IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached information memorandum. You are advised to read this disclaimer carefully before accessing, reading or making any other use of the attached information memorandum. In accessing the attached information memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

Confirmation of Your Representation: In order to be eligible to view the attached information memorandum or make an investment decision with respect to the notes, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act (as defined below)). The attached information memorandum is being sent at your request and by accepting the e-mail and accessing the attached information memorandum, you shall be deemed to have represented to us (1) that you are not resident in the United States ("**U.S.**") nor a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") nor are you acting on behalf of a U.S. person, the electronic mail address that you gave us and to which this email has been delivered is not located in the U.S. and, to the extent you purchase the notes described in the attached information memorandum, you will be doing so pursuant to Regulation S under the Securities Act, and (2) that you consent to delivery of the attached information memorandum and any amendments or supplements thereto by electronic transmission. By accepting this document, if you are an investor in Singapore, you (A) represent and warrant that you are either an institutional investor as defined under Section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), a relevant person as defined under Section 275(2) of the SFA or a person to whom an offer may be made pursuant to Section 275(1A) of the SFA, and (B) agree to be bound by the limitations and restrictions described herein.

The attached document has been made available to you in electronic form. You are reminded that documents or information transmitted via this medium may be altered or changed during the process of transmission and consequently none of Sinarmas Land Limited, Oversea-Chinese Banking Corporation Limited, UBS AG, Singapore Branch or any person who controls any of them nor any of their respective directors, officers, employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. A hard copy version will be provided to you upon request.

Restrictions: The attached document is being furnished in connection with an offering of notes exempt from registration under the Securities Act solely for the purpose of enabling a prospective investor to consider the purchase of the notes described therein.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of Sinarmas Land Limited, Oversea-Chinese Banking Corporation Limited or UBS AG, Singapore Branch to subscribe for or purchase any of the notes described therein, and access has been limited so that it shall not constitute in the United States or elsewhere a general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or directed selling efforts (within the meaning of Regulation S under the Securities Act).

The attached information memorandum or any materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of Sinarmas Land Limited in such jurisdiction. The attached information memorandum may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

You are reminded that you have accessed the attached information memorandum on the basis that you are a person into whose possession this information memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. **If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the notes described therein.**

Actions that You May Not Take: If you receive this document by e-mail, you should not reply by e-mail, and you may not purchase any notes by doing so. Any reply e-mail communications, including those you generate by using the “Reply” function on your e-mail software, will be ignored or rejected.

YOU ARE NOT AUTHORISED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED INFORMATION MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH INFORMATION MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT AND THE ATTACHED INFORMATION MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

You are responsible for protecting against viruses and other destructive items. If you receive this document by e-mail, your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Information Memorandum dated 14 May 2014

SINARMAS LAND LIMITED

(Incorporated in the Republic of Singapore on 27 January 1994)
(UEN/Company Registration No. 199400619R)

S$1,000,000,000
Multicurrency Medium Term Note Programme
(the "Programme")

This Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Information Memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of notes (the "**Notes**") to be issued from time to time by Sinarmas Land Limited (the "**Issuer**") pursuant to the Programme may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Application has been made to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for permission to deal in and the quotation for any Notes which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Notes have been admitted to the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of any Notes on the SGX-ST is not to be taken as an indication of the merits of the Issuer, its subsidiaries, its associated companies, its joint venture companies, the Programme or such Notes.

Potential investors should pay attention to the risk factors and considerations set out in the section "Risk Factors".

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT (AS DEFINED HEREIN) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE NOTES ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND REGULATIONS THEREUNDER).

Arrangers and Dealers

OCBC Bank UBS

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NOTICE

Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch (the "**Arrangers**" and each, an "**Arranger**") have been authorised by the Issuer to arrange the Programme. Under the Programme, the Issuer may, subject to compliance with all relevant laws, regulations and directives, from time to time issue Notes denominated in Singapore dollars and/or any other currencies.

This Information Memorandum contains information with regard to the Issuer, the Group (as defined herein), the Programme and the Notes. The Issuer accepts responsibility for the information contained in this Information Memorandum. The Issuer confirms that this Information Memorandum contains all information which is material in the context of the Programme and the issue and offering of the Notes, that such information is true and accurate in all material respects, that the opinions, expectations and intentions of the Issuer expressed in this Information Memorandum have been carefully considered and honestly given, are based on all relevant considerations and facts existing at the date of this Information Memorandum and are fairly, reasonably and honestly held by the directors of the Issuer (the "**Directors**"), and that there are no other facts the omission of which in the context of the Programme and the issue and offering of the Notes would make any such information or expressions of opinion, expectation or intention misleading in any material respect.

Notes may be issued in series having one or more issue dates and the same maturity date, and on identical terms (including as to listing) except (in the case of Notes other than variable rate notes (as described under the section "Summary of the Programme")) for the issue dates, issue prices and/or the dates of the first payment of interest, or (in the case of variable rate notes) for the issue prices and rates of interest. Each series may be issued in one or more tranches on the same or different issue dates. The Notes will be issued in bearer form and may be listed on a stock exchange. The Notes will initially be represented by either a Temporary Global Note (as defined herein) in bearer form or a Permanent Global Note (as defined herein) in bearer form which will be deposited on the issue date with either The Central Depository (Pte) Limited ("**CDP**") or a common depositary on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") or otherwise delivered as agreed between the Issuer and the relevant Dealer (as defined herein). Subject to compliance with all relevant laws, regulations and directives, the Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer and may be subject to redemption or purchase in whole or in part. The Notes will bear interest at a fixed, floating, variable or hybrid rate or may not bear interest or may be such other notes as may be agreed between the Issuer and the relevant Dealer. The Notes will be repayable at par, at a specified amount above or below par or at an amount determined by reference to a formula, in each case with terms as specified in the Pricing Supplement (as defined herein) issued in relation to each series or tranche of Notes. Details applicable to each series or tranche of Notes will be specified in the applicable Pricing Supplement which is to be read in conjunction with this Information Memorandum.

The maximum aggregate principal amount of the Notes to be issued, when added to the aggregate principal amount of all Notes outstanding (as defined in the Trust Deed referred to herein) shall be S$1,000,000,000 (or its equivalent in any other currencies) or such increased amount in accordance with the terms of the Programme Agreement (as defined herein).

No person has been authorised to give any information or to make any representation other than those contained in this Information Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, The Bank of New York Mellon, acting through its Singapore Branch, as trustee (the "**Trustee**"), any of the Arrangers or any of the Dealers. Save as expressly stated in this Information Memorandum, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Issuer or any of its subsidiaries (if any) or associated companies (if any) or joint venture companies (if any). Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme may be used for the purpose of, and does not constitute an offer of, or solicitation or invitation by or on behalf of the Issuer, the Trustee, any of the Arrangers or any of the Dealers to subscribe for or purchase, the Notes in any jurisdiction or under any circumstances in which such offer, solicitation or invitation is unlawful, or not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. The distribution and publication of this Information Memorandum or any such other document or information and the offer of the Notes in certain jurisdictions may be restricted by law. Persons who distribute or publish this Information Memorandum or any such other document or information or into whose possession this Information Memorandum or any such other document or information comes are required to inform themselves about and to observe any such restrictions and all applicable laws, orders, rules and regulations.

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Notes are subject to U.S. tax law requirements and restrictions. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder).

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme shall be deemed to constitute an offer of, or an invitation by or on behalf of the Issuer, the Trustee, any of the Arrangers or any of the Dealers to subscribe for or purchase, any of the Notes.

This Information Memorandum and any other document or material in relation to the issue, offering or sale of the Notes have been prepared solely for the purpose of the initial sale by the relevant Dealers of the Notes from time to time to be issued pursuant to the Programme. This Information Memorandum and such other documents or materials are made available to the recipients thereof solely on the basis that they are persons falling within the ambit of Section 274 and/or Section 275 of the SFA (as defined herein) and may not be relied upon by any person other than persons to whom the Notes are sold or with whom they are placed by the relevant Dealers as aforesaid or for any other purpose. Recipients of this Information Memorandum shall not reissue, circulate or distribute this Information Memorandum or any part thereof in any manner whatsoever.

Neither the delivery of this Information Memorandum (or any part thereof) nor the issue, offering, purchase or sale of the Notes shall, under any circumstances, constitute a representation, or give rise to any implication, that there has been no change in the prospects, results of operations or general affairs of the Issuer or any of its subsidiaries (if any) or associated companies (if any) or joint venture companies (if any) or in the information herein since the date hereof or the date on which this Information Memorandum has been most recently amended or supplemented.

The Arrangers, the Trustee and the Dealers have not separately verified the information contained in this Information Memorandum. None of the Arrangers, the Trustee, the Dealers or any of their respective officers, employees or agents is making any representation or warranty expressed or implied as to the merits of the Notes or the subscription for, purchase or acquisition thereof, or the creditworthiness or financial condition or otherwise of the Issuer or its subsidiaries (if any) or associated companies (if any) or joint venture companies (if any). Further, neither the Arrangers, the Trustee nor any of the Dealers makes any representation or warranty as to the Issuer, its subsidiaries (if any) or associated companies (if any) or joint venture companies (if any) or as to the accuracy, reliability or completeness of the information set out herein (including the legal and regulatory requirements pertaining to Sections 274, 275 and 276 or any other provisions of the SFA) and the documents which are incorporated by reference in, and form part of, this Information Memorandum.

Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the issue of the Notes is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, any of the Arrangers, the Trustee or any of the Dealers that any recipient of this Information Memorandum or such other document or information (or such part thereof) should subscribe for or purchase any of the Notes. A prospective purchaser shall make its own assessment of the foregoing and other relevant matters including the financial condition and affairs and the creditworthiness of the Issuer and its subsidiaries (if any), associated companies (if any) and joint venture companies (if any), and obtain its own independent legal or other advice thereon, and its investment shall be deemed to be based on its own independent investigation of the financial condition and affairs and its appraisal of the creditworthiness of the Issuer and its subsidiaries (if any), associated companies (if any) and joint venture companies (if any). Accordingly, notwithstanding anything herein, none of the Arrangers, the Trustee, the Dealers or any of their respective officers, employees or agents shall be held responsible for any loss or damage suffered or incurred by the recipients of this Information Memorandum or such other document or information (or such part thereof) as a result of or arising from anything expressly or implicitly contained in or referred to in this Information Memorandum or such other document or information (or such part thereof) and the same shall not constitute a ground for rescission of any purchase or acquisition of any of the Notes by a recipient of this Information Memorandum or such other document or information (or such part thereof).

To the fullest extent permitted by law, neither the Arrangers, the Trustee nor any of the Dealers accept any responsibility for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Arrangers, the Trustee or any of the Dealers or on its behalf in connection with the Issuer or the issue and offering of the Notes. Each Arranger, the Trustee and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Information Memorandum or any such statement.

The following documents published or issued from time to time after the date hereof shall be deemed to be incorporated by reference in, and to form part of, this Information Memorandum: (1) any annual reports, audited consolidated accounts and/or unaudited financial statements of the Issuer and its subsidiaries and associated companies (if any) and (2) any supplement or amendment to this Information Memorandum issued by the Issuer including each relevant Pricing Supplement. This Information Memorandum is to be read in conjunction with all such documents which are incorporated by reference herein and, with respect to any series or tranche of Notes, any Pricing Supplement in respect of such series or tranche. Any statement contained in this Information Memorandum or in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in this Information Memorandum or in such subsequent document that is also deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Copies of all documents deemed incorporated by reference herein are available for inspection at the specified office of the Issuer.

Any purchase or acquisition of the Notes is in all respects conditional on the satisfaction of certain conditions set out in the Programme Agreement and the issue of the Notes by the Issuer pursuant to the Programme Agreement. Any offer, invitation to offer or agreement made in connection with the purchase or acquisition of the Notes or pursuant to this Information Memorandum shall (without any liability or responsibility on the part of the Issuer, the Arrangers, the Trustee or any of the Dealers) lapse and cease to have any effect if (for any other reason whatsoever) the Notes are not issued by the Issuer pursuant to the Programme Agreement.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding.

The distribution of this Information Memorandum and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Trustee, the Arrangers and the Dealers to inform themselves about and to observe any such restrictions. The attention of recipients of this Information Memorandum is drawn to the restrictions on resale of the Notes set out in the section “Subscription, Purchase and Distribution”.

Any person(s) who is invited to purchase or subscribe for the Notes or to whom this Information Memorandum is sent shall not make any offer or sale, directly or indirectly, of any Notes or distribute or cause to be distributed any document or other material in connection therewith in any country or jurisdiction except in such manner and in such circumstances as will result in compliance with any applicable laws and regulations.

It is recommended that persons proposing to subscribe for or purchase any of the Notes consult their own legal and other advisers before purchasing or acquiring the Notes.

FORWARD-LOOKING STATEMENTS

All statements contained in this Information Memorandum that are not statements of historical fact constitute "forward-looking statements". Some of these statements can be identified by forward-looking terms such as "expect", "believe", "plan", "intend", "estimate", "anticipate", "may", "will", "would" and "could" or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the expected financial position, business strategy, plans and prospects of the Issuer and/or the Group (including statements as to the Issuer's and/or the Group's revenue and profitability, prospects, future plans and other matters discussed in this Information Memorandum regarding matters that are not historical fact and including the financial forecasts, profit projections, statements as to the expansion plans of the Issuer and/or the Group, expected growth in the Issuer and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Issuer and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The following list includes some, but not necessarily all, of the factors that may cause actual results to differ from those anticipated or predicted:

- conditions of and changes in the social, economic and political condition and regulatory environment in the countries/territories that the Group operates in;
- changes in the competitive conditions in the Group's industry and the Group's ability to compete under those conditions;
- changes in the future capital needs of the Group and the availability of financing and capital to fund those needs;
- risk of not being able to implement the new strategies outlined by the Group;
- risk of being unable to realise the anticipated growth opportunities;
- changes in the availability and effectiveness of futures contracts or other derivative instruments as hedging instruments, and the risks associated with such instruments;
- changes in currency exchange rates;
- changes in short-term and long-term interest rates;
- changes in customer preferences and needs; and
- other factors beyond the control of the Issuer and the Group.

These factors are discussed in greater detail under, in particular, but not limited to, the section "Risk Factors".

Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Issuer or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and forward-looking statements in this Information Memorandum, undue reliance must not be placed on those forecasts, projections and statements. The Issuer, the Arrangers, the Trustee and the Dealers do not represent or warrant that the actual future results, performance or achievements of the Issuer or the Group will be as discussed in those statements.

Neither the delivery of this Information Memorandum nor the issue of any Notes by the Issuer shall under any circumstances constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of the Issuer or the Group or any statement of fact or information contained in this Information Memorandum since the date of this Information Memorandum or the date on which this Information Memorandum has been most recently amended or supplemented.

Further, the Issuer, the Arrangers, the Trustee and the Dealers disclaim any responsibility, and undertake no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this Information Memorandum or to reflect any change in events, conditions or circumstances on which any such statements are based.

DEFINITIONS

In this document, references to "we", "our" and "us" mean, as the context requires, the Issuer on an unconsolidated basis or the Group on a consolidated basis.

The following definitions have, where appropriate, been used in this Information Memorandum:

"**Agency Agreement**"	:	The Agency Agreement dated 14 May 2014 between (1) the Issuer, as issuer, (2) The Bank of New York Mellon, acting through its Singapore Branch, as issuing and paying agent, (3) The Bank of New York Mellon, acting through its London Branch, as non-CDP paying agent, (4) The Bank of New York Mellon, acting through its London Branch, as calculation agent, and (5) the Trustee, as trustee, as amended, varied or supplemented from time to time.
"**Arrangers**"	:	Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch.
"**Bearer Notes**"	:	Notes in bearer form.
"**Business Day**"	:	In respect of each Note, (a) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and CDP, as applicable, are operating, (b) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (c) (if a payment is to be made on that day) (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (ii) (in the case of Notes denominated in Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euros and (iii) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency.
"**Calculation Agent**"	:	The Bank of New York Mellon, acting through its London Branch.
"**CDP**"	:	The Central Depository (Pte) Limited.
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore, as amended or modified from time to time.
"**Conditions**"	:	In relation to the Notes of any Series, the terms and conditions applicable thereto, which shall be substantially in the form set out in Part II of Schedule 1 to the Trust Deed, as modified, with respect to any Notes represented by a Global Note, by the provisions of such Global Note, shall incorporate any additional provisions forming part of such terms and conditions set out in the Pricing Supplement(s) relating to the Notes of such Series and shall be endorsed on the Definitive Notes subject to amendment and completion as referred to in the first paragraph appearing after the heading "Terms and Conditions of the Notes"

		as set out in Part II of Schedule 1 of the Trust Deed, and any reference to a particular numbered Condition shall be construed accordingly.
"**Couponholders**"	:	The holders of the Coupons.
"**Coupons**"	:	The bearer coupons appertaining to an interest bearing Bearer Note.
"**Dealers**"	:	Persons appointed as dealers under the Programme.
"**Definitive Notes**"	:	A definitive Bearer Note, being substantially in the form set out in Part I of Schedule 1 to the Trust Deed and having, where appropriate, Coupons attached on issue.
"**Directors**"	:	The directors (including alternate directors, if any) of the Issuer as at the date of this Information Memorandum.
"**Extraordinary Resolution**"	:	A resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority of at least 75 per cent. of the votes cast.
"**FY**"	:	Financial year ended 31 December.
"**Global Note**"	:	A global Note representing Bearer Notes of one or more Tranches of the same Series, being a Temporary Global Note and/or, as the context may require, a Permanent Global Note, in each case without Coupons.
"**Group**"	:	The Issuer and its subsidiaries.
"**Issuer**"	:	Sinarmas Land Limited.
"**Issuing and Paying Agent**"	:	The Bank of New York Mellon, acting through its Singapore Branch.
"**ITA**"	:	The Income Tax Act, Chapter 134 of Singapore, as amended or modified from time to time.
"**Latest Practicable Date**"	:	30 April 2014
"**MAS**"	:	The Monetary Authority of Singapore.
"**Non-CDP Paying Agent**"	:	The Bank of New York Mellon, acting through its London Branch.
"**Noteholders**"	:	The holders of the Notes.
"**Notes**"	:	The multicurrency medium term notes of the Issuer issued or to be issued pursuant to the Programme Agreement and constituted by the Trust Deed (and shall, where the context so admits, include the Global Notes and the Definitive Notes).
"**Permanent Global Note**"	:	A Global Note representing Bearer Notes of one or more Tranches of the same Series, either on issue or upon exchange of interests in a Temporary Global Note, being substantially in the form set out in Schedule 3 to the Trust Deed.

