

UNAUDITED THIRD QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

- 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) %	Group		Increase/ (Decrease) %
	Third Quarter Ended 31/03/2017 S\$'000	31/03/2016 S\$'000		Nine Months Ended 31/03/2017 S\$'000	31/03/2016 S\$'000	
Revenue	271,080	165,952	63	705,820	845,288	(16)
Cost of sales	(207,890)	(116,414)	79	(552,536)	(591,058)	(7)
Gross profit	63,190	49,538	28	153,284	254,230	(40)
Other income	16,294	11,984	36	53,485	578,714	(91)
Administrative expenses	(17,505)	(17,984)	(3)	(45,804)	(61,759)	(26)
Other expenses	(987)	(10,520)	(91)	(2,975)	(3,600)	(17)
Finance costs	(21,673)	(11,333)	91	(48,165)	(47,492)	1
Share of profit/(loss) of associates and joint ventures (net of tax)	2,057	(1,480)	N/M	46,732	(1,703)	N/M
Profit before tax	41,376	20,205	105	156,557	718,390	(78)
Tax expense	(11,616)	(7,463)	56	(35,288)	(145,205)	(76)
Profit for the period	29,760	12,742	134	121,269	573,185	(79)
Profit attributable to:						
Equity holders of the Company	29,568	11,309	161	112,336	566,841	(80)
Non-controlling interests	192	1,433	(87)	8,933	6,344	41
	29,760	12,742	134	121,269	573,185	(79)

N/M : Not meaningful.

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

	Group			Group		
	Third Quarter Ended 31/03/2017 S\$'000	31/03/2016 S\$'000	Increase/ (Decrease) %	Nine Months Ended 31/03/2017 S\$'000	31/03/2016 S\$'000	Increase/ (Decrease) %
Interest income	2,779	7,552	(63)	10,335	15,129	(32)
Depreciation of property, plant and equipment	(1,454)	(1,889)	(23)	(4,391)	(5,251)	(16)
Net fair value (loss)/gain on derivative financial instruments	(9,064)	5,779	N/M	(222)	(318)	(30)
Net foreign exchange gain/(loss)	18,851	(9,523)	N/M	36,942	10,395	N/M
Fair value (loss)/gain from investment properties	-	(57)	(100)	-	5,089	(100)
(Loss)/Gain on disposal of interests in subsidiaries	-	(4,437)	(100)	-	541,902	(100)

N/M : Not meaningful.

The gain on disposal of interests in subsidiaries for the nine months ended 31 March 2016 was the finalised balance subsequent to the audit for the year ended 30 June 2016.

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	
	31/03/2017 S\$'000	30/06/2016 S\$'000	31/03/2017 S\$'000	30/06/2016 S\$'000
Non-current assets				
Property, plant and equipment	562,490	494,780	-	-
Investment properties	2,785,359	2,711,193	-	-
Subsidiaries	-	-	1,900,940	2,001,613
Associates and joint ventures	709,958	427,945	-	-
Other receivables, including derivatives	-	84	-	-
Other investments	765	603	-	-
Deferred tax assets	27,767	29,500	-	-
	4,086,339	3,664,105	1,900,940	2,001,613
Current assets				
Inventories	3,338,127	2,410,452	-	-
Trade and other receivables, including derivatives	219,096	401,799	27	7
Cash and cash equivalents	980,819	1,430,249	261	231
	4,538,042	4,242,500	288	238
Total assets	8,624,381	7,906,605	1,901,228	2,001,851
Equity				
Share capital	1,926,053	1,926,053	1,926,053	1,926,053
Reserves	1,342,860	1,350,094	(56,472)	44,426
Equity attributable to ordinary equity holders of the Company	3,268,913	3,276,147	1,869,581	1,970,479
Non-controlling interests	167,378	166,059	-	-
Total equity	3,436,291	3,442,206	1,869,581	1,970,479
Non-current liabilities				
Other payables, including derivatives	320,445	210,012	30,777	30,365
Loans and borrowings	2,084,662	1,708,205	-	-
Deferred tax liabilities	20,308	13,648	-	-
	2,425,415	1,931,865	30,777	30,365
Current liabilities				
Trade and other payables, including derivatives	370,761	339,384	792	929
Loans and borrowings	2,350,204	2,122,091	-	-
Current tax liabilities	41,710	71,059	78	78
	2,762,675	2,532,534	870	1,007
Total liabilities	5,188,090	4,464,399	31,647	31,372
Total equity and liabilities	8,624,381	7,906,605	1,901,228	2,001,851

