,023,973	4,287,193	-	-
Trade and other receivables, including derivatives	272,477	472,291	147	113
Cash and cash equivalents	729,593	716,006	314	948
	6,026,043	5,475,490	461	1,061
Total assets	9,273,419	8,719,459	2,582,612	2,582,725
Equity				
Share capital	1,926,053	1,926,053	1,926,053	1,926,053
Reserves	779,411	694,738	38,748	44,467
Equity attributable to ordinary equity holders of the Company	2,705,464	2,620,791	1,964,801	1,970,520
Perpetual securities	202,263	199,795	-	-
	2,907,727	2,820,586	1,964,801	1,970,520
Non-controlling interests	160,159	152,945	-	-
Total equity	3,067,886	2,973,531	1,964,801	1,970,520
Non-current liabilities				
Other payables, including derivatives	150,365	146,320	556,092	533,498
Loans and borrowings	3,231,177	2,768,194	-	-
Deferred tax liabilities	61,908	56,962	-	-
	3,443,450	2,971,476	556,092	533,498
Current liabilities				
Trade and other payables, including derivatives	396,535	428,758	1,019	1,007
Loans and borrowings	2,303,736	2,298,580	60,700	77,700
Current tax liabilities	61,812	47,114	-	-
	2,762,083	2,774,452	61,719	78,707
Total liabilities	6,205,533	5,745,928	617,811	612,205
Total equity and liabilities	9,273,419	8,719,459	2,582,612	2,582,725

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/09/2014 (S\$'000)		As at 30/06/2014 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
925,523	1,378,213	881,877	1,416,703

Amount repayable after one year

As at 30/09/2014 (S\$'000)		As at 30/06/2014 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
2,093,490	1,137,687	1,672,494	1,095,700

Details of any collateral

The Group's assets pledged/mortgaged to secure loan facilities granted to the Group are as follows:-

	Group As At	
	30/09/2014	30/06/2014
	S\$'000	S\$'000
At carrying amounts:-		
Property, plant and equipment	288,277	284,697
Investment properties	1,763,596	1,729,901
Inventories	2,690,121	2,064,116

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

	Group	
	First Quarter Ended	
	30/09/2014	30/09/2013
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	37,980	107,117
Adjustments for:-		
Amortisation of transaction costs on loans and borrowings	1,445	1,159
Depreciation of property, plant and equipment	2,132	2,129
Dividend income from equity securities	-	(2)
Gain on disposal of property, plant and equipment	(83)	(95)
Net fair value gain on derivative financial instruments	(90)	(8,346)
Finance costs	16,861	23,165
Interest income	(2,137)	(1,942)
Writeback of allowance for doubtful receivables	(78)	(41)
Gain on disposal of interests in subsidiaries	-	(98,935)
Share of loss/(profit) of associates and joint ventures (net of tax)	306	(1,863)
Loss on disposal of equity securities	71	-
Share-based payments/(Writeback of share-based payments)	24	(6)
	56,431	22,340
Changes in:-		
Inventories	(430,030)	(37,926)
Trade and other receivables	54,158	31,996
Trade and other payables	(16,760)	(18,864)
Balances with holding companies and related corporations	187	3,114
	(336,014)	660
Cash generated from operating activities	(336,014)	660
Tax paid	(2,387)	(20,516)
	(338,401)	(19,856)
Cash flows from investing activities		
Additions to investment properties	(19,374)	(8,770)
Additions to property, plant and equipment	(2,381)	(1,053)
Acquisition of subsidiary, net of cash acquired	(12,076)	-
Balances with associates and joint ventures	(509)	(1,222)
Dividends received from associates and joint ventures	913	7,310
Dividends received from equity securities	-	2
Interest received	1,421	967
Proceeds from disposal of interests in subsidiaries	-	244,708
Proceeds from disposal of equity securities	321	-
Proceeds from disposal of property, plant and equipment	191	96
	(31,494)	242,038

