

Unaudited Financial Statements For The Third Quarter Ended 30th September 2017
**1(a) CONSOLIDATED INCOME STATEMENT
For The Third Quarter Ended 30th September 2017**

	THE GROUP					
	3rd Quarter Ended 30th Sept			Nine Months Ended 30th Sept		
	2017	2016	Change	2017	2016	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue						
Sale of development properties	4,452	12,031	(63.0)	14,025	148,387	(90.5)
Rental income	39,267	34,920	12.4	109,464	108,556	0.8
	43,719	46,951	(6.9)	123,489	256,943	(51.9)
Other operating income *	8,710	2,319	275.6	23,710	5,546	327.5
	52,429	49,270	6.4	147,199	262,489	(43.9)
Less:						
Cost of sale of development properties including marketing expenses	(3,752)	(10,046)	(62.7)	(11,831)	(118,883)	(89.8)
Direct rental expenses	(4,776)	(4,392)	8.7	(13,335)	(13,273)	(1.9)
Staff costs & directors' remuneration	(4,167)	(3,282)	27.0	(15,129)	(8,191)	84.7
Gain/(Loss) on foreign exchange	2,427	1,649	47.2	4,070	(12,524)	NM
Other operating expenses	(1,478)	(974)	51.7	(4,347)	(3,700)	17.5
Profit from operations	40,683	32,225	26.2	106,627	105,918	0.7
Net finance costs	(6,428)	(6,379)	0.8	(18,334)	(23,965)	(23.5)
	34,255	25,846	32.5	88,293	81,953	7.7
Share of profits of:						
Associates	28,718	4,592	525.4	73,612	21,492	242.5
Jointly controlled entities	2,567	698	267.8	7,594	1,338	467.6
Profit before taxation	65,540	31,136	110.5	169,499	104,783	61.8
Income tax expense	(10,752)	(4,369)	146.1	(21,492)	(17,589)	22.2
Profit for the period	54,788	26,767	104.7	148,007	87,194	69.7
Attributable to:						
Owners of the Company	54,390	26,730	103.5	146,816	87,216	68.3
Non-controlling interests	398	37	975.7	1,191	(22)	NM
Net profit for the period	54,788	26,767	104.7	148,007	87,194	69.7
The following items have been included in arriving at profit for the period:						
Other income	621	2,262	(72.5)	2,579	5,412	(52.3)
Dividend income	1	1	-	1	22	(95.5)
Distribution income - financial assets at fair value through profit & loss	111	56	98.2	185	112	65.2
Distribution income - jointly controlled operations	7,977	-	NM	12,474	-	NM
Interest income	587	820	(28.4)	1,575	1,751	(10.0)
Gain on sale of property held for sale	-	-	-	7,352	-	NM
Gain on sale of quoted equity investment	-	-	-	485	-	NM
Net changes in fair value of financial assets through profit & loss	(84)	(90)	(6.7)	(521)	(299)	74.2
Depreciation of property, plant & equipment	(279)	(204)	36.8	(770)	(609)	26.4

* Other operating income includes share of distribution income from Eporo Tower residential project, a jointly controlled operation in Australia.