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

Amount repayable in one year or less, or on demand

As at 31/03/2017 (S\$'000)		As at 30/06/2016 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
1,745,682	604,522	1,611,763	510,328

Amount repayable after one year

As at 31/03/2017 (S\$'000)		As at 30/06/2016 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
1,145,650	939,012	800,075	908,130

Details of any collateral

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

	Group As At	
	31/03/2017 S\$'000	30/06/2016 S\$'000
At carrying amounts:-		
Property, plant and equipment	451,534	380,766
Investment properties	2,228,269	2,153,400
Inventories	2,781,887	2,224,018

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 Third Quarter Ended		Group Nine Months Ended	
	31/03/2017 S\$'000	31/03/2016 S\$'000	31/03/2017 S\$'000	31/03/2016 S\$'000
Cash flows from operating activities				
Profit before tax	41,376	20,205	156,557	718,390
Adjustments for:-				
Depreciation of property, plant and equipment	1,454	1,889	4,391	5,251
Dividend income from equity securities	-	(2)	(35)	(5)
(Gain)/Loss on disposal of property, plant and equipment	(32)	45	(33)	(144)
Net fair value loss/(gain) on derivative financial instruments	9,064	(5,779)	222	318
Finance costs	21,673	11,333	48,165	47,492
Interest income	(2,779)	(7,552)	(10,335)	(15,129)
Loss/(Gain) on disposal of interests in subsidiaries	-	4,437	-	(541,902)
Fair value loss/(gain) from investment properties	-	57	-	(5,089)
Share of (profit)/loss of associates and joint ventures (net of tax)	(2,057)	1,480	(46,732)	1,703
	68,699	26,113	152,200	210,885
Changes in:-				
Inventories	32,805	11,355	(920,945)	322,063
Trade and other receivables	(65,506)	58,346	53,205	302,186
Trade and other payables	24,744	(13,083)	(579)	(81,002)
Balances with holding companies and related corporations	18,292	147	13,991	(878)
Cash generated from operating activities	79,034	82,878	(702,128)	753,254
Tax paid	(29,316)	(60,478)	(56,627)	(168,518)
Net cash from/(used in) operating activities	49,718	22,400	(758,755)	584,736

	Group		Group	
	Third Quarter Ended		Nine Months Ended	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from investing activities				
Investment in equity-accounted investee	(245,721)	-	(245,721)	-
Additions to investment properties	(11,527)	(50,759)	(46,156)	(145,268)
Additions to property, plant and equipment	(36,123)	(18,700)	(70,813)	(38,490)
Balances with associates and joint ventures	(12)	(1,044)	(71)	33,593
Dividends received from associates and joint ventures	729	755	1,368	1,406
Dividends received from equity securities	-	2	35	5
Interest received	2,849	5,837	8,660	13,648
Proceeds from disposal of interests in subsidiaries	130,121	(937)	130,121	2,141,362
Proceeds from disposal of investment properties	-	21,623	-	21,623
Proceeds from disposal of property, plant and equipment	32	8	41	274
Net cash (used in)/from investing activities	(159,652)	(43,215)	(222,536)	2,028,153
Cash flows from financing activities				
Distribution payment for perpetual securities	-	-	-	(4,739)
Dividends paid	-	-	(99,879)	(55,488)
Dividends paid to non-controlling interests	-	-	(1,473)	(1,754)
Fixed deposits pledged	-	-	(12,509)	252,123
Interest paid	(33,068)	(37,136)	(91,277)	(127,445)
Proceeds from loans and borrowings	794,322	120,639	2,585,747	486,079
Proceeds from loans from non-controlling interests of subsidiaries	-	7,400	105,981	21,300
Repayment of loans and borrowings	(844,555)	(504,530)	(1,963,512)	(1,911,250)
Net cash (used in)/from financing activities	(83,301)	(413,627)	523,078	(1,341,174)
Net (decrease)/increase in cash and cash equivalents	(193,235)	(434,442)	(458,213)	1,271,715
Cash and cash equivalents at beginning of the period	1,171,910	2,111,315	1,429,038	411,152
Exchange differences on translation of balances held in foreign currencies	(10,802)	(17,541)	(2,952)	(23,535)
Cash and cash equivalents at end of the period	967,873	1,659,332	967,873	1,659,332