"**Pricing Supplement**"	:	In relation to any Tranche or Series, a pricing supplement, supplemental to this Information Memorandum, specifying the relevant issue details in relation to such Tranche or, as the case may be, Series, substantially in the form of Appendix 2 to the Programme Agreement.
"**Programme**"	:	The S$1,000,000,000 Multicurrency Medium Term Note Programme established by the Issuer pursuant to the Programme Agreement.
"**Programme Agreement**"	:	The Programme Agreement dated 14 May 2014 made between (1) the Issuer, as issuer, (2) the Arrangers, as arrangers, and (3) Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch, as dealers, as amended, varied or supplemented from time to time.
"**Rp**" or "**Rupiah**"	:	Rupiah, the lawful currency of the Republic of Indonesia.
"**Securities Act**"	:	The Securities Act of 1933 of the United States, as amended or modified from time to time.
"**Series**"	:	(a) (In relation to Notes other than variable rate notes) a Tranche, together with any further Tranche or Tranches, which are (i) expressed to be consolidated and forming a single series and (ii) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (b) (in relation to variable rate notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest.
"**SFA**"	:	Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time.
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited.
"subsidiary"	:	Any company which is for the time being a subsidiary (within the meaning of Section 5 of the Companies Act).
"**TARGET System**"	:	The Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.
"**Temporary Global Note**"	:	A Global Note representing Bearer Notes of one or more Tranches of the same Series on issue, being substantially in the form set out in Schedule 2 to the Trust Deed.
"**Tranche**"	:	Notes which are identical in all respects (including as to listing).
"**Trust Deed**"	:	The Trust Deed dated 14 May 2014 made between (1) the Issuer, as issuer, and (2) the Trustee, as trustee, as amended, varied or supplemented from time to time.
"**Trustee**"	:	The Bank of New York Mellon, acting through its Singapore Branch.
"**S$**" or "**Singapore dollars**"	:	Singapore dollars, the lawful currency of Singapore.

"**United States**" or "**U.S.**"	:	United States of America.
"**US$**" or "**US dollars**"	:	United States dollars, the lawful currency of the United States.
"**%**"	:	Per cent.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations. Any reference to a time of day in this Information Memorandum shall be a reference to Singapore time unless otherwise stated. Any reference in this Information Memorandum to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or the SFA or any statutory modification thereof and used in this Information Memorandum shall, where applicable, have the meaning ascribed to it under the Companies Act or, as the case may be, the SFA.

CORPORATE INFORMATION

Issuer

Board of Directors	:	Franky Oesman Widjaja (Executive Chairman)
		Muktar Widjaja (Executive Director and Chief Executive Officer)
		Margaretha Natalia Widjaja (Executive Director)
		Ferdinand Sadeli (Executive Director and Chief Financial Officer)
		Robin Ng Cheng Jiet (Executive Director)
		Foo Meng Kee (Independent Director and Chairman of Audit Committee and Nominating Committee)
		Kunihiko Naito (Independent Director)
		Rodolfo Castillo Balmater (Independent Director and Chairman of Remuneration Committee)
Company Secretary	:	Kimberley Lye Chor Mei
Registered Office	:	108 Pasir Panjang Road #06-00 Golden Agri Plaza Singapore 118535
Auditors	:	Moore Stephens LLP

SUMMARY OF THE PROGRAMME

The following summary is derived from, and should be read in conjunction with, the full text of this Information Memorandum (and any relevant supplement to this Information Memorandum), the Trust Deed, the Agency Agreement and the relevant Pricing Supplement.

Issuer	:	Sinarmas Land Limited.
Arrangers	:	Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch
Dealers	:	Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch and/or such other Dealers as may be appointed by the Issuer in accordance with the Programme Agreement.
Trustee	:	The Bank of New York Mellon, acting through its Singapore Branch.
Issuing and Paying Agent	:	The Bank of New York Mellon, acting through its Singapore Branch.
Non-CDP Paying Agent and Calculation Agent	:	The Bank of New York Mellon, acting through its London Branch.
Description	:	S$1,000,000,000 Multicurrency Medium Term Note Programme.
Programme Size	:	The maximum aggregate principal amount of the Notes outstanding at any time shall be S$1,000,000,000 (or its equivalent in other currencies) or such increased amount in accordance with the terms of the Programme Agreement.
Use of Proceeds	:	The net proceeds from the issuance of the Notes under the Programme, after deducting the costs and expenses relating to each issue of the Notes, will be used for general corporate purposes, future expansion and working capital needs of the Group, including but not limited to the repayment of outstanding borrowings.
Currency	:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Singapore dollars or any other currency agreed between the Issuer and the relevant Dealer(s).
Method of Issue	:	Notes may be issued from time to time under the Programme on a syndicated or non-syndicated basis. Each Series may be issued in one or more Tranches, on the same or different issue dates. The minimum issue size for each series shall be agreed between the Issuer and the relevant Dealer(s). The specific terms of each Series or Tranche will be specified in the relevant Pricing Supplement.
Issue Price	:	Notes may be issued at par or at a discount, or premium, to par.
Maturities	:	Subject to compliance with all relevant laws, regulations and directives, Notes may have maturities of such tenor as may be agreed between the Issuer and the relevant Dealer(s).

Mandatory Redemption	:	Unless previously redeemed or purchased and cancelled, each Note will be redeemed at its redemption amount on the maturity date shown on its face.
Interest Basis	:	Notes may bear interest at fixed, floating, variable, index linked or hybrid rates or such other rates as may be agreed between the Issuer and the Relevant Dealer(s) or may not bear interest.
Fixed Rate Notes	:	Fixed Rate Notes will bear a fixed rate of interest which will be payable in arrear on specified dates and at maturity.
Floating Rate Notes	:	Floating Rate Notes which are denominated in Singapore dollars will bear interest to be determined separately for each Series by reference to S$ SIBOR or S$ SWAP RATE (or in any other case such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin. Interest periods in relation to the Floating Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue. Floating Rate Notes which are denominated in other currencies will bear interest to be determined separately for each Series by reference to such other benchmark as may be agreed between the Issuer and the relevant Dealer(s).
Variable Rate Notes	:	Variable Rate Notes will bear interest at a variable rate determined in accordance with the Conditions of the Notes. Interest periods in relation to the Variable Rate Notes will be agreed between the Issuer and the relevant Dealer(s) prior to their issue.
Hybrid Notes	:	Hybrid Notes will bear interest, during the fixed rate period to be agreed between the Issuer and the relevant Dealer(s), at a fixed rate of interest which will be payable in arrear on specified dates and, during the floating rate period to be agreed between the Issuer and the relevant Dealer(s), at the rate of interest to be determined by reference to S$ SIBOR or S$ SWAP RATE (or such other benchmark as may be agreed between the Issuer and the relevant Dealer(s)), as adjusted for any applicable margin (provided that if the Hybrid Notes are denominated in a currency other than Singapore dollars, such Hybrid Notes will bear interest to be determined separately by reference to such benchmark as may be agreed between the Issuer and the relevant Dealer(s)), in each case payable at the end of each interest period to be agreed between the Issuer and the relevant Dealer(s).
Zero Coupon Notes	:	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest other than in the case of late payment.
Form and Denomination of Notes	:	The Notes will be issued in bearer form and in such denominations as may be agreed between the Issuer and the relevant Dealer(s). Each Tranche or Series of bearer Notes may initially be represented by a Temporary Global Note or a Permanent Global Note. Each Temporary Global Note may be deposited on the relevant issue date with CDP, a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system and will be exchangeable,

		upon request as described therein, either for a Permanent Global Note or Definitive Notes (as indicated in the applicable Pricing Supplement). Each Permanent Global Note may be exchanged, unless otherwise specified in the applicable Pricing Supplement, upon request as described therein, in whole (but not in part) for Definitive Notes upon the terms therein.
Custody of the Notes	:	Notes may be cleared through CDP, Euroclear and/or Clearstream, Luxembourg. Notes which are to be cleared through CDP are required to be kept with CDP as authorised depository. Notes which are cleared through Euroclear and/or Clearstream, Luxembourg are required to be kept with a common depositary on behalf of Euroclear and Clearstream, Luxembourg.
Status of the Notes	:	The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.
Redemption and Purchase	:	If so provided on the face of the Note and the relevant Pricing Supplement, Notes may be redeemed (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes. Further, if so provided on the face of the Note and the relevant Pricing Supplement, Notes may be purchased by the Issuer (either in whole or in part) prior to their stated maturity at the option of the Issuer and/or the holders of the Notes.
Redemption upon Delisting	:	In the event that (i) the shares in the Issuer cease to be listed on the SGX-ST or (ii) trading in the shares in the Issuer on the SGX-ST is suspended for a continuous period of more than 21 consecutive trading days, the Issuer shall, at the option of the holder of any Note, repurchase such Note at the Redemption Amount together with interest accrued to the date fixed for repurchase.
Redemption upon Change of Control	:	Following the occurrence of a Change of Control Event (as defined in the Conditions), the Issuer shall, at the option of the holder of any Note, repurchase such Note at the Redemption Amount, together with interest accrued to the date fixed for repurchase.
Negative Pledge of Issuer	:	So long as any of the Notes or Coupons remains outstanding (as defined in the Trust Deed), the Issuer will not and will ensure that none of the Principal Subsidiaries (save for PT Bumi Serpong Damai Tbk., PT Duta Pertiwi Tbk., PT Puradelta Lestari Tbk. and their respective subsidiaries) will, create or permit to subsist, any mortgage, charge, lien, pledge or other form of encumbrance or security interest upon the whole or any part of its present or future undertakings, assets or revenues (including any uncalled capital) to secure any International Investment Securities, or any guarantee or indemnity in respect of any International Investment Securities, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such International Investment Securities,

		guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.
Financial Covenants	:	So long as any of the Notes or Coupons remains outstanding, the Issuer will ensure that: (i) the Consolidated Total Equity shall not be less than S$1,500,000,000; (ii) the ratio of the Consolidated Total Liabilities to the Consolidated Tangible Net Worth shall not be more than 2:1; (iii) the ratio of Interest Bearing Debt to Consolidated Total Equity shall not be more than 1.75:1; and (iv) the ratio of EBITDA to Interest Expense shall not be less than 2:1.
Events of Default	:	See Condition 9 of the Conditions.
Taxation	:	All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, save for certain exceptions. For further details, please see "Singapore Taxation" herein.
Listing	:	Each Series of the Notes may, if so agreed between the Issuer and the relevant Dealer(s), be listed on the SGX-ST or any stock exchange(s) as may be agreed between the Issuer and the relevant Dealer(s), subject to all necessary approvals having been obtained. If the application to the SGX-ST to list a particular Series of Notes is approved, for so long as such Notes are listed on the SGX-ST and the rules of the SGX-ST so require, such Notes will be traded on the SGX-ST in a minimum board lot size of at least S$200,000 or its equivalent in foreign currencies.
Selling Restrictions	:	For a description of certain restrictions on offers, sales and deliveries of Notes and the distribution of offering material relating to the Notes, see "Subscription, Purchase and Distribution" herein. Further restrictions may apply in connection with any particular Series or Tranche of Notes.
Governing Law	:	The Programme and any Notes issued under the Programme will be governed by, and construed in accordance with, the laws of Singapore.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, will be endorsed on the Notes in definitive form issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. Those definitions will be endorsed on such Bearer Notes. References in the Conditions to "Notes" are to the Notes of one Series only, not to all Notes that may be issued under the Programme, details of the relevant Series being shown on the face of the relevant Notes and in the relevant Pricing Supplement.

The Notes are constituted by a trust deed (as amended, supplemented and/or restated, the "**Trust Deed**") dated 14 May 2014 made between (1) Sinarmas Land Limited (the "**Issuer**") and (2) The Bank of New York Mellon, acting through its Singapore Branch (the "**Trustee**", which expression shall wherever the context so admits include such company and all other persons for the time being the trustee or trustees of the Trust Deed), as trustee for the Noteholders (as defined below), and (where applicable) the Notes are issued with the benefit of a deed of covenant (as amended, supplemented and/or restated, the "**Deed of Covenant**"), dated 14 May 2014, relating to the Notes executed by the Issuer. These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Notes and Coupons referred to below. The Issuer has entered into an agency agreement (as amended, supplemented and/or restated, the "**Agency Agreement**") dated 14 May 2014 made between (1) the Issuer, (2) The Bank of New York Mellon, acting through its Singapore Branch, as issuing and paying agent (in such capacity, the "**Issuing and Paying Agent**"), (3) The Bank of New York Mellon, acting through its London Branch, as non-CDP paying agent (in such capacity, the "**Non-CDP Paying Agent**" and, together with the Issuing and Paying Agent, the "**Paying Agents**"), (4) The Bank of New York Mellon, acting through its London Branch, as calculation agent (in such capacity, the "**Calculation Agent**") and (5) the Trustee, as trustee. The Noteholders and the holders of the coupons (the "**Coupons**") appertaining to the interest-bearing Notes (the "**Couponholders**") are bound by and are deemed to have notice of all of the provisions of the Trust Deed, the Agency Agreement and the Deed of Covenant. For the purposes of these Conditions, all references to the Issuing and Paying Agent shall, with respect to a Series of Notes to be cleared through a clearing system other than the CDP System (as defined in the Trust Deed), be deemed to be a reference to the Non-CDP Paying Agent and all such references shall be construed accordingly.

Copies of the Trust Deed, the Agency Agreement and the Deed of Covenant are available for inspection during usual business hours at the principal office of the Trustee for the time being and at the specified office of the Issuing and Paying Agent for the time being.

1. Form, Denomination and Title

(a) Form and Denomination

(i) The Notes of the Series of which this Note forms part (in these Conditions, the "**Notes**") are issued in bearer form in each case in the Denomination Amount shown hereon.

(ii) This Note is a Fixed Rate Note, a Floating Rate Note, a Variable Rate Note, a Hybrid Note or a Zero Coupon Note (depending upon the Interest Basis shown on its face).

(iii) Notes are serially numbered and issued with Coupons attached, save in the case of Notes that do not bear interest in which case references to interest (other than in relation to default interest referred to in Condition 6(f)) in these Conditions are not applicable.

(b) Title

(i) Title to the Notes and the Coupons appertaining thereto shall pass by delivery.

(ii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note or Coupon shall be deemed to be and may be treated as the absolute owner of such Note or of such Coupon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note or Coupon shall be overdue and notwithstanding any notice of ownership, theft, loss or forgery thereof or any writing thereon made by anyone, and no person shall be liable for so treating the holder.

*For so long as any of the Notes is represented by a Global Note and such Global Note is held by a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or The Central Depository (Pte) Limited (the "**Depository**"), each person who is for the time being shown in the records of Euroclear, Clearstream, Luxembourg and/or the Depository as the holder of a particular principal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream, Luxembourg and/or the Depository as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the Calculation Agent, all other agents of the Issuer and the Trustee as the holder of such principal amount of Notes other than with respect to the payment of principal, premium, interest, distribution, redemption, purchase and/or any other amounts in respect of the Notes, for which purpose the bearer of the Global Note shall be treated by the Issuer, the Issuing and Paying Agent, the Non-CDP Paying Agent, the Calculation Agent, all other agents of the Issuer and the Trustee as the holder of such Notes in accordance with and subject to the terms of the Global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by the Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or the Depository.*

(iii) In these Conditions, "**Global Note**" means the relevant Temporary Global Note representing each Series or the relevant Permanent Global Note representing each Series, "**Noteholder**" means the bearer of any Definitive Note (as defined in the Trust Deed) and "**holder**" (in relation to a Definitive Note or Coupon) means the bearer of any Definitive Note or Coupon, "**Series**" means (1) (in relation to Notes other than Variable Rate Notes) a Tranche, together with any further Tranche or Tranches, which are (A) expressed to be consolidated and forming a single series and (B) identical in all respects (including as to listing) except for their respective issue dates, issue prices and/or dates of the first payment of interest and (2) (in relation to Variable Rate Notes) Notes which are identical in all respects (including as to listing) except for their respective issue prices and rates of interest and "**Tranche**" means Notes which are identical in all respects (including as to listing).