	Group	
	First Quarter Ended	30/09/2013
	30/09/2014	30/09/2013
	S\$'000	S\$'000
Cash flows from financing activities		
Interest paid	(38,896)	(48,840)
Proceeds from loans and borrowings	547,094	160,082
Proceeds from loans from non-controlling interests of subsidiaries	4,440	2,010
Repayment of loans and borrowings	(137,925)	(140,545)
Net cash from financing activities	374,713	(27,293)
Net increase in cash and cash equivalents	4,818	194,889
Cash and cash equivalents at beginning of the period	370,475	353,125
Exchange differences on translation of balances held in foreign currencies	2,931	(3,176)
Cash and cash equivalents at end of the period	378,224	544,838

For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts repayable on demand, and exclude an amount of \$346.5 million pledged to a financial institution for a bank loan in China as at 30 September 2014.

For the quarter ended 30 September 2014, net cash used in the Group's operating activities was \$338.4 million. This was mainly attributed to the acquisition of a residential site at Sims Drive during the quarter. Net cash used in investing activities of \$31.5 million was mainly for additions to investment properties and acquisition of a subsidiary. For financing activities, net cash was generated mainly from loans and borrowings.

1(d) **Consolidated Statement of Comprehensive Income**

	Group		Increase/ (Decrease) %
	First Quarter Ended 30/09/2014 S\$'000	30/09/2013 S\$'000	
Profit for the period	25,547	84,702	(70)
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Translation differences relating to financial statements of foreign subsidiaries and associates	61,080	(7,628)	N/M
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	(1,976)	(100)
Net change in fair value of available-for-sale securities	(178)	(80)	123
Net change in fair value of available-for-sale securities reclassified to profit or loss upon disposal	80	-	N/M
Other comprehensive income for the period, net of tax	60,982	(9,684)	N/M
Total comprehensive income for the period, net of tax	86,529	75,018	15
Attributable to:			
Equity holders of the Company	87,125	78,026	12
Non-controlling interests	(596)	(3,008)	(80)
Total comprehensive income for the period, net of tax	86,529	75,018	15

N/M : Not meaningful.

1(e)(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.

Statement of Changes in Equity for the First Quarter ended 30 September 2014 and 30 September 2013

Group	← Attributable to ordinary equity holders of the Company →					Total S\$'000	Non- Controlling Interests S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Other Reserves* S\$'000	Accumulated Profits S\$'000	Total Ordinary Equity S\$'000	Perpetual Securities S\$'000			
At 1 July 2014	1,926,053	(227,064)	921,802	2,620,791	199,795	2,820,586	152,945	2,973,531
Total comprehensive income for the period								
Profit for the period	-	-	26,968	26,968	-	26,968	(1,421)	25,547
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries and associates	-	60,215	-	60,215	-	60,215	865	61,080
Net change in fair value of available-for-sale securities	-	(112)	-	(112)	-	(112)	(66)	(178)
Net change in fair value of available-for-sale securities reclassified to profit or loss upon disposal	-	54	-	54	-	54	26	80
Total other comprehensive income, net of tax	-	60,157	-	60,157	-	60,157	825	60,982
Total comprehensive income for the period, net of tax	-	60,157	26,968	87,125	-	87,125	(596)	86,529
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Accrued distribution for perpetual securities	-	-	(2,468)	(2,468)	2,468	-	-	-
Share-based payments	-	16	-	16	-	16	8	24
Total contributions by and distributions to equity holders	-	16	(2,468)	(2,452)	2,468	16	8	24
Changes in ownership interests in subsidiary								
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	7,802	7,802
Total changes in ownership interests in subsidiary	-	-	-	-	-	-	7,802	7,802
Total transactions with equity holders	-	16	(2,468)	(2,452)	2,468	16	7,810	7,826
At 30 September 2014	1,926,053	(166,891)	946,302	2,705,464	202,263	2,907,727	160,159	3,067,886

* Include reserve for own shares, share option reserve, capital reserve, translation reserve, revaluation reserve, fair value reserve and merger reserve.