For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude cash collaterals and are presented net of bank overdrafts repayable on demand.

For the nine months ended 31 March 2017, net cash used in operating activities was \$758.8 million, mainly due to land acquisitions. Net cash used in investing activities increased in the current period mainly due to the 27% equity investment in Eco World International Berhad. For financing activities, net cash generated of \$523.1 million was mainly from loans and borrowings.

1(d) Consolidated Statement of Comprehensive Income

	Group			Group		
	Third Quarter Ended 31/03/2017 S\$'000	31/03/2016 S\$'000	Increase/ (Decrease) %	Nine Months Ended 31/03/2017 S\$'000	31/03/2016 S\$'000	Increase/ (Decrease) %
Profit for the period	29,760	12,742	134	121,269	573,185	(79)
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, associates and joint ventures	(45,170)	(53,715)	(16)	(25,974)	(70,404)	(63)
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	-	-	-	(101,996)	(100)
Change in fair value of available-for-sale securities	(25)	37	N/M	142	(278)	N/M
Other comprehensive income for the period, net of tax	(45,195)	(53,678)	(16)	(25,832)	(172,678)	(85)
Total comprehensive income for the period, net of tax	(15,435)	(40,936)	(62)	95,437	400,507	(76)
Attributable to:						
Equity holders of the Company	(13,405)	(44,413)	(70)	92,645	401,985	(77)
Non-controlling interests	(2,030)	3,477	N/M	2,792	(1,478)	N/M
Total comprehensive income for the period, net of tax	(15,435)	(40,936)	(62)	95,437	400,507	(76)

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 Nine Months ended 31 March 2017 and 31 March 2016

	← 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
Group								
At 1 July 2016	1,926,053	(274,740)	1,624,834	3,276,147	-	3,276,147	166,059	3,442,206
Total comprehensive income for the period								
Profit for the period	-	-	112,336	112,336	-	112,336	8,933	121,269
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	(19,773)	-	(19,773)	-	(19,773)	(6,201)	(25,974)
Net change in fair value of available-for-sale securities	-	82	-	82	-	82	60	142
Total other comprehensive income, net of tax	-	(19,691)	-	(19,691)	-	(19,691)	(6,141)	(25,832)
Total comprehensive income for the period, net of tax	-	(19,691)	112,336	92,645	-	92,645	2,792	95,437
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Dividends	-	-	(99,879)	(99,879)	-	(99,879)	(1,473)	(101,352)
Total contributions by and distributions to equity holders	-	-	(99,879)	(99,879)	-	(99,879)	(1,473)	(101,352)
Total transactions with equity holders	-	-	(99,879)	(99,879)	-	(99,879)	(1,473)	(101,352)
At 31 March 2017	1,926,053	(294,431)	1,637,291	3,268,913	-	3,268,913	167,378	3,436,291