(iv) Words and expressions defined in the Trust Deed or used in the applicable Pricing Supplement (as defined in the Trust Deed) shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

2. Status

The Notes and Coupons of all Series constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves, and *pari passu* with all other present and future unsecured obligations (other than subordinated obligations and priorities created by law) of the Issuer.

3. Negative Pledge and Financial Covenants

(a) Negative Pledge

(i) So long as any of the Notes or Coupons remains outstanding (as defined in the Trust Deed), the Issuer will not and will ensure that none of the Principal Subsidiaries (save for PT Bumi Serpong Damai Tbk, PT Duta Pertiwi Tbk, PT Puradelta Lestari Tbk and their respective subsidiaries) will, create or permit to subsist, any mortgage, charge, lien, pledge or other form of encumbrance or security interest upon the whole or any part of its present or future undertakings, assets or revenues (including any uncalled capital) to secure any International Investment Securities, or any guarantee or indemnity in respect of any International Investment Securities, without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such International Investment Securities, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interest of the Noteholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders.

In these Conditions:

(A) "**International Investment Securities**" means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other debt securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market, having an original maturity of more than 365 days from the date of issue. For the avoidance of doubt, bilateral and syndicated loans arranged or granted by a bank or other financial institution would not be International Investment Securities;

(B) "**Principal Subsidiary**" means PT Bumi Serpong Damai Tbk, PT Duta Pertiwi Tbk, PT Puradelta Lestari Tbk and, at any particular time,

(aa) any subsidiary of the Issuer whose profit before tax, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group (as defined in the Trust Deed) have been prepared, is at least 10 per cent. of the consolidated profit before tax of the Group as shown by such audited consolidated accounts;

(bb) any subsidiary of the Issuer whose total assets, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the total assets of the Group as shown by such audited consolidated accounts; or

(cc) any subsidiary of the Issuer whose turnover, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which the latest audited consolidated accounts of the Group have been prepared, are at least 10 per cent. of the turnover of the Group as shown by such audited consolidated accounts;

provided that:

(I) if any such subsidiary (the "**transferor**") shall at any time transfer the whole or a part of its business, undertaking or assets to another subsidiary or the Issuer (the "**transferee**"), then:

(1) if the whole of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall thereupon cease to be a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and

(2) if a substantial part only of the business, undertaking and assets of the transferor shall be so transferred, the transferor shall remain a Principal Subsidiary and the transferee (unless it is the Issuer) shall thereupon become a Principal Subsidiary; and

(II) if any person becomes a subsidiary of the Issuer after the date on which the latest audited consolidated financial statements of the Group were prepared, then:

(1) the profit before tax, the total assets or, as the case may be, the turnover of such subsidiary shall be determined from its latest financial statements; and

(2) the profit before tax, the total assets or, as the case may be, the turnover of the Group shall be determined from the latest audited consolidated financial statements of the Group but adjusted to take into account any subsequent acquisition or disposal of any business, undertaking or assets (including such subsidiary).

Any subsidiary which becomes a Principal Subsidiary by virtue of (I)(1) above or which remains or becomes a Principal Subsidiary by virtue of (I)(2) above shall continue to be a Principal Subsidiary until the earlier of the date of issue of (AA) the first audited consolidated accounts of the Group prepared as at a date later than the date of the relevant transfer which show the profit before tax, the total assets or, as the case may be, the turnover of such subsidiary, as shown by the accounts of such subsidiary (consolidated in the case of a company which itself has subsidiaries), based upon which such audited consolidated accounts have been prepared, to be less than 10 per cent. of the profit before tax, the total assets or, as the case may be, the turnover of the Group, as shown by such audited consolidated accounts and (BB) a report by the Auditors (as defined in the Trust Deed) as described below dated on or after the date of the relevant transfer which shows the profit before tax, the total assets or, as the case may be, the turnover of such subsidiary to be less than 10 per cent. of the profit before tax, the total assets or, as the case may be, the turnover of the Group. A report by the Auditors that in their opinion a subsidiary is or is not a Principal Subsidiary shall, in the absence of manifest error, be conclusive; and

(C) a corporation shall be a "**subsidiary**" of another corporation if it is:

(aa) a subsidiary in accordance with Section 5 of the Companies Act, Chapter 50 of Singapore; or

(bb) consolidated as a subsidiary in the consolidated financial statements of the other corporation.

(b) Financial Covenants

So long as any of the Notes or Coupons remains outstanding, the Issuer will ensure that:

(i) the Consolidated Total Equity shall not be less than S$1,500,000,000;

(ii) the ratio of the Consolidated Total Liabilities to the Consolidated Tangible Net Worth shall not be more than 2:1;

(iii) the ratio of Interest Bearing Debt to Consolidated Total Equity shall not be more than 1.75:1; and

(iv) the ratio of EBITDA to Interest Expense shall not be less than 2:1.

For the purposes of these Conditions:

(1) "**Consolidated Tangible Net Worth**" means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with Singapore Financial Reporting Standards, equal to the aggregate of (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation):

(A) the amount paid up or credited as paid up on the issued share capital of the Issuer; and

(B) the amount standing to the credit of the consolidated capital and revenue reserves of the Group;

all as shown in the then latest audited consolidated statement of financial position of the Group but after:

(I) deducting any amount attributable to goodwill or any other intangible assets; and

(II) excluding any amount attributable to non-controlling interests;

(2) "**Consolidated Total Equity**" means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with Singapore Financial Reporting Standards, equal to the aggregate of (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation):

(A) the amount paid up or credited as paid up on the issued share capital of the Issuer; and

(B) the amounts standing to the credit of the capital and revenue reserves (including revaluation reserves and profit and loss account) of the Group on a consolidated basis,

all as shown in the then latest audited consolidated statement of financial position of the Group but after:

(aa) making such adjustments as may be appropriate in respect of any variation in the issued and paid up share capital and the capital and revenue reserves set out in paragraph (B) above of the Group since the date of the latest audited consolidated statement of financial position of the Group;

(bb) excluding any sums set aside for future taxation;

(cc) deducting:

(I) an amount equal to any distribution by any member of the Group out of profits earned prior to the date of the latest audited consolidated statement of financial position of the Group and which have been declared, recommended or made since that date except so far as provided for in such statement of financial position and/or paid or due to be paid to members of the Group; and

(II) any debit balances on consolidated profit and loss account; and

(dd) including the amounts attributable to the non-controlling interests of the Group;

(3) "**Consolidated Total Liabilities**" means in relation to the Group, an amount (expressed in Singapore dollars) for the time being, calculated on a consolidated basis, in accordance with Singapore Financial Reporting Standards, equal to the aggregate of all liabilities as shown in the statement of financial position of the Group (and where such aggregate amount falls to be calculated, no amount shall be taken into account more than once in the same calculation);

(4) "**EBITDA**" means, in relation to any Test Period, the aggregate of the net earnings of the Group during such Test Period before taking into account income tax, non-controlling interests, interest on borrowings, foreign exchange gain/(loss), depreciation and amortisation expenses, exceptional items and share of results of associated companies and joint ventures;

(5) "**Financial Indebtedness**" means any indebtedness for or in respect of:

(A) moneys borrowed;

(B) any amount raised by acceptance under any acceptance credit facility;

(C) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(D) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles in Singapore, be treated as a finance or capital lease;

(E) receivables sold or discounted (other than any receivables to the extent that they are sold or discounted on a non-recourse basis);

(F) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;

(G) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

(H) shares which are expressed to be redeemable at the option of the holder;

(I) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and

(J) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (A) to (I) above, but excluding indebtedness owing by a member of the Group to another member of the Group;

(6) "**Interest Bearing Debt**" means, as at any particular time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of the Financial Indebtedness of members of the Group;

(7) "**Interest Expense**" means, in relation to any Test Period, the consolidated aggregate amount of interest and other financing charges accrued, paid or payable (including any capitalised interest paid or payable) by the Group during that Test Period;

(8) "**Redeemable Preference Shares**" means a preference share that provides for mandatory redemption by the Issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the Issuer to redeem the instrument at or after a particular date for a fixed or determinable amount; and

(9) "**Test Period**" means, in respect of each financial quarter, each period of three months ending on the last day of such financial quarter of the Group.

4. (I) Interest on Fixed Rate Notes

(a) Interest Rate and Accrual

Each Fixed Rate Note bears interest on its Calculation Amount (as defined in Condition 4(II)(d)) from the Interest Commencement Date in respect thereof and as shown on the face of such Note at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of such Note in each year and on the Maturity Date shown on the face of such Note if that date does not fall on an Interest Payment Date.

The first payment of interest will be made on the Interest Payment Date next following the Interest Commencement Date (and if the Interest Commencement Date is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the Maturity Date falls before the date on which the first payment of interest would otherwise be due. If the Maturity Date is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the Interest Commencement Date, as the case may be) to the Maturity Date will amount to the Final Broken Amount shown on the face of the Note.

Interest will cease to accrue on each Fixed Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount shown on the face of the Note is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(I) to the Relevant Date (as defined in Condition 7).

(b) Calculations

In the case of a Fixed Rate Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Note.

(II) Interest on Floating Rate Notes or Variable Rate Notes

(a) Interest Payment Dates

Each Floating Rate Note or Variable Rate Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (and which corresponds numerically with such preceding Interest Payment Date or the Interest Commencement Date, as the case may be), provided that the Agreed Yield (as defined in Condition 4(II)(c)) in respect of any Variable Rate Note for any Interest Period (as defined below) relating to that Variable Rate Note shall be payable on the first day of that Interest Period. If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day (as defined below), then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

The period beginning on the Interest Commencement Date and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an "**Interest Period**".

Interest will cease to accrue on each Floating Rate Note or Variable Rate Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of the Redemption Amount is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(II) to the Relevant Date.

(b) Rate of Interest - Floating Rate Notes

(i) Each Floating Rate Note bears interest at a floating rate determined by reference to a Benchmark as stated on the face of such Floating Rate Note, being (in the case of Notes which are denominated in Singapore dollars) SIBOR (in which case such Note will be a SIBOR Note) or Swap Rate (in which case such Note will be a Swap Rate Note) or in any case (or in the case of Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Note.

Such floating rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Note. The "Spread" is the percentage rate per annum specified on the face of such Note as being applicable to the rate of interest for such Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The rate of interest payable in respect of a Floating Rate Note from time to time is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Rate of Interest payable from time to time in respect of each Floating Rate Note will be determined by the Calculation Agent on the basis of the following provisions:

(1) in the case of Floating Rate Notes which are SIBOR Notes:

(A) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the offered rate for deposits in Singapore dollars for a period equal to the duration of such Interest Period which appears on the Reuters Screen ABSIRFIX01 Page under the caption "ABS SIBOR FIX - SIBOR AND SWAP OFFER RATES - RATES AT 11:00 AM SINGAPORE TIME" and under the column headed "SGD SIBOR" (or such other replacement page thereof) and as adjusted by the Spread (if any);

(B) if on any Interest Determination Date, no such rate appears on the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page (as defined below) as may be provided hereon) or if the Reuters Screen ABSIRFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will request the principal Singapore offices of each of the Reference Banks to provide the Calculation Agent with the rate at which deposits in Singapore dollars are offered by it at approximately the Relevant Time on the Interest Determination Date to prime banks in the Singapore interbank market for a period equivalent to the duration of such Interest Period commencing on such Interest Payment Date in an amount comparable to the aggregate principal amount of the relevant Floating Rate Notes. The Rate of Interest for such Interest Period shall be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of such offered quotations and as adjusted by the Spread (if any), as determined by the Calculation Agent;

(C) if on any Interest Determination Date, two but not all the Reference Banks provide the Calculation Agent with such quotations, the Rate of Interest for the relevant Interest Period shall be determined in accordance with (B) above on the basis of the quotations of those Reference Banks providing such quotations; and

(D) if on any Interest Determination Date, one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date and as adjusted by the Spread (if any);

(2) in the case of Floating Rate Notes which are Swap Rate Notes:

(A) the Calculation Agent will, at or about the Relevant Time on the relevant Interest Determination Date in respect of each Interest Period, determine the Rate of Interest for such Interest Period which shall be the Average Swap Rate for such Interest Period (determined by the Calculation Agent as being the rate which appears on the Reuters Screen ABSFIX01 Page under the column headed "SGD SOR RATES" (or such other page as may replace the Reuters Screen ABSFIX01 Page for the purpose of displaying the swap rates of leading reference banks) at or about the Relevant Time on such Interest Determination Date and for a period equal to the duration of such Interest Period) and as adjusted by the Spread (if any);

(B) if on any Interest Determination Date, no such rate appears on the Reuters Screen ABSFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) or if the Reuters Screen ABSFIX01 Page (or such other replacement page thereof or such other Screen Page as may be provided hereon) is unavailable for any reason, the Calculation Agent will determine the Average Swap Rate (which shall be rounded up, if necessary, to the nearest 1/16 per cent.) as the rate for such Interest Period published by a recognised industry body where such rate is widely used (after taking into account the industry practice at that time), or by such other relevant authority as the Calculation Agent may select.

The Rate of Interest for such Interest Period shall be the Average Swap Rate (as determined by the Calculation Agent) and as adjusted by the Spread (if any); and

(C) if on any Interest Determination Date the Calculation Agent is unable to determine the Average Swap Rate under paragraphs (A) and (B) above, the Average Swap Rate shall be determined by the Calculation Agent to be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the rates quoted by the Reference Banks or those of them (being at least two in number) to the Calculation Agent at or about the Relevant Time on such Interest Determination Date as being their cost (including the cost occasioned by or attributable to complying with reserves, liquidity, deposit or other requirements imposed on them by any relevant authority or authorities) of funding, for the relevant Interest Period, in an amount equal to the aggregate nominal amount of the relevant Floating Rate Notes for such Interest Period by whatever means they determine to be most appropriate and the Rate of Interest for the relevant Interest Period shall be the Average Swap Rate (as so determined by the Calculation Agent), or if on such Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with such quotation, the Rate of Interest for the relevant Interest Period shall be the rate per annum equal to the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the prime lending rates for Singapore dollars quoted by the Reference Banks at or about the Relevant Time on such Interest Determination Date; and

(3) in the case of Floating Rate Notes which are not SIBOR Notes or Swap Rate Notes or which are denominated in a currency other than Singapore dollars, the Calculation Agent will determine the Rate of Interest in respect of any Interest Period at or about the Relevant Time on the Interest Determination Date in respect of such Interest Period as follows:

(A) if the Primary Source (as defined below) for the Floating Rate is a Screen Page (as defined below), subject as provided below, the Rate of Interest in respect of such Interest Period shall be:

(aa) the Relevant Rate (as defined below) (where such Relevant Rate on such Screen Page is a composite quotation or is customarily supplied by one entity); or

(bb) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Screen Page, in each case appearing on such Screen Page at the Relevant Time on the Interest Determination Date,

and as adjusted by the Spread (if any);

(B) if the Primary Source for the Floating Rate is Reference Banks or if paragraph (b)(ii)(3)(A)(aa) applies and no Relevant Rate appears on the Screen Page at the Relevant Time on the Interest Determination Date or if paragraph (b)(ii)(3)(A)(bb) applies and fewer than two Relevant Rates appear on the Screen Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the rate per annum which the Calculation Agent determines to be the arithmetic mean (rounded up, if necessary, to the nearest 1/16 per cent.) of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre (as defined below) at the Relevant Time on the Interest Determination Date and as adjusted by the Spread (if any); and

(C) if paragraph (b)(ii)(3)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date.

(iii) On the last day of each Interest Period, the Issuer will pay interest on each Floating Rate Note to which such Interest Period relates at the Rate of Interest for such Interest Period.

(iv) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(c) Rate of Interest - Variable Rate Notes

(i) Each Variable Rate Note bears interest at a variable rate determined in accordance with the provisions of this paragraph (c). The interest payable in respect of a Variable Rate Note on the first day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Agreed Yield**" and the rate of interest payable in respect of a Variable Rate Note on the last day of an Interest Period relating to that Variable Rate Note is referred to in these Conditions as the "**Rate of Interest**".

