

SINARMAS LAND LIMITED (REG. NO. 199400619R)

First Quarter Financial Statement And Dividend Announcement

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 31 MARCH 2016

	1st Qtr 2016 S\$'000	1st Qtr 2015 S\$'000	Change %
Revenue	179,885	285,358	(37.0)
Cost of sales	<u>(61,130)</u>	<u>(80,425)</u>	(24.0)
Gross profit	<u>118,755</u>	<u>204,933</u>	(42.1)
Operating expenses			
Selling expenses	(12,324)	(15,172)	(18.8)
General and administrative expenses	<u>(33,920)</u>	<u>(31,587)</u>	7.4
Total operating expenses	<u>(46,244)</u>	<u>(46,759)</u>	(1.1)
Operating profit	<u>72,511</u>	<u>158,174</u>	(54.2)
Other income/(expenses)			
Finance income	6,702	6,773	(1.0)
Finance costs	(21,080)	(13,433)	56.9
Foreign exchange (loss)/gain, net	(12,998)	23,874	n.m.
Share of results of associated companies, net of tax	5,193	(572)	n.m.
Share of results of joint ventures, net of tax	(3,064)	1,285	n.m.
Other operating income, net	<u>3,121</u>	<u>3,867</u>	(19.3)
Other (expense)/income, net	<u>(22,126)</u>	<u>21,794</u>	n.m.
Profit before income tax	50,385	179,968	(72.0)
Income tax	<u>(9,737)</u>	<u>(21,299)</u>	(54.3)
Profit for the period	<u>40,648</u>	<u>158,669</u>	(74.4)
Attributable to:			
Owners of the Company	15,723	79,783	(80.3)
Non-controlling interests	<u>24,925</u>	<u>78,886</u>	(68.4)
	<u>40,648</u>	<u>158,669</u>	(74.4)

Note: n.m. – not meaningful

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2016**

	1st Qtr 2016 <u>S\$'000</u>	1st Qtr 2015 <u>S\$'000</u>
Profit for the period	<u>40,648</u>	<u>158,669</u>
Other comprehensive income:		
<u>Item that will not be reclassified subsequently to profit or loss:</u>		
Actuarial loss on post employment benefit	(248)	(709)
Share of other comprehensive income/(loss) of:		
- associated companies	57	(5)
- joint ventures	-	(4)
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Foreign currency translation differences	(16,979)	(2,583)
Changes in fair value of available-for-sale financial assets	<u>534</u>	<u>(126)</u>
Other comprehensive loss, net of tax	<u>(16,636)</u>	<u>(3,427)</u>
Total comprehensive income for the period	<u>24,012</u>	<u>155,242</u>
Total comprehensive income attributable to:		
Owners of the Company	(11,170)	77,167
Non-controlling interests	<u>35,182</u>	<u>78,075</u>
	<u>24,012</u>	<u>155,242</u>

ADDITIONAL INFORMATION

Earnings before income tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange gain/(loss), exceptional item and share of results of associated companies and joint ventures ("EBITDA")

	1st Qtr 2016 <u>S\$'000</u>	1st Qtr 2015 <u>S\$'000</u>	Change %
Earnings before income tax, non-controlling interests, interest on borrowings, depreciation and amortisation, foreign exchange (loss)/gain, exceptional item and share of results of associated companies and joint ventures ("EBITDA")	91,625	175,463	(47.8)
Interest on borrowings	(21,080)	(13,433)	56.9
Depreciation and amortisation	(9,291)	(6,649)	39.7
Foreign exchange (loss)/gain, net	(12,998)	23,874	n.m.
Share of results of associated companies, net of tax	5,193	(572)	n.m.
Share of results of joint ventures, net of tax	<u>(3,064)</u>	<u>1,285</u>	n.m.
Profit before income tax	<u>50,385</u>	<u>179,968</u>	(72.0)