NM: Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2017

ASSETS	The Group		The Company	
	30-09-2017	31-12-2016	30-09-2017	31-12-2016
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current Assets				
Property, Plant & Equipment	24,436	22,482	749	1,301
Investment Properties (Note 1)	3,048,847	2,789,826	-	-
Investments in Subsidiaries	-	-	178,789	178,705
Interests in Associates	520,595	483,216	437,055	437,055
Interests in Jointly Controlled Entities	315,513	308,787	277,635	277,635
Other Assets	150	150	-	-
Financial Assets	1,899	2,697	-	-
Amounts Due From Subsidiaries & Jointly Controlled Entities	259,202	287,361	721,300	499,549
Deferred Tax Assets	1,914	-	-	-
	4,172,556	3,894,519	1,615,528	1,394,245
Current Assets				
Development Properties	60,157	68,500	-	-
Properties Held For Sale	185,974	185,149	-	-
Assets Held For Sale	-	159,885	-	-
Trade & Other Receivables	20,255	28,610	82	7,839
Amounts Due From Subsidiaries, Jointly Controlled Entities & Corporate Shareholder of Associate	18	19	74,441	70,909
Financial Assets	-	3,774	-	3,774
Cash & Cash Equivalents	131,717	54,260	26,796	2,380
	398,121	500,197	101,319	84,902
TOTAL ASSETS	4,570,677	4,394,716	1,716,847	1,479,147
EQUITIES & LIABILITIES				
Equity Attributable To Shareholders				
Share Capital	156,048	156,048	156,048	156,048
Treasury Shares	(63,930)	(63,930)	(63,930)	(63,930)
Capital Reserve	2,043	2,043	-	-
Hedging Reserve	(2,368)	(2,760)	-	-
Foreign Currency Translation Reserve	(32,235)	(25,727)	-	-
Accumulated Profits	2,966,480	2,859,607	1,226,420	1,244,324
Share Capital and Reserves	3,026,038	2,925,281	1,318,538	1,336,442
Non-controlling Interests	14,217	13,939	-	-
Total Equity	3,040,255	2,939,220	1,318,538	1,336,442
Non-current Liabilities				
Borrowings (Note 2)	1,116,267	1,111,028	-	-
Other Non-current Liabilities	33,506	31,146	-	-
Deferred Income	320	500	-	-
	1,150,093	1,142,674	-	-
Current Liabilities				
Trade & Other Payables	32,935	42,568	128,151	12,747
Borrowings (Note 2)	307,657	234,722	270,158	129,958
Deferred Income	240	240	-	-
Current Tax Payable	39,497	35,292	-	-
	380,329	312,822	398,309	142,705
Total Liabilities	1,530,422	1,455,496	398,309	142,705
TOTAL EQUITY & LIABILITIES	4,570,677	4,394,716	1,716,847	1,479,147

NOTES TO STATEMENTS OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2017

Note 1: The increase in investment properties (S\$259.0 million) was mainly due to the acquisition of 67 Lombard Street, London, in June 2017.

Note 2: The increase in total long-term and short-term borrowings (S\$78.2 million) was mainly due to the bank borrowings taken during 2Q2017 to fund the acquisition of 67 Lombard Street, London.

1(b)(ii) AGGREGATE AMOUNT OF GROUP'S BORROWINGS AND DEBT SECURITIES

Amount repayable in one year or less, or on demand

As at 30-09-2017		As at 31-12-2016	
Secured	Unsecured	Secured	Unsecured
S\$307,657,000	-	S\$234,722,000	-

Amount repayable after one year

As at 30-09-2017		As at 31-12-2016	
Secured	Unsecured	Secured	Unsecured
S\$1,116,267,000	-	S\$1,111,028,000	-

Details of any collateral

All secured borrowings of the Group are generally secured by first legal mortgage and assignment of rental and sale proceeds over investment properties, development properties and properties held for sale of the borrowing entity within the Group.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS For The Third Quarter Ended 30th September 2017

	3rd Quarter Ended 30th Sept		Nine Months Ended 30th Sept	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
Cash flows from operating activities				
Profit for the period	54,788	26,767	148,007	87,194
<i>Adjustments for</i>				
Depreciation of property, plant & equipment	279	204	770	609
Property, plant & equipment written off	15	-	20	-
Gain on sale of property held for sale	-	-	(7,352)	-
Gain on sale of quoted equity investment	-	-	(485)	-
Interest income	(587)	(820)	(1,575)	(1,751)
Dividend income	(1)	(1)	(1)	(22)
Distribution income from financial assets at fair value through profit & loss	(111)	(56)	(185)	(112)
Finance costs	7,015	7,199	19,909	25,716
Unrealised foreign exchange (gain)/loss	(3,162)	(3,052)	(2,334)	7,153
Net change in fair value of financial assets through profit & loss	84	90	521	299
Share of profits of associates	(28,718)	(4,592)	(73,612)	(21,492)
Share of profits of jointly controlled entities	(2,567)	(698)	(7,594)	(1,338)
Income tax expense	10,752	4,369	21,492	17,589
Operating profit before changes in working capital	37,787	29,410	97,581	113,845