Group	← Attributable to ordinary equity holders of the Company →							
	Share Capital S\$'000	Other Reserves* S\$'000	Accumulated Profits S\$'000	Total Ordinary Equity S\$'000	Perpetual Securities S\$'000	Total S\$'000	Non- Controlling Interests S\$'000	Total Equity S\$'000
At 1 July 2013	1,926,053	(162,345)	682,854	2,446,562	199,406	2,645,968	129,133	2,775,101
Total comprehensive income for the period								
Profit for the period	-	-	83,696	83,696	-	83,696	1,006	84,702
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries and associates	-	(3,631)	-	(3,631)	-	(3,631)	(3,997)	(7,628)
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	(1,976)	-	(1,976)	-	(1,976)	-	(1,976)
Net change in fair value of available-for-sale securities	-	(63)	-	(63)	-	(63)	(17)	(80)
Total other comprehensive income, net of tax	-	(5,670)	-	(5,670)	-	(5,670)	(4,014)	(9,684)
Total comprehensive income for the period, net of tax	-	(5,670)	83,696	78,026	-	78,026	(3,008)	75,018
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Accrued distribution for perpetual securities	-	-	(2,370)	(2,370)	2,370	-	-	-
Writeback of share-based payments	-	(4)	-	(4)	-	(4)	(2)	(6)
Total contributions by and distributions to equity holders	-	(4)	(2,370)	(2,374)	2,370	(4)	(2)	(6)
Changes in ownership interests in subsidiaries								
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	-	(613)	(613)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(613)	(613)
Total transactions with equity holders	-	(4)	(2,370)	(2,374)	2,370	(4)	(615)	(619)
At 30 September 2013	1,926,053	(168,019)	764,180	2,522,214	201,776	2,723,990	125,510	2,849,500

* Include reserve for own shares, share option reserve, capital reserve, translation reserve, revaluation reserve, fair value reserve and merger reserve.

	Share Capital S\$'000	Other Reserves* S\$'000	Accumulated Profits S\$'000	Total Equity S\$'000
Company				
At 1 July 2014	1,926,053	(162,047)	206,514	1,970,520
Loss for the period	-	-	(5,719)	(5,719)
Total comprehensive income for the period	-	-	(5,719)	(5,719)
At 30 September 2014	1,926,053	(162,047)	200,795	1,964,801
At 1 July 2013	1,926,053	(162,047)	253,421	2,017,427
Loss for the period	-	-	(4,514)	(4,514)
Total comprehensive income for the period	-	-	(4,514)	(4,514)
At 30 September 2013	1,926,053	(162,047)	248,907	2,012,913

*Include reserve for own shares, share option reserve and capital reserve.

1(e)(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 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. State 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. 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.

	As At 30/09/2014
(a) Issued and fully paid ordinary shares (S\$'000):- At 1 July and 30 September 2014	<u>1,926,053</u>

(b) There are no outstanding executives share options as at 30 September and 30 June 2014.

	30/09/2014	As At 30/09/2013
(c) No. of issued ordinary shares	1,183,373,276	1,183,373,276
Less : No. of shares acquired by the Trust for ESOS	(73,604,933)	(73,604,933)
	<u>1,109,768,343</u>	<u>1,109,768,343</u>

The total number of issued ordinary shares excluding shares acquired by the Trust for ESOS as at 30 September and 30 June 2014 is 1,109,768,343.

	As At 30/09/2014
(d) No. of shares acquired by the Trust for ESOS:- At 1 July and 30 September 2014	<u>73,604,933</u>

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

The figures have neither been audited nor reviewed by our 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.

Except as disclosed in Item 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 applied in the most recently audited financial statements of the Group for the financial year ended 30 June 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 adopted various new/revised Financial Reporting Standards ("FRS") which took effect for financial year beginning 1 July 2014. The Group does not expect any significant financial impact on its financial position or performance from the adoption of these amendments to FRS.