Note: 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

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016**

	<u>Group</u>		<u>Company</u>	
	<u>As at 31/3/2016 S\$'000</u>	<u>As at 31/12/2015 S\$'000</u>	<u>As at 31/3/2016 S\$'000</u>	<u>As at 31/12/2015 S\$'000</u>
<u>Assets</u>				
Current Assets				
Cash and cash equivalents	848,936	907,985	3,132	3,712
Short-term investments	16,294	15,802	-	-
Trade receivables	15,270	15,537	-	-
Other current assets	267,680	389,194	458,872	423,865
Inventories, at cost	1,151	1,201	-	-
Properties held for sale	1,076,060	994,589	-	-
	<u>2,225,391</u>	<u>2,324,308</u>	<u>462,004</u>	<u>427,577</u>
Non-Current Assets				
Subsidiaries	-	-	1,723,748	1,836,808
Associated companies	225,807	220,652	-	-
Joint ventures	88,380	91,354	-	-
Long-term investments	2,182	2,182	-	-
Properties under development for sale	1,545,822	1,590,507	-	-
Investment properties	1,035,483	1,072,872	-	-
Property, plant and equipment	171,167	167,087	60	71
Long-term receivables	49,577	46,947	-	-
Deferred tax assets	649	331	-	-
Goodwill	1,784	1,784	-	-
	<u>3,120,851</u>	<u>3,193,716</u>	<u>1,723,808</u>	<u>1,836,879</u>
Total Assets	<u>5,346,242</u>	<u>5,518,024</u>	<u>2,185,812</u>	<u>2,264,456</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2016 (cont'd)

	<u>Group</u>		<u>Company</u>	
	As at 31/3/2016 <u>S\$'000</u>	As at 31/12/2015 <u>S\$'000</u>	As at 31/3/2016 <u>S\$'000</u>	As at 31/12/2015 <u>S\$'000</u>
<u>Liabilities and Equity</u>				
Current Liabilities				
Short-term borrowings	233,280	218,030	18,359	18,020
Trade payables	48,968	37,935	-	-
Other payables and liabilities	526,460	566,957	42,069	100,645
Obligations under finance leases	6,553	6,757	9	14
Income taxes payable	2,214	2,502	-	-
	<u>817,475</u>	<u>832,181</u>	<u>60,437</u>	<u>118,679</u>
Non-Current Liabilities				
Bonds and notes payables	597,089	607,596	-	-
Obligations under finance leases	8,300	10,858	-	-
Long-term borrowings	531,151	564,608	-	-
Long-term liabilities	190,932	172,548	-	-
Deferred tax liabilities	9	11	-	-
	<u>1,327,481</u>	<u>1,355,621</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>2,144,956</u>	<u>2,187,802</u>	<u>60,437</u>	<u>118,679</u>
Equity attributable to Owners of the Company				
Issued capital	2,057,844	2,057,844	2,057,844	2,057,844
Treasury shares	(170,460)	(170,460)	(170,460)	(170,460)
Foreign currency translation deficit	(1,284,221)	(1,256,967)	-	-
Goodwill on consolidation	(62,122)	(62,122)	-	-
Asset revaluation reserve	6,518	6,518	-	-
Other reserves	(23,691)	(18,945)	-	-
Fair value reserve	153	(197)	-	-
Retained earnings	1,208,735	1,193,012	237,991	258,393
	<u>1,732,756</u>	<u>1,748,683</u>	<u>2,125,375</u>	<u>2,145,777</u>
Non-Controlling Interests	1,468,530	1,581,539	-	-
Total Equity	<u>3,201,286</u>	<u>3,330,222</u>	<u>2,125,375</u>	<u>2,145,777</u>
Total Liabilities and Equity	<u>5,346,242</u>	<u>5,518,024</u>	<u>2,185,812</u>	<u>2,264,456</u>

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

	As at 31/03/2016			As at 31/12/2015		
	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	239,833	-	239,833	224,787	-	224,787
Amount repayable after one year	745,078	391,462	1,136,540	779,044	404,018	1,183,062
Total	984,911	391,462	1,376,373	1,003,831	404,018	1,407,849

Details of any collateral

Certain time deposits, properties under development for sale, investment properties, and property, plant and equipment have been pledged to the creditors to obtain the above secured borrowings.