(ii) The Agreed Yield or, as the case may be, the Rate of Interest payable from time to time in respect of each Variable Rate Note for each Interest Period shall, subject as referred to in paragraph (c)(iv) below, be determined as follows:

(1) not earlier than 9.00 a.m. (Singapore time) on the ninth business day nor later than 3.00 p.m. (Singapore time) on the third business day prior to the commencement of each Interest Period, the Issuer and the Relevant Dealer (as defined below) shall endeavour to agree on the following:

(A) whether interest in respect of such Variable Rate Note is to be paid on the first day or the last day of such Interest Period;

(B) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the first day of such Interest Period, an Agreed Yield in respect of such Variable Rate Note for such Interest Period (and, in the event of the Issuer and the Relevant Dealer so agreeing on such Agreed Yield, the Interest Amount (as defined below) for such Variable Rate Note for such Interest Period shall be zero); and

(C) if interest in respect of such Variable Rate Note is agreed between the Issuer and the Relevant Dealer to be paid on the last day of such Interest Period, a Rate of Interest in respect of such Variable Rate Note for such Interest Period (an "**Agreed Rate**") and, in the event of the Issuer and the Relevant Dealer so agreeing on an Agreed Rate, such Agreed Rate shall be the Rate of Interest for such Variable Rate Note for such Interest Period; and

(2) if the Issuer and the Relevant Dealer shall not have agreed either an Agreed Yield or an Agreed Rate in respect of such Variable Rate Note for such Interest Period by 3.00 p.m. (Singapore time) on the third business day prior to the commencement of such Interest Period, or if there shall be no Relevant Dealer during the period for agreement referred to in paragraph (1) above, the Rate of Interest for such Variable Rate Note for such Interest Period shall automatically be the rate per annum equal to the Fall Back Rate (as defined below) for such Interest Period.

(iii) The Issuer has undertaken to the Issuing and Paying Agent and the Calculation Agent that it will as soon as possible after the Agreed Yield or, as the case may be, the Agreed Rate in respect of any Variable Rate Note is determined but not later than 10.30 a.m. (Singapore time) on the next following business day:

(1) notify or cause the Relevant Dealer to notify (if applicable) the Issuing and Paying Agent and the Calculation Agent of the Agreed Yield or, as the case may be, the Agreed Rate for such Variable Rate Note for such Interest Period; and

(2) cause such Agreed Yield or, as the case may be, Agreed Rate for such Variable Rate Note to be notified by the Issuing and Paying Agent to the relevant Noteholder at its request.

(iv) For the purposes of paragraph (ii) above, the Rate of Interest for each Interest Period for which there is neither an Agreed Yield nor Agreed Rate in respect of any Variable Rate Note or no Relevant Dealer in respect of the Variable Rate Note(s) shall be the rate (the "**Fall Back Rate**") determined by reference to a Benchmark as stated on the face of such Variable Rate Note(s), being (in the case of Variable Rate Notes which are denominated in Singapore dollars) SIBOR (in which case such Variable Rate Note(s) will be SIBOR Note(s)) or Swap Rate (in which case such Variable Rate Note(s) will be Swap Rate Note(s)) or (in any other case or in the case of Variable Rate Notes which are denominated in a currency other than Singapore dollars) such other Benchmark as is set out on the face of such Variable Rate Note(s).

Such rate may be adjusted by adding or subtracting the Spread (if any) stated on the face of such Variable Rate Note. The "Spread" is the percentage rate per annum specified on the face of such Variable Rate Note as being applicable to the rate of interest for such Variable Rate Note. The rate of interest so calculated shall be subject to Condition 4(V)(a) below.

The Fall Back Rate payable from time to time in respect of each Variable Rate Note will be determined by the Calculation Agent in accordance with the provisions of Condition 4(**II**)(b)(ii) above (*mutatis mutandis*) and references therein to "**Rate of Interest**" shall mean "**Fall Back Rate**".

(v) If interest is payable in respect of a Variable Rate Note on the first day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Agreed Yield applicable to such Variable Rate Note for such Interest Period on the first day of such Interest Period. If interest is payable in respect of a Variable Rate Note on the last day of an Interest Period relating to such Variable Rate Note, the Issuer will pay the Interest Amount for such Variable Rate Note for such Interest Period on the last day of such Interest Period.

(vi) For the avoidance of doubt, in the event that the Rate of Interest in relation to any Interest Period is less than zero, the Rate of Interest in relation to such Interest Period shall be equal to zero.

(d) Definitions

As used in these Conditions:

"**Benchmark**" means the rate specified as such in the applicable Pricing Supplement;

"**business day**" means, in respect of each Note, (a) a day (other than a Saturday, Sunday or gazetted public holiday) on which Euroclear, Clearstream, Luxembourg and the Depository, as applicable, are operating, (b) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in the country of the Issuing and Paying Agent's specified office and (c) (if a payment is to be made on that day) (i) (in the case of Notes denominated in Singapore dollars) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore, (ii) (in the case of Notes denominated in Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which the TARGET System is open for settlement in Euros and (iii) (in the case of Notes denominated in a currency other than Singapore dollars and Euros) a day (other than a Saturday, Sunday or gazetted public holiday) on which banks and foreign exchange markets are open for general business in Singapore and the principal financial centre for that currency;

"**Calculation Amount**" means the amount specified as such on the face of any Note, or if no such amount is so specified, the Denomination Amount of such Note as shown on the face thereof;

"**Euro**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended from time to time;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified as the Interest Commencement Date on the face of such Note;

"**Interest Determination Date**" means, in respect of any Interest Period, that number of business days prior thereto as is set out in the applicable Pricing Supplement or on the face of the relevant Note;

"**Primary Source**" means the Screen Page specified as such in the applicable Pricing Supplement and (in the case of any Screen Page provided by any information service other than the Reuters Monitor Money Rates Service ("**Reuters**")) agreed by the Calculation Agent;

"**Reference Banks**" means the institutions specified as such hereon or, if none, three major banks selected by the Calculation Agent in the interbank market that is most closely connected with the Benchmark;

"**Relevant Currency**" means the currency in which the Notes are denominated;

"**Relevant Dealer**" means, in respect of any Variable Rate Note, the Dealer party to the Programme Agreement referred to in the Agency Agreement with whom the Issuer has concluded or is negotiating an agreement for the issue of such Variable Rate Note pursuant to the Programme Agreement;

"**Relevant Financial Centre**" means, in the case of interest to be determined on an Interest Determination Date with respect to any Floating Rate Note or Variable Rate Note, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, Singapore;

"**Relevant Rate**" means the Benchmark for a Calculation Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the relevant Interest Period;

"**Relevant Time**" means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the interbank market in the Relevant Financial Centre;

"**Screen Page**" means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters) as may be specified hereon for the purpose of providing the Benchmark, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Benchmark; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

(III) Interest on Hybrid Notes

(a) Interest Rate and Accrual

Each Hybrid Note bears interest on its Calculation Amount from the Interest Commencement Date in respect thereof and as shown on the face of such Note.

(b) Fixed Rate Period

(i) In respect of the Fixed Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Fixed Rate Period at the rate per annum (expressed as a percentage) equal to the Interest Rate shown on the face of such Note payable in arrear on each Interest Payment Date or Interest Payment Dates shown on the face of the Note in each year and on the last day of the Fixed Rate Period if that date does not fall on an Interest Payment Date.

(ii) The first payment of interest will be made on the Interest Payment Date next following the first day of the Fixed Rate Period (and if the first day of the Fixed Rate Period is not an Interest Payment Date, will amount to the Initial Broken Amount shown on the face of such Note), unless the last day of the Fixed Rate Period falls before the date on which the first payment of interest would otherwise be due. If the last day of the Fixed Rate Period is not an Interest Payment Date, interest from the preceding Interest Payment Date (or from the first day of the Fixed Rate Period, as the case may be) to the last day of the Fixed Rate Period will amount to the Final Broken Amount shown on the face of the Note.

(iii) Where the due date of redemption of any Hybrid Note falls within the Fixed Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation and subject to the provisions of the Trust Deed, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest at such rate will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) and the Agency Agreement to the Relevant Date.

(iv) In the case of a Hybrid Note, interest in respect of a period of less than one year will be calculated on the Day Count Fraction shown on the face of the Note during the Fixed Rate Period.

(c) Floating Rate Period

(i) In respect of the Floating Rate Period shown on the face of such Note, each Hybrid Note bears interest on its Calculation Amount from the first day of the Floating Rate Period, and such interest will be payable in arrear on each interest payment date ("**Interest Payment Date**"). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Date(s) or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which (save as mentioned in these Conditions) falls the number of months specified as the Interest Period on the face of the Note (the "**Specified Number of Months**") after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the first day of the Floating Rate Period (and which corresponds numerically with such preceding Interest Payment Date or the first day of the Floating Rate Period, as the case may be). If any Interest Payment Date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a business day, then if the Business Day Convention specified is (1) the Floating Rate Business Day Convention, such date shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month, in which event (i) such date shall be brought forward to the immediately preceding business day and (ii) each subsequent such date shall be the last business day of the month in which such date would have fallen had it not been subject to adjustment, (2) the Following Business Day Convention, such date shall be postponed to the next day that is a business day, (3) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a business day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding business day or (4) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding business day.

(ii) The period beginning on the first day of the Floating Rate Period and ending on the first Interest Payment Date and each successive period beginning on an Interest Payment Date and ending on the next succeeding Interest Payment Date is herein called an "**Interest Period**".

(iii) Where the due date of redemption of any Hybrid Note falls within the Floating Rate Period, interest will cease to accrue on the Note from the due date for redemption thereof unless, upon due presentation thereof, payment of principal (or Redemption Amount, as the case may be) is improperly withheld or refused, in which event interest will continue to accrue (as well after as before judgment) at the rate and in the manner provided in this Condition 4(III) and the Agency Agreement to the Relevant Date.

(iv) The provisions of Condition 4(II)(b) shall apply to each Hybrid Note during the Floating Rate Period as though references therein to Floating Rate Notes are references to Hybrid Notes.

(IV) Zero Coupon Notes

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount (as defined in Condition 5(h) below) of such Note (determined in accordance with Condition 5(h)). As from the Maturity Date, the rate of interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as defined in Condition 5(h) below).

(V) Calculations

(a) Determination of Rate of Interest and Calculation of Interest Amounts

The Calculation Agent will, as soon as practicable after the Relevant Time on each Interest Determination Date determine the Rate of Interest and calculate the amount of interest payable (the "**Interest Amounts**") in respect of each Calculation Amount of the relevant Floating Rate Notes, Variable Rate Notes or (where applicable) Hybrid Notes for the relevant Interest Period. The amount of interest payable in respect of any Floating Rate Note, Variable Rate Note or (where applicable) Hybrid Note shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount, by the Day Count Fraction shown on the Note and rounding the resultant figure to the nearest sub-unit of the Relevant Currency. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(b) Notification

The Calculation Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to the Issuing and Paying Agent, the Trustee and the Issuer as soon as possible after their determination but in no event later than the fourth business day thereafter. In the case of Floating Rate Notes, if so required by the Issuer, the Calculation Agent will also cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to Noteholders in accordance with Condition 15 as soon as possible after their determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period by reason of any Interest Payment Date not being a business day. If the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes become due and payable under Condition 9, the Rate of Interest and Interest Amounts payable in respect of the Floating Rate Notes, Variable Rate Notes or, as the case may be, Hybrid Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 4 but no publication of the Rate of Interest and Interest Amounts need to be made.

(c) Determination or Calculation by the Trustee

If the Calculation Agent does not at any material time determine or calculate the Rate of Interest for an Interest Period or any Interest Amount, the Trustee shall use reasonable efforts to procure the determination or calculation of the Rate of Interest for such Interest Period or Interest Amount. In doing so, the Trustee shall apply the foregoing provisions of this Condition 4, with any necessary consequential amendments, to the extent that, in its sole opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall in its sole opinion deem fair and reasonable in all the circumstances, and each such determination or calculation shall be deemed to have been made by the Calculation Agent. The Trustee may, in such circumstances, also delegate, at the expense of the Issuer, to any person or persons or fluctuating body of persons selected by it, the determination or calculation of the Rate of Interest for such Interest Period or, as the case may be, Interest Amount, in the manner prescribed in this Condition 4.

(d) Calculation Agent and Reference Banks

The Issuer will procure that, so long as any Floating Rate Note, Variable Rate Note or Hybrid Note remains outstanding, there shall at all times be three Reference Banks (or such other number as may be required) and, so long as any Floating Rate Note, Variable Rate Note, Hybrid Note or Zero Coupon Note remains outstanding, there shall at all times be a Calculation Agent. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank or the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for any Interest Period or to calculate the Interest Amounts, the Issuer will appoint another bank with an office in the Relevant Financial Centre to act as such in its place.

5. Redemption and Purchase

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, this Note will be redeemed at its Redemption Amount on the Maturity Date shown on its face (if this Note is shown on its face to be a Fixed Rate Note, Hybrid Note (during the Fixed Rate Period) or Zero Coupon Note) or on the Interest Payment Date falling in the Redemption Month shown on its face (if this Note is shown on its face to be a Floating Rate Note, Variable Rate Note or Hybrid Note (during the Floating Rate Period)).

(b) Purchase at the Option of Issuer

If so provided hereon, the Issuer shall have the option to purchase all or any of the Fixed Rate Notes, Floating Rate Notes, Variable Rate Notes or Hybrid Notes at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Noteholders shall be bound to sell such Notes to the Issuer accordingly. To exercise such option, the Issuer shall give irrevocable notice to the Noteholders within the Issuer's Purchase Option Period shown on the face hereof. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

In the case of a purchase of some only of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be purchased, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange (as defined in the Trust Deed), the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any purchase of such Notes.

(c) Purchase at the Option of Noteholders

(i) Each Noteholder shall have the option to have all or any of his Variable Rate Notes purchased by the Issuer at their Redemption Amount on any Interest Payment Date and the Issuer will purchase such Variable Rate Notes accordingly. To exercise such option, a Noteholder shall deposit any Variable Rate Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Variable Rate Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' VRN Purchase Option Period shown on the face hereof. Any Variable Rate Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Variable Rate Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Variable Rate Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(ii) If so provided hereon, each Noteholder shall have the option to have all or any of his Fixed Rate Notes, Floating Rate Notes or Hybrid Notes purchased by the Issuer at their Redemption Amount on any date on which interest is due to be paid on such Notes and the Issuer will purchase such Notes accordingly. To exercise such option, a Noteholder shall deposit any Notes to be purchased with the Issuing and Paying Agent at its specified office together with all Coupons relating to such Notes which mature after the date fixed for purchase, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent within the Noteholders' Purchase Option Period shown on the face hereof. Any Notes so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer. Such Notes may be held, resold or surrendered to the Issuing and Paying Agent for cancellation. The Notes so purchased, while held by or on behalf of the Issuer, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Conditions 9, 10 and 11.

(d) Redemption at the Option of the Issuer

If so provided hereon, the Issuer may, on giving irrevocable notice to the Noteholders falling within the Issuer's Redemption Option Period shown on the face hereof, redeem all or, if so provided, some of the Notes at their Redemption Amount or integral multiples thereof and on the date or dates so provided. Any such redemption of Notes shall be at their Redemption Amount, together with interest accrued to the date fixed for redemption.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption of the Notes, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed, which shall have been drawn by or on behalf of the Issuer in such place and in such manner as may be agreed between the Issuer and the Trustee, subject to compliance with any applicable laws. So long as the Notes are listed on any Stock Exchange, the Issuer shall comply with the rules of such Stock Exchange in relation to the publication of any redemption of such Notes.

(e) Redemption at the Option of Noteholders

(i) If so provided hereon, the Issuer shall, at the option of the holder of any Note, redeem such Note on the date or dates so provided at its Redemption Amount, together with interest accrued to the date fixed for redemption. To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) within the Noteholders' Redemption Option Period shown on the face hereof. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(ii) Following the occurrence of a Change of Control Event, the Issuer shall, at the option of the holder of any Note, repurchase such Note at the Redemption Amount, together with interest accrued to the date fixed for repurchase.

Within 10 days following any Change of Control Event, the Issuer will give notice to the holders in accordance with Condition 15, with a copy to the Trustee (the "**Redemption Offer Notice**") stating:

(1) that a Change of Control Event has occurred and that each Noteholder has the right to require the Issuer to purchase such Noteholder's Notes at the applicable purchase price;

(2) the circumstances and relevant facts regarding such Change of Control Event; and

(3) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date of such Redemption Offer Notice).

To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office, together with a duly completed option exercise notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) no later than 10 days prior to the purchase date. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

For the purposes of this Condition 5(e)(ii),

(A) a "**Change of Control Event**" occurs when:

(aa) any Person individually or Persons acting together (except for the present beneficiaries of The Widjaja Family Master Trust (2)) directly or indirectly acquires control of the Issuer; or

(bb) the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer's assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons acquiring control over the Issuer or the successor entity;

(B) "**control**" means the acquisition or control of more than 50 per cent. of the Voting Rights of the Issuer or the right to appoint and/or remove all or the majority of the members of the Issuer's Board of Directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise;

(C) a "**Person**" includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity); and

(D) "**Voting Rights**" means the right generally to vote at a general meeting of the holders of ordinary shares of the Issuer (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

(iii) In the event that (i) the shares in the Issuer cease to be traded on the SGX-ST or (ii) trading in the shares in the Issuer on the SGX-ST is suspended for a continuous period of more than 21 consecutive trading days, the Issuer shall, at the option of the holder of any Note, repurchase such Note at the Redemption Amount together with interest accrued to the date fixed for repurchase on any date on which interest is due to be paid on such Notes or, if earlier, the date falling 45 days after (in the case of (i)) the date of cessation of trading or (in the case of (ii)) the business day immediately following the expiry of such continuous period of 21 consecutive days (in either case, the "**Effective Date**"). The Issuer shall within seven days after the Effective Date, give notice to the Trustee, the Issuing and Paying Agent and the Noteholders of the occurrence of the event specified in this sub-paragraph (iii) (provided that any failure by the Issuer to give such notice shall not prejudice any Noteholder of such option). To exercise such option, the holder must deposit such Note (together with all unmatured Coupons) with the Issuing and Paying Agent at its specified office, together with an Exercise Notice in the form obtainable from the Issuing and Paying Agent or the Issuer (as applicable) not later than 21 days after the Effective Date. Any Note so deposited may not be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) Redemption for Taxation Reasons

If so provided hereon, the Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date or, if so specified hereon, at any time on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Redemption Amount or (in the case of Zero Coupon Notes) Early Redemption Amount (together with interest accrued to (but excluding) the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7, or increase the payment of such additional amounts, as a result of any change in, or amendment to, the laws (or any regulations, rulings or other administrative pronouncements promulgated thereunder) of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, regulations, rulings or other administrative pronouncements, which change or amendment is made public on or after the Issue Date or any other date specified in the Pricing Supplement, and (ii) such obligations cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. At least 15 days prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Issuing and Paying Agent a certificate signed by a duly authorised officer of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal, tax or any other professional advisers of recognised standing to the effect that the Issuer has or is likely to become obliged to pay such additional amounts as a result of such change or amendment.