	3rd Quarter Ended 30th Sept		Nine Months Ended 30th Sept	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
Changes in working capital				
Development properties	3,599	11,523	9,670	62,116
Trade & other receivables	931	1,310	6,441	22,107
Trade & other payables	(3,343)	(8,570)	(7,061)	(25,691)
Cash generated from operations	38,974	33,673	106,631	172,377
Income tax paid	(4,744)	(2,274)	(17,587)	(31,215)
Net cash inflow from operating activities	34,230	31,399	89,044	141,162
Cash flows from investing activities				
Interest received	309	640	753	926
Dividend received	27,170	1	27,170	22
Repayment from jointly controlled entities	950	218	1,485	1,650
Repayment from corporate shareholder of associate	-	-	-	19,973
Repayment from investee company	-	-	23,707	-
Proceed from disposal of property held for sale	-	-	167,237	-
Proceed from disposal of quoted equity investment	-	-	4,259	-
Purchase of property, plant & equipment	(883)	(483)	(2,712)	(727)
Purchase of investment properties	-	-	(231,705)	-
Purchase of other financial assets	-	(2,929)	(4)	(2,933)
Distribution income of other financial assets	183	110	338	299
Net cash inflow/(outflow) from investing activities	27,729	(2,443)	(9,472)	19,210
Cash flows from financing activities				
Proceeds from term loans	-	986	174,639	129,043
Interest paid	(7,015)	(7,199)	(19,909)	(25,716)
Repayment of term loans	(16,279)	(33,038)	(118,221)	(154,491)
Dividends paid	-	-	(39,943)	(46,636)
Net cash outflow from financing activities	(23,294)	(39,251)	(3,434)	(97,800)
Net increase/(decrease) in cash and cash equivalents	38,665	(10,295)	76,138	62,572
Effect of foreign exchange rate changes on consolidation	832	-	1,319	9
Cash and cash equivalents at beginning of period	92,220	87,445	54,260	14,569
Cash and cash equivalents at end of period	131,717	77,150	131,717	77,150

1(d) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For The Third Quarter Ended 30th September 2017

	3rd Quarter Ended 30th Sept			Nine Months Ended 30th Sept		
	2017 S\$'000	2016 S\$'000	Change %	2017 S\$'000	2016 S\$'000	Change %
Profit for the period	54,788	26,767	104.7	148,007	87,194	69.7
Other comprehensive income/(loss):						
Share of foreign currency translation difference of associate	3,292	3,375	(2.5)	(9,063)	(29,427)	(69.2)
Exchange differences on consolidation of foreign operations	2,874	(4,690)	NM	1,642	(45,049)	NM
Effective portion of changes in fair value of cash flow hedges	830	(477)	NM	392	(7,446)	NM
Total comprehensive income for the period	61,784	24,975	147.4	140,978	5,272	2,574.1
Attributable to:						
Owners of the Company	61,595	24,807	148.3	140,700	5,802	2,325.0
Non-controlling interests	189	168	12.5	278	(530)	NM
	61,784	24,975	147.4	140,978	5,272	2,574.1

1(e)(i) STATEMENT OF CHANGES IN EQUITY

GROUP	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital & Other Reserves S\$'000	Currency Translation Reserves S\$'000	Accum. Profits S\$'000	Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
Balance at 1st Jan 2016	156,048	(62,859)	4,458	33,307	2,689,487	2,820,441	13,459	2,833,900
Total comprehensive income/(loss) for 1st half 2016	-	-	(6,969)	(72,522)	60,486	(19,005)	(698)	(19,703)
Dividends paid	-	-	-	-	(46,636)	(46,636)	-	(46,636)
Balance at 30th Jun 2016	156,048	(62,859)	(2,511)	(39,215)	2,703,337	2,754,800	12,761	2,767,561
Total comprehensive income/(loss) for 3rd qtr 2016	-	-	(477)	(1,446)	26,730	24,807	168	24,975
Balance at 30th Sept 2016	156,048	(62,859)	(2,988)	(40,661)	2,730,067	2,779,607	12,929	2,792,536