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 31 MARCH 2016

	1st Qtr 2016 S\$'000	1st Qtr 2015 S\$'000
Cash flows from operating activities		
Profit before income tax	50,385	179,968
Adjustments for:		
Depreciation	9,291	6,649
Interest expense	21,080	13,433
Gain on disposal of property, plant and equipment	-	(10)
Property, plant and equipment written off	-	28
Share of results of associated companies, net of tax	(5,193)	572
Share of results of joint ventures, net of tax	3,064	(1,285)
Allowance for impairment loss on trade receivables	115	15
Changes in fair value of financial assets at fair value through profit or loss	(9)	(13)
Unrealised foreign exchange loss/(gain), net	18,502	(25,251)
Interest income	(6,702)	(6,773)
Operating cash flows before working capital changes	90,533	167,333
Changes in working capital:		
Trade receivables	245	1,236
Other current assets and receivables	129,082	7,055
Inventories	50	(81)
Trade payables	11,033	6,805
Other payables and liabilities	(28,148)	35,592
Cash generated from operations	202,795	217,940
Interest paid	(16,396)	(15,827)
Interest received	7,012	6,762
Tax paid	(19,101)	(3,221)
Net cash generated from operating activities	174,310	205,654

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2016 (cont'd)**

	1st Qtr 2016 <u>S\$'000</u>	1st Qtr 2015 <u>S\$'000</u>
Cash flows from investing activities		
Acquisition of additional interest in associated company	-	(14,924)
Proceeds from disposal of property, plant and equipment	-	35
Capital expenditure on investment properties	(19,202)	(10,655)
Capital expenditure on property, plant and equipment	(6,617)	(4,369)
Capital expenditure on properties under development and held for sale	(40,722)	(46,052)
Investments in available-for-sale financial assets	(14)	-
Net cash used in investing activities	<u>(66,555)</u>	<u>(75,965)</u>
Cash flows from financing activities		
Proceeds from borrowings, net	15,118	6,495
Acquisition of additional interest in subsidiaries	(233,084)	-
Proceeds from disposal of certain interest in a subsidiary	80,136	76,390
Increase in time deposits pledged	(26,253)	(4,243)
Payments of obligations under finance leases	(1,156)	(786)
Payment of dividends	-	(55,496)
Net cash (used in)/generated from financing activities	<u>(165,239)</u>	<u>22,360</u>
Net (decrease)/increase in cash and cash equivalents	(57,484)	152,049
Cash and cash equivalents at the beginning of the period	841,665	802,876
Effect of exchange rate changes on cash and cash equivalents	(27,818)	22,279
Cash and cash equivalents at the end of the period (See Note)	<u>756,363</u>	<u>977,204</u>

Note:

Cash and cash equivalents consist of cash on hand and balances with banks and comprise the following:

	As at 31/3/2016 <u>S\$'000</u>	As at 31/3/2015 <u>S\$'000</u>
Cash on hand, cash in banks and time deposits	848,936	1,053,358
Less: Time deposits pledged	(92,573)	(76,154)
	<u>756,363</u>	<u>977,204</u>

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

	← Attributable to Owners of the Company →								Total	Non-Controlling Interests	Total Equity
	Issued capital	Treasury shares	Foreign currency translation deficit	Goodwill on consolidation	Asset revaluation reserve	Other reserves	Fair value reserve	Retained earnings			
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2016	2,057,844	(170,460)	(1,256,967)	(62,122)	6,518	(18,945)	(197)	1,193,012	1,748,683	1,581,539	3,330,222
Profit for the period	-	-	-	-	-	-	-	15,723	15,723	24,925	40,648
Other comprehensive (loss)/income for the period	-	-	(27,254)	-	-	11	350	-	(26,893)	10,257	(16,636)
Total comprehensive income/(loss) for the period	-	-	(27,254)	-	-	11	350	15,723	(11,170)	35,182	24,012
Changes in interest in subsidiaries	-	-	-	-	-	(4,757)	-	-	(4,757)	(148,191)	(152,948)
Balance at 31.3.2016	2,057,844	(170,460)	(1,284,221)	(62,122)	6,518	(23,691)	153	1,208,735	1,732,756	1,468,530	3,201,286
Balance at 1.1.2015	1,907,108	-	(1,173,050)	(62,122)	6,518	(28,916)	58	1,065,105	1,714,701	1,478,527	3,193,228
Profit for the period	-	-	-	-	-	-	-	79,783	79,783	78,886	158,669
Other comprehensive loss for the period	-	-	(2,155)	-	-	(365)	(96)	-	(2,616)	(811)	(3,427)
Total comprehensive income/(loss) for the period	-	-	(2,155)	-	-	(365)	(96)	79,783	77,167	78,075	155,242
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(55,496)	(55,496)
Changes in interest in subsidiaries	-	-	-	-	-	3,215	-	-	3,215	73,175	76,390
Balance at 31.3.2015	1,907,108	-	(1,175,205)	(62,122)	6,518	(26,066)	(38)	1,144,888	1,795,083	1,574,281	3,369,364