(g) Purchases

The Issuer or any of its related corporations may at any time purchase Notes at any price (provided that they are purchased together with all unmatured Coupons relating to them) in the open market or otherwise, provided that in any such case such purchase or purchases is in compliance with all relevant laws, regulations and directives.

Notes purchased by the Issuer or any of its related corporations may be surrendered by the purchaser through the Issuer to the Issuing and Paying Agent for cancellation or may at the option of the Issuer or relevant subsidiary be held or resold.

For the purposes of these Conditions, "**directive**" includes any present or future directive, regulation, request, requirement, rule or credit restraint programme of any relevant agency, authority, central bank department, government, legislative, minister, ministry, official public or statutory corporation, self-regulating organisation, or stock exchange.

(h) Early Redemption of Zero Coupon Notes

(i) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or formula, upon redemption of such Note pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9, shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(ii) Subject to the provisions of sub-paragraph (iii) below, the Amortised Face Amount of any such Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(iii) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 5(f) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (ii) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph will continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 4(IV).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown on the face of the Note.

(i) Cancellation

All Notes purchased by or on behalf of the Issuer or any of its related corporations may be surrendered for cancellation by surrendering each such Note together with all unmatured Coupons to the Issuing and Paying Agent at its specified office and, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold.

6. Payments

(a) Principal and Interest

Payments of principal and interest in respect of the Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Notes or Coupons, as the case may be, at the specified office of the Issuing and Paying Agent by a cheque drawn in the currency in which payment is due on, or, at the option of the holders, by transfer to an account maintained by the holder in that currency with, a bank in the principal financial centre for that currency.

(b) Payments subject to law etc.

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(c) Appointment of Agents

The Issuing and Paying Agent and its specified office are listed below. The Issuer reserves the right at any time to vary (subject to the prior consent of the Issuing and Paying Agent) or terminate the appointment of the Issuing and Paying Agent, the Non-CDP Paying Agent and the Calculation Agent and to appoint additional or other Paying Agents provided that they will at all times maintain (i) an Issuing and Paying Agent having a specified office in Singapore, (ii) a Non-CDP Paying Agent where the Conditions so require and (iii) a Calculation Agent where the Conditions so require.

Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 15.

The Issuer, the Issuing and Paying Agent, the Calculation Agent and the Trustee may, without the consent of any Noteholder, agree to the modification of any of the provisions of the Agency Agreement which is of a formal, minor or technical nature, which is made to correct a manifest error or to comply with mandatory provisions of Singapore law, which is required by Euroclear, Clearstream, Luxembourg, the Depository and/or any other clearing system in which the Notes may be held or which the Issuer, the Issuing and Paying Agent, the Calculation Agent and the Trustee may mutually deem necessary or desirable and which is not, in the opinion of the Issuer, the Issuing and Paying Agent the Calculation Agent and the Trustee, materially prejudicial to the interests of the Noteholders. Any such modification shall be binding on the Noteholders.

(d) Unmatured Coupons

(i) Fixed Rate Notes and Hybrid Notes should be surrendered for payment together with all unmatured Coupons (if any) relating to such Notes (and, in the case of Hybrid Notes, relating to interest payable during the Fixed Rate Period), failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of five years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 8).

(ii) Subject to the provisions of the relevant Pricing Supplement upon the due date for redemption of any Floating Rate Note, Variable Rate Note or Hybrid Note, unmatured Coupons relating to such Note (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period) (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Where any Floating Rate Note, Variable Rate Note or Hybrid Note is presented for redemption without all unmatured Coupons relating to it (and, in the case of Hybrid Notes, relating to interest payable during the Floating Rate Period), redemption shall be made only against the provision of such indemnity as the Issuer may require.

(iv) If the due date for redemption or repayment of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note.

(e) Non-business days

Subject as provided in the relevant Pricing Supplement or subject as otherwise provided in these Conditions, if any date for the payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

(f) Default Interest

If on or after the due date for payment of any sum in respect of the Notes, payment of all or any part of such sum is not made against due presentation of the Notes or, as the case may be, the Coupons, the Issuer shall pay interest on the amount so unpaid from such due date up to the day of actual receipt by the relevant Noteholders or, as the case may be, Couponholders (as well after as before judgment) at a rate per annum determined by the Issuing and Paying Agent to be equal to two per cent. per annum above (in the case of a Fixed Rate Note or a Hybrid Note during the Fixed Rate Period) the Interest Rate applicable to such Note, (in the case of a Floating Rate Note or a Hybrid Note during the Floating Rate Period) the Rate of Interest applicable to such Note or (in the case of a Variable Rate Note) the variable rate by which the Agreed Yield applicable to such Note is determined or, as the case may be, the Rate of Interest applicable to such Note, or in the case of a Zero Coupon Note, as provided for in the relevant Pricing Supplement. So long as the default continues then such rate shall be re-calculated on the same basis at intervals of such duration as the Issuing and Paying Agent may select, save that the amount of unpaid interest at the above rate accruing during the preceding such period shall be added to the amount in respect of which the Issuer is in default and itself bear interest accordingly. Interest at the rate(s) determined in accordance with this paragraph shall be calculated on the Day Count Fraction shown on the face of the Note and the actual number of days elapsed, shall accrue on a daily basis and shall be immediately due and payable by the Issuer.

7. Taxation

All payments in respect of the Notes and the Coupons by the Issuer shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Singapore or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In such event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no such additional amounts shall be payable in respect of any Note or Coupon presented for payment:

(a) by or on behalf of a holder who is subject to such taxes, duties, assessments or governmental charges by reason of his being connected with Singapore otherwise than by reason only of the holding of such Note or Coupon or the receipt of any sums due in respect of such Note or Coupon (including, without limitation, the holder being a resident of, or a permanent establishment in, Singapore); or

(b) more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on the last day of such period of 30 days.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Noteholders in accordance with Condition 15 that, upon further presentation of the Note or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon presentation, and references to "**principal**" shall be deemed to include any premium payable in respect of the Notes, all Redemption Amounts, Early Redemption Amounts and all other amounts in the nature of principal payable pursuant to Condition 5, "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 4 and any reference to "**principal**" and/or "**premium**" and/or "**Redemption Amounts**" and/or "**interest**" and/or "**Early Redemption Amounts**" shall be deemed to include any additional amounts which may be payable under these Conditions.

8. Prescription

The Notes and Coupons shall become void unless presented for payment within five years from the appropriate Relevant Date for payment.

9. Events of Default

If any of the following events ("**Events of Default**") occurs the Trustee at its discretion may (but is not obliged to), and if so requested by holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall, in each case, subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction, give notice to the Issuer that the Notes are immediately repayable, whereupon the Redemption Amount of such Notes or (in the case of Zero Coupon Notes) the Early Redemption Amount of such Notes together with accrued interest to the date of payment shall become immediately due and payable:

(a) the Issuer does not pay any principal payable by it under any of the Notes within five business days of the due date or the Issuer does not pay any other sum (other than principal) payable by it under any of the Notes or the Issue Documents (as defined in the Trust Deed) within seven business days of the due date, in each case at the place at and in the currency in which it is expressed to be payable;

(b) the Issuer does not perform or comply with any one or more of its obligations (other than the payment obligation of the Issuer referred to in paragraph (a)) under any of the Issue Documents or any of the Notes and, if in the opinion of the Trustee that default is capable of remedy, it is not in the opinion of the Trustee remedied within 14 business days of the earlier of (i) the Trustee giving written notice of the failure to perform or comply to the Issuer and (ii) the Issuer becoming aware of the failure to perform or comply;

(c) any representation, warranty or statement by the Issuer in any of the Issue Documents or any of the Notes or in any document delivered under any of the Issue Documents or any of the Notes is not complied with in any respect or is or proves to have been incorrect in any respect when made or deemed repeated and, if that default is capable of remedy, it is not remedied within 14 business days of the giving by the Trustee to the Issuer of a written notice of such non-compliance or incorrect representation, warranty or statement and requiring the circumstances resulting in such non-compliance or incorrectness to be remedied;

(d) (i) any other indebtedness of the Issuer or any of its Principal Subsidiaries in respect of borrowed moneys (1) is or is declared to be or is capable of being rendered due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (however described) or (2) is not paid when due within any applicable grace period or, as a result of any actual or potential default, event of default or the like (however described) any facility relating to any such indebtedness is or is declared to be or is capable of being cancelled or terminated before its normal expiry date or any person otherwise entitled to use any such facility is not so entitled; or

(ii) the Issuer or any of its Principal Subsidiaries fails to pay when due or expressed to be due, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised,

provided however that no Event of Default will occur under this Condition 9(d) unless and until the aggregate amount of the indebtedness in respect of which one or more of the events mentioned above in this Condition 9(d) has/have occurred equals or exceeds S$20,000,000 (or its equivalent in other currency or currencies);

(e) the Issuer or any of its subsidiaries is (or is, or could be, deemed by law or a competent court to be) insolvent or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or any material part of (or of a particular type of) its indebtedness, begins negotiations or takes any other step with a view to the deferral, rescheduling or other readjustment of all or any material part of (or of a particular type of) its indebtedness (or of any part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors or a moratorium is agreed or declared, in each case, in respect of or affecting all or any material part of (or of a particular type of) the indebtedness of the Issuer or any of its subsidiaries;

(f) a distress, attachment, execution or other legal process (other than those of a frivolous or vexatious nature and which is being disputed in good faith) is levied, enforced or sued out on or against all or any material part of the property, assets or revenues of the Issuer or any of its subsidiaries and is not discharged or stayed within 14 business days;

(g) any security on or over the whole or any material part of the property or assets of the Issuer or any of its subsidiaries becomes enforceable or any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and which cannot be discharged within 14 business days;

(h) any step, corporate action or legal proceeding is taken by any person with a view to the winding-up or termination of the Issuer or any of its subsidiaries (except for (i) the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by the Trustee or the Noteholders by way of an Extraordinary Resolution before that event occurs; or (ii) (in the case of a subsidiary only) a winding-up of such subsidiary following a disposal or other event permitted by Clause 15.30 of the Trust Deed or where the undertakings and/or assets of such subsidiary are transferred to the Issuer or any of its other subsidiaries) or for the appointment of a liquidator (including a provisional liquidator), receiver, judicial manager, trustee, administrator, agent or similar officer of the Issuer or any of its subsidiaries or over all or any part of the property or assets of the Issuer or any of its subsidiaries, in each case as is likely to have a material adverse effect;

(i) the Issuer or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or a material part of its business or (otherwise than in the ordinary course of its business) disposes or threatens to dispose of the whole or any part of its property or assets;

(j) any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or any part of the assets of the Issuer or any of its Principal Subsidiaries;

(k) any action, condition or thing (including the obtaining of any necessary consent) at any time required to be taken, fulfilled or done for any of the purposes stated in Clause 14.3 of the Trust Deed is not taken, fulfilled or done, or any such consent ceases to be in full force and effect without modification or any condition in or relating to any such consent is not complied with (unless that consent or condition is no longer required or applicable);

(l) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Issue Documents or any of the Notes;

(m) any of the Issue Documents or any of the Notes ceases for any reason (or is claimed by the Issuer not) to be the legal and valid obligations of the Issuer, binding upon it in accordance with its terms;

(n) any litigation, arbitration or administrative proceeding is current or pending against the Issuer or any of its subsidiaries (other than those which are of a frivolous or vexatious nature and which are being disputed in good faith) (i) to restrain the exercise of any of the rights and/or the performance or enforcement of or compliance with any of the obligations of the Issuer under any of the Issue Documents or any of the Notes or (ii) which has or could have a material adverse effect;

(o) any event occurs which, under the law of any relevant jurisdiction, has an analogous or equivalent effect to any of the events mentioned in paragraph (e), (f), (g), (h) or (j); or

(p) the Issuer or any of its Principal Subsidiaries is declared by the Minister of Finance to be a declared company under the provisions of Part IX of the Companies Act, Chapter 50 of Singapore.

10. Enforcement of Rights

At any time after the occurrence of an Event of Default or after the Notes shall have become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes, together with accrued interest, and to enforce the provisions of the Issue Documents but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution of the Noteholders or so requested in writing by Noteholders holding not less than 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or pre-funded by the Noteholders to its satisfaction. No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails or neglects to do so within a reasonable period and such failure or neglect shall be continuing.

11. Meeting of Noteholders and Modifications

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes of such Series (including these Conditions insofar as the same may apply to such Notes) or any of the provisions of the Trust Deed.

The Trustee or the Issuer at any time may, and the Trustee upon the request in writing by Noteholders holding not less than one-tenth of the principal amount of the Notes of any Series for the time being outstanding and after being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses shall, convene a meeting of the Noteholders of that Series. An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders of the relevant Series, whether present or not and on all relevant Couponholders, except that any Extraordinary Resolution proposed, *inter alia*, (a) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (b) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (c) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates of interest or the basis for calculating any Interest Amount in respect of the Notes, (d) to vary any method of, or basis for, calculating the Redemption Amount or the Early Redemption Amount including the method of calculating the Amortised Face Amount, (e) to vary the currency or currencies of payment or denomination of the Notes, (f) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, or (g) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, will only be binding if passed at a meeting of the Noteholders of the relevant Series (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present.

The Trustee may (and is entitled to rely on and at the expense of the Issuer an external legal, financial or other professional advice or opinion for this purpose) at any time or times without any consent or sanction of the Noteholders or the Couponholders concur with the Issuer in making any modification, at the Issuer's expense, (i) to the Trust Deed (other than any provision of the Trust Deed referred to in the proviso to paragraph 2 of Schedule 4 to the Trust Deed) or any of the other Issue Documents which in the opinion of the Trustee may be expedient to be made, provided the Trustee is of the opinion that such modification will not be materially prejudicial to the interests of the Noteholders or (ii) to the Trust Deed (including any provision of the Trust Deed referred to in the proviso to paragraph 2 of Schedule 4 to the Trust Deed) or any of the other Issue Documents which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or an error which, in the opinion of the Trustee, is proven, or to comply with mandatory provisions of Singapore law, is proven or is required by the Depository, Euroclear, Clearstream, Luxembourg and/or any other clearing system. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Couponholders and, unless the Trustee otherwise agrees in writing, the Issuer shall cause such modification, authorisation or waiver to be notified to the Noteholders as soon as practicable.

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders or Couponholders.

These Conditions may be amended, modified, or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

12. Replacement of Notes and Coupons

If a Note or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, at the specified office of the Issuing and Paying Agent, or at the specified office of such other Issuing and Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 15 during usual business hours, on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, undertaking, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note or Coupon is subsequently presented for payment, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note or Coupon) and otherwise as the Issuer may require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

13. Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes of any Series and so that the same shall be consolidated and form a single Series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

14. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings to enforce repayment and from taking any action to convene meetings unless indemnified and/or secured and/or pre-funded to its satisfaction. The Trust Deed also contains a provision entitling the Trustee or any corporation related to it to enter into business transactions with the Issuer or any of its related corporations without accounting to the Noteholders or Couponholders for any profit resulting from such transactions.

Each Noteholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, and the Trustee shall not at any time have any responsibility for the same and each Noteholder shall not rely on the Trustee in respect thereof.

The Trustee may rely without liability to Noteholders on any report, confirmation or certificate or any advice of any accountants, financial advisers, legal advisers, financial institution or any other expert, whether or not addressed to it and whether or not their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise.

15. Notices

Notices to the holders will be valid if published in a leading newspaper in the English language of general circulation in Singapore (or, if the holders of any Series of Notes can be identified, notices to such holders will also be valid if they are given to each of such holders). It is expected that such publication will be made in *The Business Times*. Notices will, if published more than once or on different dates, be deemed to have been given on the date of the first publication in such newspaper as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice to the holders in accordance with this Condition 15.