* 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 2015	1,926,053	(72,371)	1,082,766	2,936,448	200,295	3,136,743	159,502	3,296,245
Total comprehensive income for the period								
Profit for the period	-	-	566,841	566,841	-	566,841	6,344	573,185
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	(62,628)	-	(62,628)	-	(62,628)	(7,776)	(70,404)
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	(101,996)	-	(101,996)	-	(101,996)	-	(101,996)
Net change in fair value of available-for-sale securities	-	(232)	-	(232)	-	(232)	(46)	(278)
Total other comprehensive income, net of tax	-	(164,856)	-	(164,856)	-	(164,856)	(7,822)	(172,678)
Total comprehensive income for the period, net of tax	-	(164,856)	566,841	401,985	-	401,985	(1,478)	400,507
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Accrued distribution for perpetual securities	-	-	(7,437)	(7,437)	7,437	-	-	-
Distribution payment for perpetual securities	-	-	-	-	(4,739)	(4,739)	-	(4,739)
Dividends	-	-	(55,488)	(55,488)	-	(55,488)	(1,754)	(57,242)
Total contributions by and distributions to equity holders	-	-	(62,925)	(62,925)	2,698	(60,227)	(1,754)	(61,981)
Changes in ownership interests in subsidiaries								
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	-	(1,101)	(1,101)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	(1,101)	(1,101)
Total transactions with equity holders	-	-	(62,925)	(62,925)	2,698	(60,227)	(2,855)	(63,082)
At 31 March 2016	1,926,053	(237,227)	1,586,682	3,275,508	202,993	3,478,501	155,169	3,633,670

* 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 2016	1,926,053	(162,047)	206,473	1,970,479
Loss for the period	-	-	(1,019)	(1,019)
Total comprehensive income for the period	-	-	(1,019)	(1,019)
Transactions with equity holders, recorded directly in equity				
<i>Contributions by and distributions to equity holders</i>				
Dividends	-	-	(99,879)	(99,879)
Total contributions by and distributions to equity holders	-	-	(99,879)	(99,879)
Total transactions with equity holders	-	-	(99,879)	(99,879)
At 31 March 2017	1,926,053	(162,047)	105,575	1,869,581
At 1 July 2015	1,926,053	(162,047)	193,944	1,957,950
Loss for the period	-	-	(2,538)	(2,538)
Total comprehensive income for the period	-	-	(2,538)	(2,538)
Transactions with equity holders, recorded directly in equity				
<i>Contributions by and distributions to equity holders</i>				
Dividends	-	-	(55,488)	(55,488)
Total contributions by and distributions to equity holders	-	-	(55,488)	(55,488)
Total transactions with equity holders	-	-	(55,488)	(55,488)
At 31 March 2016	1,926,053	(162,047)	135,918	1,899,924

*Include reserve for own shares and capital reserve.

Statement of Changes in Equity for the Third Quarter ended 31 March 2017 and 31 March 2016

	← Attributable to ordinary equity holders of the Company →					Perpetual Securities S\$'000	Total S\$'000	Non-Controlling Interests S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Other Reserves* S\$'000	Accumulated Profits S\$'000	Ordinary Equity S\$'000	Total				
Group									
At 1 January 2017	1,926,053	(251,458)	1,607,723	3,282,318	-	3,282,318	169,408	3,451,726	
Total comprehensive income for the period									
Profit for the period	-	-	29,568	29,568	-	29,568	192	29,760	
Other comprehensive income									
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	(42,950)	-	(42,950)	-	(42,950)	(2,220)	(45,170)	
Net change in fair value of available-for-sale securities	-	(23)	-	(23)	-	(23)	(2)	(25)	
Total other comprehensive income, net of tax	-	(42,973)	-	(42,973)	-	(42,973)	(2,222)	(45,195)	
Total comprehensive income for the period, net of tax	-	(42,973)	29,568	(13,405)	-	(13,405)	(2,030)	(15,435)	
Transactions with equity holders									
At 31 March 2017	1,926,053	(294,431)	1,637,291	3,268,913	-	3,268,913	167,378	3,436,291	