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

<u>The Company</u>	<u>Issued capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Total</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2016	2,057,844	(170,460)	258,393	2,145,777
Loss for the period, representing total comprehensive loss for the period	-	-	(20,402)	(20,402)
Balance at 31 March 2016	<u>2,057,844</u>	<u>(170,460)</u>	<u>237,991</u>	<u>2,125,375</u>
Balance at 1 January 2015	1,907,108	-	28,659	1,935,767
Loss for the period, representing total comprehensive loss for the period	-	-	(3,098)	(3,098)
Balance at 31 March 2015	<u>1,907,108</u>	<u>-</u>	<u>25,561</u>	<u>1,932,669</u>

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

There were no movements in the Company's issued capital since 31 December 2015. Details of the Company's issued and paid-up capital were as follows:

	As at	
	31/3/2016	31/3/2015
Number of treasury shares	293,456,700	-
Number of issued shares (excluding treasury shares)	4,255,862,496	3,041,959,437
Number of new shares that may be issued on the exercise of the outstanding warrants	-	1,520,978,744

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 31 March 2016 and 31 December 2015 respectively was 4,255,862,496.

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

There were no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2015.

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 most recent audited financial statements for the year ended 31 December 2015.

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 and revised Singapore Financial Reporting Standards ("FRSs") that are relevant to its operations and effective for period beginning 1 January 2016. The adoption of the new and revised FRSs has had no material financial impact on the Group's financial statements.

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

Earnings per ordinary share for the period after deducting any provision for preference dividends:-

(i) Based on weighted average number of ordinary shares

Weighted average number of shares (excluding treasury shares)

(ii) On a fully diluted basis

Weighted average number of shares (excluding treasury shares)

The Group	
1st Qtr 2016	1st Qtr 2015
SGD0.37cents	SGD2.62cents
4,255,862,496	3,041,959,437
SGD0.37cents	SGD1.84cents
4,255,862,496	4,345,344,655

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 final period reported on and (b) immediately preceding financial year

Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) of 4,255,862,496 shares

The Group		The Company	
As at 31/3/2016	As at 31/12/2015	As at 31/3/2016	As at 31/12/2015
S\$0.41	S\$0.41	S\$0.50	S\$0.50

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.