Until such time as any Definitive Notes are issued, there may, so long as the Global Note(s) is or are held in its or their entirety on behalf of Euroclear, Clearstream, Luxembourg and/or the Depository, be substituted for such publication in such newspapers the delivery of the relevant notice to Euroclear, Clearstream, Luxembourg and/or (subject to the agreement of the Depository) the Depository for communication by it to the Noteholders, except that if the Notes are listed on the SGX-ST and the rules of such exchange so require, notice will in any event be published in accordance with the previous paragraph. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which the said notice was given to Euroclear, Clearstream, Luxembourg and/or the Depository.

Notices to be given by any Noteholder pursuant hereto (including to the Issuer) shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Issuing and Paying Agent. Whilst the Notes are represented by a Global Note, such notice may be given by any Noteholder to the Issuing and Paying Agent through Euroclear, Clearstream, Luxembourg and/or the Depository in such manner as the Issuing and Paying Agent and Euroclear, Clearstream, Luxembourg and/or the Depository may approve for this purpose.

Notwithstanding the other provisions of this Condition, in any case where the identity and addresses of all the Noteholders are known to the Issuer, notices to such holders may be given individually by recorded delivery mail to such addresses and will be deemed to have been given when received at such addresses.

16. Governing Law and Jurisdiction

(a) **Governing Law**: The Trust Deed, the Notes and the Coupons are governed by, and shall be construed in accordance with, the laws of Singapore.

(b) **Jurisdiction**: The courts of Singapore are to have jurisdiction to settle any disputes that may arise out of or in connection with the Trust Deed, the Notes or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes or the Coupons may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) **No Immunity**: The Issuer agrees that in any legal action or proceedings arising out of or in connection with the Trust Deed, the Notes and the Coupons against it or any of its assets, no immunity (sovereign or otherwise) from such legal action or proceedings (which shall include, without limitation, suit, attachment prior to award, other attachment, the obtaining of an award, judgment, execution or other enforcement) shall be claimed by or on behalf of the Issuer or with respect to any of its assets and irrevocably waives any such right of immunity which it or any of its assets now have or may hereafter acquire or which may be attributed to it or any of its assets and consent generally in respect of any such legal action or proceedings to the giving of any relief or the issue of any process in connection with such action or proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order, award or judgment which may be made or given in such action or proceedings.

17. Contracts (Rights of Third Parties) Act

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

Issuing and Paying Agent
The Bank of New York Mellon
One Temasek Avenue
#03-01 Millenia Tower
Singapore 039192

Non-CDP Paying Agent
The Bank of New York Mellon
One Canada Square
London E14 5AL
United Kingdom

Calculation Agent
The Bank of New York Mellon
One Canada Square
London E14 5AL
United Kingdom

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1 Initial Issue of Notes

Global Notes may be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**") or CDP.

Upon the initial deposit of a Global Note with the Common Depositary or CDP, the relevant clearing system will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

2 Relationship of Accountholders with Clearing Systems

Save as provided in the following paragraph, each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, CDP or any other clearing system (each an "**Alternative Clearing System**") as the holder of a Note represented by a Global Note must look solely to Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note, and in relation to all other rights arising under the Global Notes, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, CDP or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Notes

Each Temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the relevant Pricing Supplement indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Summary of the Programme – Selling Restrictions"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note for interests in a Permanent Global Note or, if so provided in the relevant Pricing Supplement, for Definitive Notes.

3.2 Permanent Global Notes

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

(i) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) if the Permanent Global Note is cleared through CDP and (a) an Event of Default (as defined in "Terms and Conditions of the Notes"), enforcement event or analogous event entitling an accountholder or the Trustee to declare the Notes due and payable as provided in the

Conditions has occurred and is continuing, (b) CDP has closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise), (c) CDP has announced an intention to permanently cease business and no alternative clearing system is available or (d) CDP has notified the Issuer that it is unable or unwilling to act as depository for the Notes and to continue performing its duties as set out in the "Depository Services for Issuers of Debt and Preference Shares – Terms and Conditions" as set out in the application form prepared by the Issuer and submitted to CDP and no alternative clearing system is available.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 Delivery of Notes

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Issuing and Paying Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes. Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Trust Deed. On exchange in full of each Permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.4 Exchange Date

"**Exchange Date**" means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which the notice requiring exchange is given and on which commercial banks are open for business in the city in which the specified office of the Issuing and Paying Agent is located and in the city in which the relevant clearing system is located.

4 Amendment to Conditions

The Temporary Global Notes and Permanent Global Notes contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Information Memorandum. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Note. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Issuing and Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes.

4.2 Prescription

Claims against the Issuer in respect of Notes that are represented by a Permanent Global Note will become void unless it is presented for payment within a period of five years from the appropriate Relevant Date (as defined in Condition 8 of the Terms and Conditions of the Notes).

4.3 Meetings

The holder of a Permanent Global Note shall (unless such Permanent Global Note represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a Permanent Global Note shall be treated as having one vote in respect of each principal amount of Notes equal to the minimum Denomination Amount of the Notes for which the Permanent Global Note may be exchanged.

4.4 Cancellation

Cancellation of any Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note or its presentation to or to the order of the Issuing and Paying Agent for endorsement in the relevant schedule of such Permanent Global Note, whereupon the principal amount thereof shall be reduced for all purposes by the amount so cancelled and endorsed.

4.5 Purchase

Notes represented by a Permanent Global Note may only be purchased by the Issuer or any of its related corporations if they are purchased together with the rights to receive all future payments of interest thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, CDP or an Alternative Clearing System (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a Permanent Global Note may be exercised by the holder of the Permanent Global Note giving notice to the Issuing and Paying Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised and the option may be exercised in respect of the whole or any part of such Permanent Global Note, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time presenting the Permanent Global Note to the Issuing and Paying Agent, or to a Paying Agent acting on behalf of the Issuing and Paying Agent, for notation.

4.8 Trustee's Powers

The Trustee may call for any certificate or other document to be issued by CDP, Euroclear and/or Clearstream, Luxembourg or an Alternative Clearing System (as the case may be) as to the principal amount of Notes represented by a Global Note standing to the account of any person. Any such certificate or other document shall be conclusive and binding for all purposes. The Trustee shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by CDP, Euroclear and/or Clearstream, Luxembourg or an Alternative Clearing System (as the case may be) and subsequently found to be forged or not authentic.

In considering the interests of Noteholders while any Global Note is held on behalf of, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note.

4.9 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of:

(i) Euroclear and/or Clearstream, Luxembourg or an Alternative Clearing System (except as provided in paragraph (ii) below), notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note; or

(ii) CDP, subject to the agreement of CDP, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to CDP for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note.

5 General

Any reference herein to the Issuing and Paying Agent shall be deemed to refer to The Bank of New York Mellon, acting through its Singapore Branch as issuing and paying agent in relation to any Notes which are to be cleared with CDP and The Bank of New York Mellon, acting through its London Branch as issuing and paying agent in relation to any Notes which are to be cleared with a clearing system other than CDP.

SUMMARY FINANCIAL INFORMATION

*The following tables set forth selected financial information of the Group as at and for the years ended 31 December 2011, 2012 and 2013. This selected financial information should be read in conjunction with the Group's audited financial statements including notes thereto as at and for the years ended 31 December 2011, 2012 and 2013 which are included elsewhere in this Information Memorandum. As a result of the Group adopting FRS110 for financial period beginning 1 January 2014, the Group is required to retrospectively consolidate PT Puradelta Lestari Tbk and its subsidiaries (the "**PDL Group**") with effect from April 2013. Prior to the adoption of FRS110, the PDL Group was treated as associated companies accounted for by the Group using the equity method.*

	Year Ended 31 December		
	2011[(1)]	**2012**	**2013**
		(audited)	
		(S$ '000s, except where otherwise indicated)	
CONSOLIDATED INCOME STATEMENT			
Revenue	534,351	631,270	985,036
Cost of sales	(239,801)	(261,117)	(293,322)
Gross profit	294,550	370,153	691,714
Operating expenses			
Selling expenses	(47,094)	(43,727)	(49,363)
General and administrative expenses	(96,113)	(115,562)	(139,831)
Total operating expenses	(143,207)	(159,289)	(189,194)
Operating profit	151,343	210,864	502,520
Other income/(expenses)			
Finance income	37,505	30,925	29,705
Finance costs	(29,066)	(19,882)	(21,917)
Foreign exchange gain/(loss), net	4,685	(36,371)	37,002
Share of results of associated companies, net of tax	13,496	40,568	45,627
Share of results of joint ventures, net of tax	4,558	5,267	(87,955)
Other income, net	10,904	15,327	7,381
	42,082	35,834	9,843
Exceptional items			
Negative goodwill	-	1,226	11,906
Gain on equity interest	-	20,953	-
	-	22,179	11,906
Profit before income tax	193,425	268,877	524,269
Income tax	(26,742)	(36,380)	(59,255)
Profit for the year	166,683	232,497	465,014
Attributable to:			
Owners of the Company	88,841	112,664	252,481
Non-controlling interests	77,842	119,833	212,533
	166,683	232,497	465,014

Note:

(1) Certain comparative figures for FY2011 have been restated and reclassified to account for change in accounting policy for joint venture from proportionate consolidation accounting method to the equity accounting method as the latter provided more reliable and relevant information about the Group's investment in joint venture.

	As at 31 December		
	2011[1]	2012	2013
	(audited)		
	(S$ '000s, except where otherwise indicated)		
CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
Assets			
Current assets			
Cash and cash equivalents	629,176	653,608	687,733
Short-term investments	1,442	1,231	1,007
Trade receivables	12,355	11,326	12,219
Other current assets	84,209	148,916	228,664
Inventories, at cost	1,133	1,074	949
Properties held for sale	435,004	449,886	369,188
	1,163,319	1,266,041	1,299,760
Non-current assets			
Associated companies	451,696	531,776	592,138
Joint ventures	18,864	54,168	65,512
Long-term investments	12,184	4,022	7,152
Properties under development for sale	740,200	1,046,739	859,365
Investment properties	187,417	159,905	535,367
Property, plant and equipment	155,541	145,850	124,327
Long-term receivables	218,460	185,323	73,732
Deferred charges	356	-	-
Deferred tax assets	165	204	162
Goodwill	1,784	1,784	1,784
	1,786,667	2,129,771	2,259,539
Total Assets	2,949,986	3,395,812	3,559,299
Liabilities and Equity			
Current liabilities			
Trade payables	20,105	33,474	18,815
Other payables and liabilities	323,847	338,650	374,868
Bonds payables	69,860	27,787	-
Obligations under finance leases	91	91	32
Borrowings	6,135	2,000	135,697
Income taxes payable	133	841	5,550
	420,171	402,843	534,962
Non-current liabilities			
Bonds payables	42,864	160,108	308,788
Obligations under finance leases	185	95	44
Borrowings	109,812	106,760	194,290
Long-term liabilities	283,291	407,454	201,448
Deferred tax liabilities	21	11	12
	436,173	674,428	704,582
Total liabilities	856,344	1,077,271	1,239,544

	As at 31 December		
	2011[(1)]	2012	2013
	(audited)		
	(S$ '000s, except where otherwise indicated)		
Equity attributable to owners of the Company			
Issued capital	1,907,108	1,907,108	1,907,108
Foreign currency translation deficit	(890,273)	(950,323)	(1,183,977)
Goodwill on consolidation	(62,122)	(62,122)	(62,122)
Option reserve	16,603	14,934	-
Asset revaluation reserve	9,758	9,758	9,758
Other reserves	17,303	13,203	8,730
Fair value reserve	-	-	(65)
Retained earnings	458,573	562,415	803,337
	1,456,950	1,494,973	1,482,769
Non-controlling interests	636,692	823,568	836,986
Total equity	2,093,642	2,318,541	2,319,755
Total Liabilities and Equity	2,949,986	3,395,812	3,559,299

	Year Ended 31 December		
	2011[(1)]	2012	2013
	(audited)		
	(S$ '000s, except where otherwise indicated)		
SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS			
Net cash generated from operating activities	271,197	308,958	337,712
Net cash generated used in investing activities	(111,381)	(279,323)	(526,716)
Net cash (used in)/ generated from financing activities	(100,748)	34,436	306,201
Net increase in cash and cash equivalents	59,068	64,071	117,197

Note:

(1) Certain comparative figures for FY2011 have been restated and reclassified to account for change in accounting policy for joint venture from proportionate consolidation accounting method to the equity accounting method as the latter provided more reliable and relevant information about the Group's investment in joint venture.

USE OF PROCEEDS

The net proceeds from the issuance of the Notes under the Programme, after deducting the costs and expenses relating to each issue of the Notes, will be used for general corporate purposes, future expansion and working capital needs of the Group, including but not limited to the repayment of outstanding borrowings.

RISK FACTORS

Prior to making an investment or divestment decision, prospective investors in or existing holders of the Notes should carefully consider all the information set forth in this Information Memorandum including the risk factors set out below. The risk factors set out below do not purport to be complete or comprehensive of all the risks that may be involved in the businesses of the Issuer or the Group or any decision to purchase, own or dispose of the Notes. Additional risks which the Issuer is currently unaware of may also impair their businesses, assets, financial condition, performance or prospects. If any of the following risk factors develop into actual events, the businesses, assets, financial condition, performance or prospects of the Issuer and/or the Group could be materially and adversely affected. In such cases, the ability of the Issuer to comply with its obligations under the Trust Deed and the Notes may be adversely affected. Further, the market price of the Notes could decline, and investors may lose all or part of their investments in the Notes. The risk factors discussed below also include forward-looking statements and the Issuer's and the Group's actual results may differ substantially from those discussed in these forward-looking statements. Sub-headings are for convenience only and risk factors that appear under a particular sub-heading may also apply to one or more other sub-headings.

Limitations of this Information Memorandum

This Information Memorandum does not purport to nor does it contain all information that a prospective investor in or existing holder of the Notes may require in investigating the Issuer or the Group, prior to making an investment or divestment decision in relation to the Notes issued under the Programme. Neither this Information Memorandum nor any other document or information (or any part thereof) delivered or supplied under or in relation to the Programme or the Notes (or any part thereof) is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuer, the Trustee, the Arrangers or any of the Dealers that any recipient of this Information Memorandum or any such other document or information (or such part thereof) should subscribe for or purchase or sell any of the Notes. This Information Memorandum is not, and does not purport to be, investment advice. A prospective investor should make an investment in the Notes only after it has determined that such investment is suitable for its investment objectives. Determining whether an investment in the Notes is suitable is a prospective investor's responsibility, even if the investor has received information to assist it in making such a determination. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Issuer, its subsidiaries (if any) or associated companies (if any) or joint venture companies (if any), the Trustee, the Arrangers, any of the Dealers or any person affiliated with each of them in connection with its investigation of the accuracy or completeness of the information contained herein or of any additional information considered by it to be necessary in connection with its investment or divestment decision. Any recipient of this Information Memorandum contemplating subscribing for or purchasing or selling any of the Notes should determine for itself the relevance of the information contained in this Information Memorandum and any such other document or information (or any part thereof) and its investment or divestment should be, and shall be deemed to be, based solely upon its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer, its subsidiaries (if any), associated companies (if any) and joint venture companies (if any), the terms and conditions of the Notes and any other factors relevant to its decision, including the merits and risks involved. A prospective investor should consult with its legal, tax and financial advisers prior to deciding to make an investment in the Notes.

Risks Relating to the Group in General

Our business may be affected by adverse economic conditions in the global markets

Adverse economic conditions such as a global economic downturn could negatively affect our ability to obtain short-term and long-term financing. It could also result in an increase in the cost of our bank borrowings and a reduction in the amount of banking facilities currently available to us and our suppliers and subcontractors. The inability on part of us, our suppliers or our subcontractors to access capital efficiently on time, or at all, as a result of possible economic difficulties may have an adverse effect on our ability to complete existing projects and/or secure new projects. In addition, the industry in which we operate is generally dependent on the health of the local economy, which is in turn dependent on global economic conditions. Any deterioration in the global economy could in turn adversely affect the health of the local economy and correspondingly impact our business and financial performance. Profit margins for any available projects could also be eroded due to keen competition.

Since the global economic downturn in late 2008, there have been negative developments in the global financial markets including the downgrading by major international credit rating agencies of sovereign debts issued by some of the European Union member countries and the difficult conditions in the global credit and capital markets. These challenging market conditions have given rise to reduced liquidity, greater volatility, widening of credit spreads, lack of price transparency in credit markets, a reduction in available financing, government intervention and lack of market confidence. These factors, combined with declining business and consumer confidence, have resulted in global economic uncertainties.

It is difficult to predict how long these developments will last. Further, there can be no assurance that measures implemented by governments around the world to stabilise the credit and capital markets will improve market confidence and the overall credit environment and economy. In the event that the global economic conditions do not improve or any recovery is halted or reversed, our business operations and future financial performance may be adversely affected.