* 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 January 2016	1,926,053	(181,505)	1,577,850	3,322,398	200,516	3,522,914	151,692	3,674,606
Total comprehensive income for the period								
Profit for the period	-	-	11,309	11,309	-	11,309	1,433	12,742
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	(55,756)	-	(55,756)	-	(55,756)	2,041	(53,715)
Net change in fair value of available-for-sale securities	-	34	-	34	-	34	3	37
Total other comprehensive income, net of tax	-	(55,722)	-	(55,722)	-	(55,722)	2,044	(53,678)
Total comprehensive income for the period, net of tax	-	(55,722)	11,309	(44,413)	-	(44,413)	3,477	(40,936)
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Accrued distribution for perpetual securities	-	-	(2,477)	(2,477)	2,477	-	-	-
Total contributions by and distributions to equity holders	-	-	(2,477)	(2,477)	2,477	-	-	-
Total transactions with equity holders	-	-	(2,477)	(2,477)	2,477	-	-	-
At 31 March 2016	1,926,053	(237,227)	1,586,682	3,275,508	202,993	3,478,501	155,169	3,633,670

* 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 January 2017	1,926,053	(162,047)	105,834	1,869,840
Loss for the period	-	-	(259)	(259)
Total comprehensive income for the period	-	-	(259)	(259)
Transactions with equity holders	-	-	-	-
At 31 March 2017	1,926,053	(162,047)	105,575	1,869,581
Company				
At 1 January 2016	1,926,053	(162,047)	136,275	1,900,281
Loss for the period	-	-	(357)	(357)
Total comprehensive income for the period	-	-	(357)	(357)
Transactions with equity holders	-	-	-	-
At 31 March 2016	1,926,053	(162,047)	135,918	1,899,924

*Include reserve for own shares 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 31/03/2017	
(a) Issued and fully paid ordinary shares (S\$'000):- At 1 January and 31 March 2017		<u>1,926,053</u>
(b) There are no outstanding executives share options as at 31 March 2017 and 31 December 2016.		
	As At	
	31/03/2017	31/03/2016
(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 31 March 2017 and 30 June 2016 is 1,109,768,343.		
		As At 31/03/2017
(d) No. of shares acquired by the Trust for ESOS:- At 1 July 2016 and 31 March 2017		<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 2016.

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 2016. There is no 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		Group	
	Third Quarter Ended 31/03/2017	31/03/2016	Nine Months Ended 31/03/2017	31/03/2016
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)	2.66	0.80	10.12	50.41
Weighted average number of ordinary shares ('000)	1,109,768	1,109,768	1,109,768	1,109,768
b. On a fully diluted basis (cents)	2.66	0.80	10.12	50.41
Weighted average number of ordinary shares ('000)	1,109,768	1,109,768	1,109,768	1,109,768

* After deducting accrued distribution for perpetual securities for the third quarter and nine months ended 31 March 2016 of \$2,477,000 and \$7,437,000 respectively. There was no distribution for perpetual securities for the current period as the perpetual securities was fully redeemed as at 30 June 2016.

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	
	31/03/2017 S\$	30/06/2016 S\$	31/03/2017 S\$	30/06/2016 S\$
Net asset value per ordinary share based on existing issued share capital after adjusting for the shares held by the Trust for ESOS	2.95	2.95	1.68	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**

Third Quarter Ended 31 March 2017

The Group ended its third quarter with profit attributable to equity holders of \$29.6 million, more than two-fold increase as compared to the previous corresponding quarter. Revenue for the current quarter increased by 63% to \$271.1 million while gross profit increased by 28% to \$63.2 million. These were contributed by higher sales and progressive revenue recognition from Singapore's residential projects as compared to the previous corresponding quarter.