(in S\$ million)	PROPERTY BUSINESS				Corporate & investment holding	Total
	Indonesia	United Kingdom	Others (see note 1)	Total Property Business		
For the period ended						
Revenue						
31 March 2016	165.7	7.3	6.9	179.9	-	179.9
31 March 2015	277.9	1.0	6.5	285.4	-	285.4
Increase/(Decrease)	(112.2)	6.3	0.4	105.5	-	105.5
Increase/(Decrease) %	(40.4)	630.0	6.2	(37.0)	-	(37.0)
Gross Profit						
31 March 2016	111.2	4.5	3.1	118.8	-	118.8
31 March 2015	200.9	0.8	3.2	204.9	-	204.9
Increase/(Decrease)	(89.7)	3.7	(0.1)	(86.1)	-	(86.1)
Increase/(Decrease) %	(44.6)	462.5	(3.1)	(42.1)	-	(42.1)
EBITDA						
31 March 2016	84.5	6.4	1.5	92.4	(0.8)	91.6
31 March 2015	174.6	0.8	1.5	176.9	(1.4)	175.5
Increase/(Decrease) in earnings	(90.1)	5.6	-	(84.5)	0.6	(83.9)
Increase/(Decrease) %	(51.6)	700.0	-	(47.8)	42.9	(47.8)
Interest on borrowings						
31 March 2016	17.5	3.3	2.7	23.5	(2.4)	21.1
31 March 2015	12.0	0.7	2.3	15.0	(1.6)	13.4
Increase/(Decrease)	5.5	2.6	0.4	8.5	(0.8)	7.7
Increase/(Decrease) %	45.8	371.4	17.4	56.7	(50.0)	56.9
Depreciation and amortisation						
31 March 2016	6.4	1.9	1.0	9.3	-	9.3
31 March 2015	5.3	0.3	1.0	6.6	-	6.6
Increase/(Decrease)	1.1	1.6	-	2.7	-	2.7
Increase/(Decrease) %	20.8	533.3	-	39.7	-	39.7
Foreign exchange (loss)/gain						
31 March 2016	(1.9)	-	8.2	6.3	(19.3)	(13.0)
31 March 2015	17.6	-	(3.0)	14.6	9.3	23.9
Increase/(Decrease) in loss	19.5	-	(11.2)	8.3	28.6	36.9
Increase/(Decrease) %	n.m.	-	n.m.	56.8	n.m.	n.m.
Share of associates' profit, net of tax						
31 March 2016	5.2	-	-	5.2	-	5.2
31 March 2015	(0.6)	-	-	(0.6)	-	(0.6)
Increase/(Decrease)	5.8	-	-	5.8	-	5.8
Increase/(Decrease) %	n.m.	-	-	n.m.	-	n.m.
Share of joint ventures' profit, net of tax						
31 March 2016	(3.1)	-	-	(3.1)	-	(3.1)
31 March 2015	1.3	-	-	1.3	-	1.3
Increase/(Decrease)	(4.4)	-	-	(4.4)	-	(4.4)
Increase/(Decrease) %	n.m.	-	-	n.m.	-	n.m.
Pre-tax profit/(loss)						
31 March 2016	61.0	1.2	5.9	68.1	(17.7)	50.4
31 March 2015	175.5	-	(5.0)	170.5	9.5	180.0
Increase/(Decrease) in profit	(114.5)	1.2	10.9	(102.4)	(27.2)	(129.6)
Increase/(Decrease) %	(65.2)	n.m.	n.m.	(60.1)	n.m.	(72.0)
Net profit/(loss) attributable to Owners of the Company						
31 March 2016	25.4	1.2	6.8	33.4	(17.7)	15.7
31 March 2015	76.3	-	(5.8)	70.5	9.3	79.8
Increase/(Decrease) in profit	(50.9)	1.2	12.6	(37.1)	(27.0)	(64.1)
Increase/(Decrease) %	(66.7)	n.m.	n.m.	(52.6)	n.m.	(80.3)

Notes:

- (1) This refers to certain mixed developments located in Chengdu and Shenyang, China and investment property operations in AFP Land group, which consists of the former Amcol group of companies mainly located in Singapore, Malaysia and Batam (Indonesia).
- (2) n.m. – not meaningful.

PERFORMANCE FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2016

The Group recorded revenue of \$179.9 million and EBITDA of \$91.6 million for the three-month period ended 31 March 2016 ("1Q2016"). The Group's performance was affected by lower sales of industrial land and residential units, coupled with higher finance costs and foreign exchange losses.

REVENUE

The Group's revenue decreased by 37.0% to \$179.9 million in 1Q2016 as compared to \$285.4 million in the previous corresponding period ("1Q2015"), mainly attributable to lower sales of land for commercial and industrial purposes in Indonesia and lower number of residential units handed over to buyers in BSD City. This reduction was partially offset by leasing income from the 'Alphabeta' building in London, as well as higher leasing income from our investment properties in Indonesia due to better average rental rates.

GROSS PROFIT

The Group's gross profit was lower at \$118.8 million in tandem with lower revenue. The lower sales of land parcel during the current period has also impacted the Group's overall gross profit margin, resulting in a decline from 71.8% in 1Q2015 to 66.0%.

OPERATING EXPENSES

Selling expenses of \$12.3 million comprised mainly advertising and marketing expenses, professional fees, and salaries and related expenses. General and administrative expenses of \$33.9 million comprised mainly salaries and related expenses, professional fees, repairs and maintenance, depreciation, rent, tax and licenses, office supplies and utilities. The total operating expenses reduced marginally from \$46.8 million in 1Q2015 to \$46.2 million, mainly due to lower marketing commissions incurred in line with lower sales of industrial land and residential units, partially offset by higher repair and maintenance expenses and salary costs.

FINANCE EXPENSES

Finance expenses comprised interest expenses and amortisation of deferred bond and loan charges. Finance expenses increased from \$13.4 million in 1Q2015 to \$21.1 million in line with the increased total borrowings.