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 First Quarter Ended	
	30/09/2014	30/09/2013
Earnings per ordinary share for the period based on the Group's profit attributable to equity holders of the Company*:-		
a. Based on weighted average number of ordinary shares in issue after adjusting for the shares held by the Trust for ESOS (cents)	2.21	7.33
Weighted average number of ordinary shares ('000)	1,109,768	1,109,768
b. On a fully diluted basis (cents)	2.21	7.33
Weighted average number of ordinary shares ('000)	1,109,768	1,109,768
* After deducting accrued distribution for perpetual securities of \$2,468,000 for the quarter ended 30 September 2014 and \$2,370,000 for the previous corresponding period.		

7. **Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-**
- (a) **current financial period reported on; and**
 (b) **immediately preceding financial year.**

	Group As At		Company As At	
	30/09/2014 S\$	30/06/2014 S\$	30/09/2014 S\$	30/06/2014 S\$
Net asset value per ordinary share based on existing issued share capital after adjusting for the shares held by the Trust for ESOS	2.44	2.36	1.77	1.78

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.**

(i) **Income statement**

The Group recorded profit attributable to equity holders of \$27.0 million for the first quarter ended 30 September 2014, as compared to a profit of \$83.7 million for the previous corresponding quarter. The decrease in profit was mainly because there had been a once-off gain from disposal of subsidiaries in the previous corresponding quarter. Accordingly, other income had reduced by 93% to \$7.3 million in the current quarter.

Revenue for the current quarter has declined marginally by 4% to \$223.6 million as compared to the previous corresponding quarter. This was because higher revenue recognised from Goodwood Residence and Leedon Residence in Singapore was offset by lower revenue recognised for Seasons Park in Tianjin, China. Despite the drop in revenue, gross profit has increased by \$22.6 million to \$66.9 million for the current quarter.

Other expenses decreased by \$8.7 million mainly due to no foreign exchange loss in the current quarter. Finance costs reduced by 27% due to higher capitalisation of interest expenses during the quarter. Tax expense decreased by \$10.0 million due to lower profit for the current quarter.

(ii) **Statement of financial position**

Equity attributable to ordinary equity holders of the Company was \$2.71 billion as at 30 September 2014, an increase of 3% from 30 June 2014. The increase was attributable to profit and translation gain recorded by the Group for the first quarter ended 30 September 2014.

During the quarter, the Group completed acquisitions of a residential site at Sims Drive and additional interests in a Malaysian subsidiary, Continental Estate Sdn Bhd ("Continental Estate"). Upon completion of the acquisition of Continental Estate, the Group considers it has obtained control of this entity. Provisional fair value of Continental Estate's identifiable assets acquired and liabilities assumed have been recognised for the purpose of consolidation. Mainly due to these events, inventories and loans and borrowings increased by \$736.8 million and \$468.1 million respectively, as compared to 30 June 2014. Trade and other receivables reduced by

\$199.8 million to \$272.5 million as tender deposit placed for Sims Drive was reclassified to inventories during the quarter.

The Group's trade and other payables had decreased by \$32.2 million to \$396.5 million as at 30 September 2014 mainly due to lower construction cost payable in relation to Singapore projects.

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

No forecast was made. The business environment described in item 10 of the Group's results announcement for the fourth quarter and full year ended 30 June 2014, has not changed.

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.

According to flash estimates released by the Urban Redevelopment Authority, the private residential property index fell by 0.6% in 3rd quarter 2014 after declining by 1.0% in the previous quarter. Prices of non-landed private residential properties decreased in all segments. Prices fell by 0.9% in Core Central Region compared to the 1.5% decline in the previous quarter.

In China, new home prices fell in 68 of 70 cities in August from July, according to the National Bureau of Statistics. Home sales volume in China has been declining in the first eight months of 2014 amid slower economic growth and tightening of property lending by banks. Against this back drop, various cities have started to ease property cooling measures.

The operating environment continues to be challenging. Nonetheless, the Group will continue to focus on execution of current projects and sales of its residential units. The Group will also be watchful of investment opportunities.

11. Dividend

(a) Current Financial Period Reported On

No dividend was declared for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. Interested Person Transactions

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

13. Confirmation Pursuant to Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results of GuocoLand Limited for the first quarter ended 30 September 2014, to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Dawn Pamela Lum
Group Company Secretary
17 October 2014