Currency fluctuations could materially adversely affect our financial condition and results of operations

We operate in several countries and entities within the Group may transact in currencies other than their respective functional currency such as the Rupiah, Chinese renminbi, Malaysian ringgit, British pound sterling, US dollar, Japanese yen and the Singapore dollar, which is also our presentation currency. We face foreign exchange risk as our borrowings and costs of certain key purchases are either denominated in foreign currencies or are priced such that they are influenced by their benchmark price movements in foreign currencies as quoted on international markets. In addition, we do not have any formal hedging policy for our foreign exchange exposure and do not actively engage in activities to hedge our foreign currency exposures. Instead, we seek to manage the foreign currency risk by constructing natural hedges where we match revenue and expenses in any single currency. Any adverse movements in foreign exchange rates may adversely affect our business, results of operations, financial condition and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

We rely on third party contractors and suppliers for the development of our projects

We engage independent third party contractors to provide a substantial amount of the services we require for our property development, including construction, piling and foundation, building and property fitting-out work and interior decoration. There can be no assurance that the construction work performed by such contractors or sub-contractors will continue to be of satisfactory quality or completed in a timely manner or at all. If the construction work is not completed on time and/or is not of acceptable quality, we may incur substantial additional costs to complete the projects and remedy any defects and our reputation could be significantly harmed.

Moreover, although we maintain contracts with fixed prices with contractors, there can be no assurance that these will be renewed when they expire on acceptable terms or at all. Fixed price contracts may also be subject to variation orders and cost escalations on labour and materials, which in certain cases may allow the contractors to make further claims against us. Furthermore, there is a risk that major contractors may experience financial or other difficulties, which may affect their ability to carry out construction work, thus delaying the completion of our projects or resulting in additional costs to us. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Our business is affected by the availability, cost and quality of raw materials

Our business is affected by the availability, cost and quality of the construction and raw materials and other input costs which are required for the construction and development of our properties. Our agreements with our building contractors typically provide for services (including construction and raw materials) to be provided to us at a fixed price. However, the prices and supply of these raw materials and other input costs depend on factors outside our control, including general economic conditions, competition, production levels, transportation costs and import duties. There can be no assurance that worldwide shortages or significant increases in the prices of these construction materials will not occur and will not affect our project development or business. If, for any reason, the primary suppliers of raw materials curtail or discontinue their delivery of such materials in the quantities required by our contractors or us, or at competitive prices, the supply of materials required for our projects to progress as planned could be impaired and our development and construction schedules could be disrupted. We may have to incur additional costs to ensure adequate delivery of construction and raw materials in order to complete the projects. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We face risks related to our existing joint ventures and strategic partnerships, and any future joint ventures and strategic partnerships into which we may enter

We may enter into joint ventures or other strategic partnerships as part of our business. We currently have joint ventures with Badan Kerja Sama, Pasar Pagi – ITC Mangga Dua, BKS Binamaju Mitra Sejati, PT Indonesia International Expo, PT Bumi Parama Wisesa, PT AMSL Indonesia, Itochu Corporation and Sojitz Corporation.

Disagreements may occur between us and our joint venture partners or strategic partners regarding the business and operations of the joint ventures or strategic partnerships which may not be resolved amicably. In addition, our joint venture partners or strategic partners may: (i) have economic or business interests or goals that are inconsistent with ours; (ii) take actions contrary to our instructions, requests, policies or objectives; (iii) be unable or unwilling to fulfil their obligations; (iv) have financial difficulties; or (v) have disputes with us as to the scope of their responsibilities and obligations.

Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects.

Our performance is subject to our ability to attract and retain employees

Our future performance depends largely on our ability to attract, train, retain and motivate high quality personnel, especially for our management and technical teams. The loss of key employees may have a material adverse effect on our businesses, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We may not be able to successfully implement our business strategy or manage our growth successfully

The successful implementation of our strategies may be affected by a number of factors, including our ability to identify and obtain suitable land acquisition opportunities and acquiring land at commercially reasonable prices for property development, attracting purchasers for properties for sale and securing tenants for our investment properties, the competition we face in our business, and our ability to retain our key management and employees. We cannot assure you that we will be able to implement all or some of our business strategies, and the failure to implement one or more of such strategies may materially adversely affect our business, financial condition, results of operations and prospects.

We may experience issues such as capital constraints, construction delays, operational difficulties at new locations or difficulties in expanding our existing business and operations and training an increasing number of personnel to manage and operate the expanded business. If we are unable to successfully manage the impact of our growth on our operational and managerial resources and control systems, our reputation could suffer, which could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Any project delays or negative publicity could impair our reputation and future demand for our developments

Any incidence of poor construction quality and craftsmanship of properties, an inability to complete such properties within the anticipated time frame and budget, or poor maintenance of the infrastructure and public facilities of the township or the commercial properties, could impair our reputation and future demand for our developments and have a material adverse effect on our business, financial condition, results of operations and prospects. Furthermore, most of our customers purchase properties we develop with the expectation that developments within our townships, residential projects and industrial estates will be completed in full, and that the township, residential project or industrial estate will grow as planned. Our inability to complete such projects, or to grow the township as planned, could adversely affect the resale values of the properties that we have sold, the values of our future development properties as well as our reputation. Any negative publicity or damage to our reputation could affect our ability to attract purchasers for our current and future projects, which could cause us to lose market share, affect our property sales and have a material adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We may not have adequate insurance coverage for damages we may sustain or liability we may face, including with respect to potential construction warranty claims

We maintain insurance against certain risks in the operation of our business and for certain of our properties in the types and amounts which our management believes to be consistent with industry practice and as required pursuant to applicable laws, regulations and other statutory requirements. Our insurance policies do not provide coverage against all losses related to our operations. For example, in respect of our Indonesia operations, there are certain types of losses, such as losses from construction delays for which insurance is either not available at a reasonable cost or at all. In respect of our China operations, while our insurance policies typically provide for liquidated damages clauses to cover construction delays, in respect of warranty claims, there may be a mismatch of warranty periods between the agreement between contractors and ourselves on the one hand and the agreement between homebuyers and us on the other hand.

Accordingly, the occurrence of losses, liabilities and damages which are not covered by our insurance policies, or which exceed the specified minimum coverage amount, could have a material adverse effect on our business, financial condition, results of operations and prospects. There can be no assurance that we will be able to renew our existing insurance coverage or procure additional insurance coverage, which our management may subsequently deem to be necessary, at economically acceptable premiums, or at all. Moreover, we remain liable for any mortgage indebtedness or financial obligations relating to the relevant property. To date, we have not suffered any material losses which were not fully covered by insurance. However, any future loss that is not fully covered by insurance could significantly reduce our cash and cash equivalents available for working capital purposes and materially and adversely affect our business, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

We are exposed to legal claims relating to our development and sales of properties

We may be involved from time to time in disputes with various parties such as contractors, sub-contractors, consultants, suppliers, construction companies, purchasers and other partners involved in the development, operation, purchase and sale of our properties and corresponding tenants. These disputes may lead to legal and other proceedings, and may cause us to suffer additional costs and delays. In addition, we may have disagreements with regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavourable orders, directives or decrees that result in financial losses and delay in the construction or completion of our projects.

In addition, we are regulated by various government authorities in the jurisdictions in which we operate, and if any such authority believes we or any of our suppliers or contractors are not in compliance with applicable laws or regulations, it could shut down or delay our project construction and development or sales operations, refuse to grant or renew construction approvals or licences, institute legal proceedings, enjoin future actions or assess civil and/or criminal penalties against us, our officers or our employees. Any such action by a government authority, or any failure by us or any of our contractors and suppliers to comply with applicable laws and regulations in the development, construction and sale of our property developments, could have a material adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We may be affected by accidents and/or violation of workplace safety and health regulatory requirements, and/or violation of environmental regulatory requirements at our construction sites

Accidents or mishaps may occur at the construction sites for our projects even though we have put in place certain safety measures as may be required. As such, we are subject to personal injury claims by workers who are involved in accidents at our worksites during the course of their work from time to time.

While the Group has third-party safety insurance coverage in place, such accidents or mishaps may severely disrupt our operations and lead to a delay in the completion of a project, and in the event of such delay, we could be liable to pay liquidated damages under the construction contract with our customers. In addition, we may incur fines and penalties imposed by the relevant regulatory authorities in relation to any breaches of workplace safety and health regulations on worksites. In such an event, our business operations, financial performance and financial condition may be materially and adversely affected. Further, such accidents or mishaps may subject us to claims from workers or other persons involved in such accidents or mishaps for damages suffered by them, and any significant claims which are not covered by our insurance policies may materially and adversely affect our financial performance and financial condition. In addition, any accidents or mishaps resulting in significant damage to our premises, machinery or equipment may also have a significant adverse effect on our business operations, financial performance and financial condition. While we have not experienced any fatal accidents at our worksites, any of the foregoing may have a material and adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We could incur significant costs related to environmental matters

We are subject to various laws and regulations in the jurisdictions in which we operate relating to the protection of the environment that may require current or previous owners of property who conduct their business operations using and managing toxic and hazardous substances, or whose business operations produce such toxic and hazardous substances, to clean up such substances on the property. Under these laws, property owners and operators are required to either manage toxic and hazardous substances on the property, including the reduction, storage, transportation, utilisation and/or processing of toxic and hazardous substances, or request a third party who is capable of and licenced to manage such toxic and hazardous substances. Such laws often impose strict liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such substances or materials. Failure to comply with these laws can result in imprisonment and penalties being imposed or may have an adverse impact on our reputation. In addition, the cost of investigation, remediation or removal of these substances may be substantial.

Existing environmental reports with respect to any of our properties or properties which we acquire in the future may not reveal (i) all environmental liabilities; (ii) all material environmental conditions created by a prior owner or operator of our properties; or (iii) all material environmental conditions that otherwise exist with respect to any one or more of our properties. There also exists the risk that material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future. Future environmental laws, ordinances or regulations and future interpretations of existing environmental laws, ordinances or regulations may also impose additional obligations on us. Any liabilities or penalties relating to environmental matters could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Holding company structure and structural subordination

The Issuer is primarily an investment holding company and its ability to make payments in respect of the Notes depends largely upon the receipt of dividends, distributions, interest, advances or repayment of intercompany loans from its subsidiaries and associates.

The ability of the subsidiaries and associates of the Issuer to pay dividends and other amounts to the Issuer may be subject to their profitability and to applicable laws and to restrictions on the payment of dividends contained in financing or other agreements. Payments under any Notes issued under the Programme are structurally subordinated to all existing and future liabilities of each of the Issuer's subsidiaries and associates. Claims of creditors of such companies will have priority as to the assets of such companies over the Issuer and its creditors, including holders of the Notes.

The Group depends on key personnel for its continued success, and may not be able to replace them if they cease to work for it

The Group places substantial reliance on the experience and the institutional knowledge of members of the current management team. Mr Franky Oesman Widjaja, Mr Muktar Widjaja, Ms Margaretha Natalia Widjaja and Mr Michael Jackson Purwanto Widjaja are particularly important to the Group's future success due to their substantial experience in the real estate sector. Finding suitable replacements for key members of the management team could be difficult, and competition for personnel of similar experience is intense. The loss of the services of one or more members of the management team due to their departure or otherwise could hinder the Group's ability to effectively manage its business and implement its growth strategies.

The success of our retail properties and industrial estates is dependent on our ability to attract and retain anchor tenants

The success of our retail developments and industrial estates is dependent on our ability to attract and retain anchor tenants. Moreover, our ability to sell any unsold developed building or land on attractive terms or at all could be adversely affected by the loss of an existing anchor tenant for any reason, such as a downturn in its business. Vacancy by an anchor tenant can reduce the demand for and value of other shophouses, retail space and commercial land in a township, or developed land in an industrial estate, because of the loss of key products or services previously provided by, or that depended on the demand from, the departed anchor tenant. Moreover, we are presently developing BSD City, an integrated township comprising a mix of residential, commercial and light industrial properties. Any inability to attract and retain anchor tenants at BSD City, or any development that we may retain for rental to tenants in the future, could adversely affect the success of the applicable development. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Substantial control by our principal shareholders

Currently, The Widjaja Family Master Trust (2) ("**WFMT(2)**") controls 65.55 per cent. of our shares through its interest in Golden Moment Limited ("**Golden Moment**") and Flambo International Limited ("**Flambo**"). As a result, WFMT(2) will have the power to determine the appointment of our directors, as well as to determine the outcome of any action requiring shareholder approval (other than the approval of interested person transactions from which our principal shareholders are required to abstain under applicable laws or regulations).

Our principal shareholders have other business interests and may direct business opportunities to companies outside the Group. In addition, in the normal course of the Group's operational activities, the Group engages in various transactions with other companies that our principal shareholders control which are based on arm's length, commercial terms.

Risks Relating to Our Business

Our existing properties are located primarily in Indonesia. As a result, we are significantly exposed to factors affecting the real estate sector in Indonesia and other jurisdictions in which our properties are located

A large portion of our existing properties are located primarily in Indonesia. We also have properties located in China, Singapore, Malaysia and the United Kingdom.

The property market is cyclical and is significantly affected by changes in local and international economic conditions, including employment levels, availability of financing, interest rates, consumer confidence and demand for residential, commercial and industrial properties. Fluctuations in property prices and changes in demand for residential, commercial and industrial properties are also generally affected by changes in political conditions. For example, the Jakarta property market experienced periods of significant decline in value commencing in late 1998 due to the Asian financial crisis and social and political instability during that period. The acquisition of land for a project begins, and financial and other resources are committed, long before the project comes to market, which could occur at a time when the property market is depressed. Such a depression in the property market in which our properties are located, or any policies and measures which may be introduced by the government of jurisdictions in which our properties are located, could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our properties in Jakarta are mainly located within the Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi) area, Surabaya, Medan, Batam and Balikpapan. The success of our business is therefore heavily dependent on the continued growth of, among others, the residential, commercial, retail and industrial property development market in these areas, in Indonesia generally and in China, Singapore, Malaysia and the United Kingdom where our other properties are located. Our business, financial condition, results of operation and prospects may be materially and adversely affected by any adverse development in the supply of or demand for property, property prices, or government actions, including the rate at which infrastructure is developed in the surrounding locations where we have acquired land for development.

We are exposed to general risks associated with the ownership, development, sale and management of property

We currently derive most of our revenue from the sale of development properties and from the rental of investment properties. We also derive revenue from, among others, hotel ownership and golf and resort operations.

Real estate investments are generally illiquid and the ability of an owner or a developer to sell property assets on short notice is typically limited. As such, property assets may be required to be priced at a discount in order for such assets to be disposed of within a short period of time. Such illiquidity may also limit our flexibility in managing our portfolio in response to changes in the property market or general economic conditions. Our operations and business activities may also be affected by wars, terrorist attacks, riots, political instability, natural disasters and other events beyond our control, and changes in laws and regulations applicable to the real estate industry, which may affect our ability to sell our properties or result in an increase in operating expenses in order to ensure compliance. See "Our business is subject to extensive government regulation". Any of the foregoing may have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We may face challenges ahead and it is difficult to predict our future performance and manage our cash flows because a significant part of our revenue is of a non-recurring nature and may fluctuate significantly from period to period due to various factors. Our results of operations and financial performance for a certain period may not be comparable to or indicative of those in future periods

Most of our revenue that is derived from the sale of development properties such as BSD City and Deltamas are non-recurrent in nature. Our revenues, cost of sales, net income, financial condition and results of operations may vary or may fluctuate significantly from period to period in the future, depending on the number of properties within our developments that we make available for sale, the number of developments which we have launched for pre-sales, the market demand for such properties, the sale prices and the total area of our properties that we deliver to our purchasers in the relevant financial period.

The prices of our properties, and therefore our cash flows, may also experience significant fluctuations between the time we acquire the site and the time that we pre-sell or sell the properties developed on such site. It may, and often does, take several years from the acquisition of a site for development to the time we can pre-sell or sell our properties developed on such site to generate cash flow and revenue. Properties are relatively illiquid compared to other types of assets, and property prices tend to be volatile, particularly at times when the global and local economies experience significant changes.

In addition, we cannot predict with certainty the time of the completion and delivery of our property developments, and hence the time of our revenue recognition from any pre-sales or sales, as the time of completion of any property development will vary according to its construction timetable. Further, the completion of any project development may be adversely affected by many other factors, including adverse weather and natural conditions, as well as other factors beyond our control or other unforeseen events and circumstances.

A substantial amount of our cash outflow is attributable to project development costs, in particular land acquisition costs, and we have a limited ability to control these costs, as well as the timing of these costs, once the development of a project has commenced. If we experience a decrease in our revenues because we cannot sell our developed properties promptly, or due to factors such as global and local economic and property market conditions, we may not be able to raise the cash required to finance our development costs, and our business, financial condition, results of operations and prospects may be adversely affected as a result.

Furthermore, any restriction on our ability to pre-sell our properties, such as Indonesian Law No. 1 of 2011 on Housing and Settlement Areas ("**Law No. 1/2011**"), could materially and adversely affect our business and cash flow. Law No. 1/2011 also imposes a requirement, among others, for property developers to complete at least 20% of the development of the houses in the residential area (including the infrastructure and public utilities in the housing area) before any preliminary sale and purchase agreement of property may be entered into and before the developer may collect more than 80% of the selling price from the purchaser (the "**Preliminary S&P Requirement**"). Compliance with the Preliminary S&P Requirement would extend the time period required for recovery of our capital outlay and would result in our need to seek alternative means to finance the various stages of our developments. As proceeds from the pre-sale of our properties are an important source of cash flow and financing for our property developments, such extension of the time period required to recover our capital outlay, in turn, could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our financial performance is dependent on our successful bidding for new property development projects

As most of our projects are undertaken on a non-recurring basis, it is critical that we are able to continuously and consistently secure new projects of similar value and volume. There is no assurance that we will be able to do so. In the event that we are not able to continually and consistently secure new projects of similar or higher value and on terms and conditions that are favourable to us, this may have an adverse impact on our financial performance.