FOREIGN EXCHANGE (LOSS)/GAIN, NET

The Group recorded a net foreign exchange loss of \$13.0 million in the current period as compared to a gain of \$23.9 million in 1Q2015. The current period's loss was mainly attributable to unrealised translation loss recorded in certain subsidiaries following the weakening of U.S. Dollar ("USD") against Indonesian Rupiah ("IDR") and SGD. While the similar translation had resulted in unrealised gain as USD strengthened against IDR and SGD during the previous corresponding period.

SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

The Group recorded a share of profit in associated companies of \$5.2 million in 1Q2016 as compared to share of loss of \$0.6 million in 1Q2015. This was mainly attributable to unrealised foreign exchange gain following the strengthening of IDR as well as better operating performance in certain associated companies.

SHARE OF RESULTS OF JOINT VENTURES, NET

The Group recorded a share of loss in joint ventures of \$3.1 million as compared to a share of profit of \$1.3 million in 1Q2015, mainly due to higher interest costs and depreciation expenses incurred by certain joint ventures in Indonesia.

INCOME TAX

Income tax expense comprised final tax on revenue derived from sales of land and properties in Indonesia, withholding tax paid and corporate income tax 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 \$21.3 million to \$9.7 million in 1Q2016 mainly in line with lower revenue recorded in Indonesia Property.

REVIEW OF FINANCIAL POSITION AS AT 31 MARCH 2016

Assets

The Group's total assets decreased from \$5,518.0 million as at 31 December 2015 to \$5,346.2 million as at 31 March 2016. The reduction was mainly attributable to lower cash and cash equivalents and other current assets.

Other current assets decreased by \$121.5 million to \$267.7 million mainly due to redemption of secured interest-bearing notes during the current period.

Liabilities

Compared to 31 December 2015, the Group's total liabilities decreased by \$42.8 million to \$2,145.0 million as at 31 March 2016 mainly due to lower total borrowings resulting from translation effect from strengthening of SGD during 1Q2016 and lower advances and deposits received on our development properties in Indonesia.

REVIEW OF CASH FLOWS FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2016

Net cash and cash equivalents (before the effect of exchange rate changes) decreased by \$57.5 million mainly as a result of cash used for acquisition of additional interest in subsidiaries, partially offset by cash generated from operating activities of \$174.3 million during the current period.

Net cash used in investing activities of \$66.6 million mainly related to capital expenditure incurred on properties under development and investment properties.

Net cash used in financing activities of \$165.2 million mainly related to acquisition of additional interest in subsidiaries, mainly PT Puradelta Lestari Tbk, partially offset by net proceeds from disposal of certain shares in a subsidiary.

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

Indonesia's economic growth slowed further to 4.92% in the first quarter of 2016 compared to the same period last year, as low commodity prices, decreasing exports and lower consumption resulted in the slowest growth since 2009. Economists are projecting better growth in the second half of 2016 and despite the central bank cutting its benchmark interest rate by 75 basis points in 1Q2016 to 6.75%, market consensus is expecting interest rate to be lowered again this year due to the tame inflation. This will translate into lower mortgage rates that should benefit the Indonesian property markets. In addition, we are cautiously optimistic on the implementation of tax amnesty which will help to boost property sales for investment purposes.

Barring unforeseen circumstances, the Group expects operating environment to remain challenging but still maintain profitability for the next quarter.

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? No.

(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 dividend has been declared for the quarter ended 31 March 2016.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	1Q2016	1Q2016
	S\$	S\$
Golden Agri International Pte Ltd	486,000	Nil
PT Bank Sinarmas Tbk*	Nil	70,303,909
PT DSSP Power Sumsel	Nil	1,101,941
PT Sinar Mas Agro Resources and Technology Tbk	Nil	520,509
Total	486,000	71,926,359

Note:

* Principal amount of placements as at 31 March 2016 is approximately S\$70.1 million.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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, Ferdinand Sadeli and Robin Ng Cheng Jiet, being two directors of Sinarmas Land Limited (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 first quarter ended 31 March 2016 unaudited financial results to be false or misleading.

On behalf of the board of directors

Ferdinand Sadeli
Director

Robin Ng Cheng Jiet
Director

13 May 2016

19. Confirmation pursuant to the rule 720(1) of the listing manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Ferdinand Sadeli
Director
13 May 2016

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 13 May 2016 to the SGX