GROUP	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital & Other Reserves S\$'000	Currency Translation Reserves S\$'000	Accum. Profits S\$'000	Total S\$'000	Non-controlling Interests S\$'000	Total Equity S\$'000
Balance at 1st Jan 2017	156,048	(63,930)	(717)	(25,727)	2,859,607	2,925,281	13,939	2,939,220
Total comprehensive income/(loss) for 1st half 2017	-	-	(438)	(12,883)	92,426	79,105	89	79,194
Dividends paid	-	-	-	-	(39,943)	(39,943)	-	(39,943)
Balance at 30th Jun 2017	156,048	(63,930)	(1,155)	(38,610)	2,912,090	2,964,443	14,028	2,978,471
Total comprehensive income for 3rd qtr 2017	-	-	830	6,375	54,390	61,595	189	61,784
Balance at 30th Sept 2017	156,048	(63,930)	(325)	(32,235)	2,966,480	3,026,038	14,217	3,040,255

COMPANY	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital Reserve S\$'000	Accum. Profits S\$'000	Total S\$'000
Balance at 1st Jan 2016	156,048	(62,859)	-	1,241,295	1,334,484
Total comprehensive loss for 1st half 2016	-	-	-	(12,954)	(12,954)
Dividends paid	-	-	-	(46,636)	(46,636)
Balance at 30th Jun 2016	156,048	(62,859)	-	1,181,705	1,274,894
Total comprehensive income for 3rd qtr 2016	-	-	-	2,074	2,074
Balance at 30th Sept 2016	156,048	(62,859)	-	1,183,779	1,276,968

COMPANY	Share Capital S\$'000	Reserve For Own Shares S\$'000	Capital Reserve S\$'000	Accum. Profits S\$'000	Total S\$'000
Balance at 1st Jan 2017	156,048	(63,930)	-	1,244,324	1,336,442
Total comprehensive expense for 1st half 2017	-	-	-	(4,670)	(4,670)
Dividends paid	-	-	-	(39,943)	(39,943)
Balance at 30th Jun 2017	156,048	(63,930)	-	1,199,711	1,291,829
Total comprehensive income for 3rd qtr 2017	-	-	-	26,709	26,709
Balance at 30th Sept 2017	156,048	(63,930)	-	1,226,420	1,318,538

1(e)(ii) DETAILS OF CHANGES IN THE COMPANY'S ISSUED SHARE CAPITAL

	3rd Quarter Ended 30th Sept 2017		3rd Quarter Ended 30th Sept 2016		Full Year Ended 31st Dec 2016	
	No. of Ordinary Shares	S\$'000	No. of Ordinary Shares	S\$'000	No. of Ordinary Shares	S\$'000
Balance at beginning of period	703,338,000	156,048	703,338,000	156,048	703,338,000	156,048
Balance at end of period	703,338,000	156,048	703,338,000	156,048	703,338,000	156,048

There were 37,617,400 treasury shares held by the Company as at 30th September 2017 and 31st December 2016 (30th September 2016: 37,103,200) and these were included in the above number of issued ordinary shares. There were no sale, transfer, cancellation and/or use of treasury shares for the financial period ended 30th September 2017.

The Company has no subsidiary holdings as at 30th September 2017 and 30th September 2016. There was no sale, transfer, cancellation and/or use of subsidiary holdings for the financial period ended 30th September 2017.

2. AUDIT

The figures have not been audited or reviewed by the Company's auditors.

3. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The Group has applied the same accounting policies and methods of computation in the consolidated financial statements for the current financial period as in the audited consolidated financial statements for the year ended 31st December 2016.

4. CHANGES IN ACCOUNTING POLICIES

There are no changes in accounting policies and methods of computation.

5. EARNINGS PER ORDINARY SHARE

	3rd Quarter Ended		Nine Months Ended	
	30th Sept 2017	30th Sept 2016	30th Sept 2017	30th Sept 2016
Weighted average number of shares (excluding treasury shares)	665,720,600	666,234,800	665,720,600	666,234,800
Earnings per ordinary share for the period				
i) Based on weighted average number of ordinary shares (excluding treasury shares)	8.2 cts	4.0 cts	22.1 cts	13.1 cts
ii) On a fully diluted basis	8.2 cts	4.0 cts	22.1 cts	13.1 cts

Basic earnings per share and earnings per share on a fully diluted basis for the financial quarter and nine months ended 30th September 2017 were computed based on net profit attributable to owners of the Company of S\$54,390,000 (3Q2016: S\$26,730,000) and S\$146,816,000 (nine months ended 30th September 2016: S\$87,216,000) respectively, and weighted average number of ordinary shares of 665,720,600 for the 3rd quarter 2017 (3Q2016: 666,234,800) and 665,720,600 for nine months ended 30th September 2017 (nine months ended 30th September 2016: 666,234,800).