In the current quarter, other income increased by \$4.3 million and other expenses decreased by \$9.5 million as compared to the previous corresponding quarter. This was mainly due to movements in foreign exchange and fair value changes on foreign exchange hedges. Finance costs increased by \$10.3 million to \$21.7 million in the current quarter mainly due to lower capitalisation of finance costs with the Temporary Occupation Permits for Tanjong Pagar Centre's office and basement retail components obtained in October 2016.

Nine Months Ended 31 March 2017

The Group recorded revenue of \$705.8 million for the nine months ended 31 March 2017, a decrease of 16% as compared to the previous corresponding period. The decrease was mainly due to lower revenue from Malaysia's residential projects and the absence of contribution from the sale of an office block in Shanghai Guoson Centre in the previous corresponding period. The lower revenue from Malaysia and China was partially offset by higher revenue from Singapore. Gross profit declined by 40% due to the fall in revenue and lower gross margin arising from the different sales mix in the two periods of review.

Other income for the current period fell by 91% to \$53.5 million as a result of the one-time gain from the disposal of subsidiaries relating to the Dongzhimen project in the previous corresponding period. Consequently, profit attributable to equity holders for the current period decreased by 80% to \$112.3 million. In line with the drop in activity and profitability for the current period, administrative and tax expenses fell 26% and 76% respectively.

(ii) **Statement of financial position**

Equity attributable to ordinary equity holders of the Company as at 31 March 2017 remains relatively unchanged at approximately \$3.27 billion as compared to 30 June 2016. This was because profit recorded for the nine months was offset by the \$99.9 million of dividends paid in November 2016.

During the current quarter, the Group received the remaining consideration of RMB593.7 million from the disposal of subsidiaries relating to the Dongzhimen project. As a result of this and collections from sales proceeds from residential projects, the Group's trade and other receivables reduced by 45% to \$219.1 million as at 31 March 2017.

Inventories increased by 38% to \$3.34 billion as at 31 March 2017 mainly due to land acquisitions of a residential site at Martin Place in Singapore and four land plots in Chongqing, China. In addition to the land acquisitions, the Group has on 30 March 2017, paid RM777.6 million for a 27% equity interest in Eco World International Berhad. Consequently, the Group's associates and joint ventures increased by 66% to \$710.0 million as at 31 March 2017. Mainly due to the partial financing of these new investments with loans and borrowings, the Group's total loans and borrowings increased by 16% as compared to 30 June 2016. As at 31 March 2017, the Group's gearing is approximately one time.

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 second quarter ended 31 December 2016, 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.

Flash estimates released by the Urban Redevelopment Authority in Singapore showed that private residential property prices for the 1st quarter 2017 continued to fall. The rate of decline of 0.5% was the same as the previous quarter, while prices of non-landed residential property had remained unchanged. While the government made tweaks to certain property cooling measures recently, which gave a small boost to buyer sentiment, property consultants remained cautious about the outlook for private residential prices in 2017 due to economic and job market uncertainties. Office and retail rents have been on the decline and property consultants expect further pressure on rents with a rise in office vacancy in 2017. Nevertheless, Tanjong Pagar Centre's office and retail components have achieved healthy commitment levels of approximately 90%.

According to the National Bureau of Statistics of China, new home prices increased in 56 cities out of 70 cities in February, up from 45 cities in January. In Shanghai, new home prices increased 0.2% month-on-month and 21.1% year-on-year. In March, the authorities announced new property tightening policies in some of the larger cities to cool the property market.

In Malaysia, the Group will continue to focus on sales and leasing of its current projects amid challenging operating conditions. Nonetheless, the Group sees opportunities in the soft property market and has completed the acquisitions of two land parcels in Batu 9, Cheras during the quarter.

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 immediate 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 nine months ended 31 March 2017, to be false or misleading in any material respect.

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual

GuocoLand Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

BY ORDER OF THE BOARD

Mary Goh Swon Ping
Group Company Secretary
20 April 2017