There were no dilutive potential ordinary shares for the current and previous periods.

6. NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30th Sept 2017	31st Dec 2016	30th Sept 2017	31st Dec 2016
Net asset value per ordinary share	S\$4.55	S\$4.39	S\$1.98	S\$2.01

The calculation of net asset value per ordinary share of the Group and the Company was based on the net assets of the Group and the Company as at 30th September 2017 and 31st December 2016 after adjusting for non-controlling interests and 665,720,600 ordinary shares (excluding treasury shares) as at 30th September 2017 and 31st December 2016.

7. PERFORMANCE REVIEW OF THE GROUP

3rd Qtr 2017 vs 3rd Qtr 2016

Group revenue for the 3rd quarter of 2017 decreased 7% from S\$47.0 million in the corresponding quarter last year to S\$43.7 million. This was due mainly to the lower sales recognition of two residential development projects in Melbourne and Gold Coast, Australia.

Share of distribution income from Eporo Tower residential project, a jointly controlled operation in Australia amounted to S\$8.0 million.

Share of profits from associates rose substantially by 525% to S\$28.7 million, contributed mainly from our joint venture project in Shanghai, China. Share of profits from jointly controlled entities increased by 268% to S\$2.6 million with the main contribution from the residential project in Tangshan, China.

Profit before tax and non-controlling interests increased by 110% from S\$31.1 million in the previous year to S\$65.5 million. After accounting for income tax, profit attributable to owners of the Company rose 103% to S\$54.4 million, translating to an earnings of 8.2 cents per share.

Nine Months Ended 30th Sept 2017 vs Nine Months Ended 30th Sept 2016

For the nine months ended 30th September, Group turnover for the current period was S\$123.5 million, a decrease of 52% over the preceding period. This was due mainly to the lower sales recognition of two residential development projects in Melbourne and Gold Coast, Australia which were completed in the 2nd quarter of last year.

Share of distribution income from the jointly controlled operation in Australia, Eporo Tower residential project was S\$12.5 million.

Our joint venture project in Shanghai was the main contributor to the share of profits from associates which amounted to S\$73.6 million, up 243% from S\$21.5 million in the corresponding period last year. Profit from jointly controlled entities rose by 468% to S\$7.6 million.

Profit at pre-tax level was S\$169.5 million, 62% higher than the S\$104.8 million recorded in the corresponding period last year.

Correspondingly, profit attributable to owners of the Company rose by 68% from S\$87.2 million in the same period last year to S\$146.8 million. Earnings per share for the period under review was 22.1 cents against 13.1 cents in the corresponding period.

Total shareholders' fund as at end of September 2017 amounted to S\$3.03 billion, representing a net asset value of S\$4.55 per share.

8. VARIANCE BETWEEN ACTUAL RESULTS FOR THE CURRENT PERIOD AND PROSPECT STATEMENT PREVIOUSLY DISCLOSED

Not applicable.

9. COMMENTARY ON THE GROUP PROSPECTS

In Singapore, the outlook for the residential and commercial property markets has improved. Although the Brexit situation in U.K. is still uncertain, we are confident of the long term investment prospects.

With the sustainable recurring income from our portfolio of investment properties in Singapore and U.K., coupled with the development profits from China and Australia, the Group remains profitable for the year.

The Group will continue to seek business opportunities locally and overseas.

10. DIVIDEND

(a) Current financial period reported on

Any dividend recommended for the current financial period reported on? None

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

11. INTERESTED PERSON TRANSACTIONS

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

BY ORDER OF THE BOARD

Desmond Woon
Executive Director

9 November 2017

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

To the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited interim financial statements of the Group and the Company for the 3rd quarter ended 30th September 2017 to be false or misleading in any material aspect.

CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

ON BEHALF OF THE BOARD

Chua Thian Poh
Chairman & CEO

Desmond Woon
Executive Director

9 November 2017