Our ability to grow our industrial estate business is dependent on continued foreign direct investment

The industrial estate business is heavily dependent on continued foreign interest in investing and doing business in Indonesia. Some of the Group's foreign direct investors include Suzuki, Futaba Corporation, Takata Corporation, Shiroki Corporation and Daiho Corporation. Factors that are out of our control, such as changes or volatility in the value of the Rupiah, increased labour costs or political instability could affect foreign investor confidence and lead to a decrease in investment. Any such decrease in foreign interest or confidence in conducting industrial activities in Indonesia may have a material adverse effect on our ability to retain existing customers or attract future customers. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Our business has, and will continue to have, substantial capital requirements and may require additional financing to meet our expansion plan, and we may not be able to raise the required capital on favourable terms or at all

Property development projects are typically capital intensive and require high levels of debt or equity financing. We may face cost overruns in the development of our projects, and the actual amount and timing of future capital requirements may materially differ from our estimates. If we decide to meet these funding requirements through debt financing, our interest obligations will increase and we may be subject to additional restrictive covenants.

Our ability to arrange for external financing and the cost of such financing are dependent on numerous factors, including general economic and capital market conditions, interest rates, credit availability from banks or other lenders, investors' confidence in us, the success of our business, provisions of tax and securities laws that may be applicable to our efforts to raise capital, any restrictions imposed by Bank Indonesia on providing financing to companies operating in the property or hospitality sectors in Indonesia and political and economic conditions in Indonesia.

On 7 July 1997, the Board of Directors of Bank Indonesia issued Decision No. 30/46/KEP/DIR/1997 on the Restriction of Credit Facility Granted by Commercial Banks to Finance Procurement and/or Processing of Land *(Pembatasan Pemberian Kredit oleh Bank Umum untuk Pembiayaan Pengadaan dan/atau Pengolahan Tanah)* as supplemented by Bank Indonesia Circular Letter No. 30/2/UK/1997 dated 14 July 1997 ("**BI Decision No. 30**"). Under BI Decision No. 30, commercial banks are restricted from granting direct and indirect credit facilities to and/or buy or guarantee commercial papers issued by developers (including property developers) for the sole purpose of land procurement or acquisition and/or processing. This could limit our ability to raise funds to finance our future operations and capital needs.

There can be no assurance that additional financing, either on a short-term or a long-term basis, would be available to us or, if available, that such financing would be obtained on terms favourable to us. Our failure to obtain adequate financing may result in our having to delay the development of our projects or abandon the development of existing and future projects, which could materially and adversely affect our business, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Our projects currently under construction and other planned projects may not be completed on schedule, or at all, or within the budgets allocated for the projects

The time taken and the costs we incur to complete a project may be directly or indirectly affected by many factors, including shortages of materials, equipment, availability of contractors, technical skills and labour, adverse weather conditions, natural disasters, labour disputes, disputes with independent contractors and subcontractors, accidents, changes in government priorities and policies and other problems and circumstances beyond our control.

Specifically, the time taken and the costs incurred in connection with the development of our projects may be affected by the following factors which are generally beyond our control:

- delays or inability to obtain all necessary location, zoning, land use, building, development and other required governmental and regulatory licences, permits, approvals and authorisations;

- challenges by third parties such as previous landowners or tenants to the validity of our title to the land;

- construction risks, which include delays in construction and cost overruns, a shortage or increase in the cost of construction and building materials, equipment or labour, inclement weather conditions, unforeseen engineering, environmental or geological problems, defective materials or building methods, default by contractors and other third-party providers of their obligations, or financial difficulties faced by such persons, disputes between counterparties to a construction or construction-related contract, work stoppages, strikes, and accidents, among others;

- possible shortage of available cash to fund construction and capital improvements, as we may need to make significant capital expenditures without receiving revenue and cash flow from these properties until future periods, and the related possibility that financing for these capital improvements may not be available on acceptable terms or at all;

- lack of infrastructure development in areas where we have acquired land bank;

- the failure to resolve issues with incumbent residents and related settlement issues or otherwise;

- inability to acquire a contiguous area of land of a size sufficient to develop the project as planned; and

- uncertainties as to market demand or a loss of market demand by purchasers, in the case of projects for sale, and tenants in the case of projects for lease, after construction work has begun, whether resulting from a downturn in the economy or a change in the surrounding environment of the project.

There is no assurance that any or all of our current or future projects will be completed within the anticipated time frame or the allocated budget, or at all.

We pre-sell a significant proportion of our residential and commercial properties prior to construction. If we fail to complete a fully or partially pre-sold property development, we could be liable to purchasers of pre-sold units for losses suffered by them. There can be no assurance that these losses would not exceed the purchase price paid in respect of the pre-sold units. In addition, if a pre-sold property development is not completed on time, the purchasers of pre-sold units may be entitled to compensation for late delivery of their respective units. If the delay extends beyond the contractually specified period, these purchasers may even be entitled to terminate the pre-sale agreements and claim damages.

In addition, a delay in the completion of our projects could increase our financing costs, and may lead to penalties and other costs, which may in turn impair our ability to achieve anticipated turnover and profitability, which could have a material adverse effect on our business, financial condition, results of operations and prospects. There is no assurance that we will not experience any significant delays in completion or delivery or that we will not be subject to any liability for any such delays. Non-completion of any of our projects may have a material and adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Our ability to sell our properties will be affected by the availability of, and rate of interest on, financing to potential customers, especially for potential buyers of our residential properties

A number of our customers, especially potential buyers of our residential properties, finance their purchases through third-party mortgage financing. Bank Indonesia regulates mortgage financing by specifying the maximum loan-to-value ratio ("**LTV**") for loans granted by commercial banks and the maximum financing-to-value ratio ("**FTV**") for financing granted by sharia banks.

Under BI Circular Letter No. 15/40/DKMP, effective on 30 September 2013, Bank Indonesia revised the maximum LTV for loans from commercial banks to between 50% and 80%, and the maximum FTV for financing from sharia banks to between 50% and 90%, in each case depending on the area of the property, the nature of the facility and the number of mortgage facilities held by the applicant. In addition, under BI Circular Letter No. 15/40/DKMP, Bank Indonesia placed certain restrictions on a bank's ability to grant residential mortgage loans, subject to certain exceptions, including, among others, mortgages for first-time mortgage loan borrowers. Such restrictions prohibit banks from granting a mortgage loan to finance the down payment for the purchase of a residential property. Such restrictions also prohibit banks from extending a mortgage loan before the relevant property is ready for handover. Such regulations may adversely affect the ability of potential purchasers to finance their purchases of residential properties through mortgages.

An increase in interest rates in Indonesia may also negatively impact our property developments as high interest rates generally lead to a decrease in the demand for residential, commercial and industrial properties. There can be no assurance that interest rates will not increase or there will not be a decrease in the availability of mortgage loans, which may result in a reduction in the use of such loans.

In addition, any downturn in the economy or consumer confidence may result in reduced housing demand and slower commercial development, which could negatively impact the demand for the properties that we have developed or plan to develop in the future. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Our future growth prospects will be affected if we are unable to identify, acquire and develop suitable properties at commercially acceptable prices or at all, or to obtain the necessary approvals or permits required to proceed with such acquisitions or developments in a timely manner or at all

Completion of our proposed projects as planned requires the identification and acquisition of large parcels of land, which typically comprise numerous smaller parcels of land owned by individual owners. The acquisition of large parcels of land may be time-consuming and expensive because of the time, effort and cost of negotiating with each individual land owner. As a result, we may not be able to complete future acquisition of land that is large enough to undertake our proposed projects. We cannot assure you that we will be able to acquire all of the parcels of land that we require to undertake our various projects, or that the acquisition cost of such land will be on commercially reasonable terms. When land prices are stabilising or declining in a slow market, we may not have sufficient funds generated from our operations, due to the slower market, to purchase land at commercially attractive prices. However, when land prices are rising in an active market, we may have to pay a significant premium to acquire the land. If we are unable to acquire the land that we require for our projects, we may need to redesign our plans for such project or be unable to develop the project at all.

Furthermore, there is no assurance that we will be able to obtain the necessary land title or the necessary government approvals, the location permits, or the necessary permits or licences (including the land usage permit, the property business licence and the building construction permit) required to proceed with any such proposed projects. Our ability to acquire land and the acquisition costs of such land will be affected by government policies towards land supply, zoning, ownership, development and pricing. In addition, land acquisition could be subject to approval from the shareholders or other internal approvals of the sellers of the land.

Our inability to identify and acquire attractive new sites could impair our ability to compete with other property developers, which in turn would have a material adverse effect on our ability to generate revenues and maintain profitability. Any inability to acquire land at suitable prices or at all, or to obtain appropriate land use or zoning rights with respect to land acquired by us for development purposes, could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We are dependent on the quality and quantity of our title to properties and our ability to renew or extend these titles

In Indonesia, we seek to obtain *Hak Guna Bangunan* title ("**HGB title**"), which gives the holder of such title the right to build and own buildings on a plot of land, together with rights of development by way of a licence over the land which we acquire for our property development activities. Due to the nature of Indonesian property law and the lack of a uniform title system in Indonesia, there is potential for disputes over the quality of title purchases from previous landowners. We typically engage in negotiations with the owner of the land each time we acquire land as a holder of the relevant location permit, which may result in purchases of property (and thereby the obtaining of title to the relevant land) being delayed or not proceeding in the event that negotiations are unsuccessful. Such delays in acquiring properties required for our development activities, or such disputes over the quality of the title purchased, could negatively affect our business, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Once HGB title has been obtained, the typical initial term is for 30 years. Upon expiry of the initial term, we may make an application to the local office of the National Land Agency to extend the term. In principle, HGB title can be extended for an additional 20 years after the expiration of the initial term. Following the expiration of this additional term, an application for further renewal may be made no later than two years prior to the expiration of the initial or extended term. Such extensions or renewals are also dependent on the fulfillment of certain requirements pursuant to prevailing laws and zoning policies of the government. If the application is approved, the applicant may be granted a renewal of the HGB title over the same plot of land. Currently, Indonesian land law does not provide a limitation on the number of extensions and renewal cycles for HGB titles. However, there is no assurance that approval will be obtained for renewal or extension in the future. Non-renewal of HGB title, for any reason, could adversely affect our business, financial condition, results of operations and prospects.

Moreover, there is no assurance that our reviews, surveys or inspections (or the relevant review, survey or inspection reports on which we have relied) would have revealed all issues affecting properties that we have interests in, including to the title thereof. In particular, we cannot assure you as to the absence of problems with the land we acquire, including overlapping titles to such land. In addition, the land which we acquire could turn out to be more challenging to develop than what we had anticipated based on our initial assessment of the land. Issues such as these could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

We may not be in possession of all material licences necessary to operate our business

Our business operations require various licences and approvals from the government in the jurisdictions in which we operate to carry out our operations. In Indonesia for example, we require, among others, general corporate licences, foreign investment licences, industrial area business licences (*Izin Usaha Kawasan Industri*) and tourism business licences (*Izin Usaha Kepariwisataan*). Although we are currently in possession of all material licences required to operate our businesses, certain licences are in the process of being renewed. There is no assurance that we or our subsidiaries, joint ventures and/or associate companies will be able to renew or secure all required licences that we currently hold or which may be required in the future, or that we or our subsidiaries and/or associate companies will not receive sanctions arising from the failure to renew or secure any required licences. Any of the foregoing could have an adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Our business is subject to extensive government regulation

The real estate industry in the jurisdictions in which we operate is subject to extensive government regulation. In particular, Indonesia, where our properties are mainly located, is heavily regulated by the central and regional governments. Real estate developers must comply with a number of requirements mandated by Indonesian laws and regulations, including policies and procedures established by regional authorities and designed to implement such laws and regulations. Additionally, in order to develop and complete a real estate project, developers must obtain various approvals, permits and licences from the relevant administrative authorities at various stages of project development. We may encounter problems in obtaining the requisite approvals or licences or delays in fulfilling the conditions precedent to any required approvals and we may not be able to adapt ourselves to new laws, regulations or policies that may come into effect from time to time with respect to the real estate sector. There may also be delays on the part of administrative bodies in reviewing applications and granting approvals. If we experience significant problems in obtaining, or fail to obtain, the requisite governmental approvals, the schedule of development and sale or letting of our projects could be substantially disrupted, which in turn could have a material adverse effect on our reputation, business, financial condition, results of operations and prospects. Although we believe that our projects are in material compliance with applicable laws and regulations, regulatory authorities may nevertheless allege non-compliance and may subject us to regulatory action in the future, including penalties, seizure of land and other civil or criminal proceedings.

In addition, property laws and regulations and their interpretations are still evolving in jurisdictions such as Indonesia, Malaysia and China and it is not possible to predict accurately the effect that changes in these laws and regulations, or their interpretations, may have upon our business. For instance, in January 2011, the Indonesia Government issued Law No. 1/2011, which introduced the Preliminary S&P Requirement and the Land Sale Requirement. Law No. 1/2011 is effective immediately on its enactment date, but further implementing regulations are required for the enforcement of the law. There is uncertainty surrounding the interpretation of Law No. 1/2011, including whether it applies to non-residential properties (except for industrial estates) and how the minimum built-up thresholds are interpreted. The potential enforcement of the Preliminary S&P Requirement and the Land Sale Requirement under Law No. 1/2011 in the future exposes us to the risk of not having complied with the relevant requirements prior to sale of land lots or entering into preliminary sale and purchase agreements. As a result, we may be subject to administrative sanctions, penalties, and/or imprisonment for non-compliance, which may materially and adversely our business, results of operations and reputation.

New requirements introduced by property laws and regulations could also have an impact on our business and operations. For instance, we are required to comply with the Indonesian regulations relating to composition of low cost, medium and luxury properties in a property development, pursuant to the implementing regulations for Law No. 1 of 2011 dated 12 January 2011 on Housing and Settlement Areas, which were issued in 2012.

In addition, while property laws and regulations are not always enforced, regulators could decide to become more stringent and enforce them in a more rigorous manner. If laws and regulations, or their interpretations, or their enforcement, become more stringent, the costs incurred to ensure compliance could increase. There can be no assurance that future regulatory changes affecting the property industry in Indonesia will not be introduced or unexpectedly repealed which might have a significant impact upon our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

Further, the new businesses which we have recently entered or expect to enter into, including the acquisition of a freehold commercial office building in the UK, are subject to various rules, regulations and policies imposed by relevant regulatory authorities. The respective governments may introduce new regulations or amend or abolish existing regulations at any time. For example, currently the Indonesian Parliament, the People's Representative Council (*Dewan Perwakilan Rakyat*), is in the process of drafting the Bill of Basic Agrarian Law, and if such bill were to be enacted, it could limit the ownership by a single entity of contiguous land parcels exceeding a certain size. There can be no assurance that future regulatory changes affecting such businesses in Indonesia will not be introduced or that existing laws and regulations will not be unexpectedly repealed, which may have a material and adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of the Notes.

Our land bank may be subject to Government Regulation No. 11 of 2010

On 22 January 2010, the Indonesia Government issued Government Regulation No. 11 of 2010 ("**GR 11/2010**") on the Administration and Utilisation of Unused Land *(Penertiban dan Pendayagunaan Tanah Terlantar)*. Under GR 11/2010, the Indonesia Government may revoke the *Hak Milik* (Right of Ownership), *Hak Guna Usaha* (Right to Cultivate), *Hak Guna Bangunan* (Right to Build), *Hak Pakai* (Right of Use) or *Hak Pengelolaan* (Right to Manage) title, and reclaim without any compensation such land which has not been utilised or is not being utilised. Upon the lapse of a period of three years from the issuance of title, in accordance with the conditions or characteristics of the land and the purpose of the rights over such land or the basis of possession over the land, the Head of the Regional Land Office will initiate an identification process to determine whether there is any unused land. In the event that any part of the land is concluded as unused land, the Head of the Regional Land Office will issue three warning letters each having a one-month grace period, following which the Head of the Regional Land Office will then advise the Head of the National Land Office to declare such land as unused land.

However, unintentionally unused land which has been registered as *Hak Milik* or *Hak Guna Bangunan*, and which is privately owned or state-owned, is exempted from GR 11/2010.

On 16 July 2010, the Association of Real Estate Indonesia (*Persatuan Perusahaan Real Estate Indonesia*) (the "**REI**") filed proceedings in the Supreme Court of Indonesia challenging the validity of GR 11/2010. Nevertheless, two months after the filing date, the REI revoked its claim on the basis that the Government has verbally guaranteed that the implementation of GR 11/2010 will not impair the operations of developers.

However, there is no assurance that GR 11/2010 will not affect the land that we currently hold or will acquire in the future, or that the Indonesia Government will not revoke the title issued to us or reclaim the unused land without compensation. If the Indonesia Government revokes the title issued to us or reclaims any unused land without compensation, this may have a material and adverse effect on our business, financial condition, results of operations and prospects, and on our ability to pay interest on, and repay the principal of, the Notes.

The Group faces significant risks before it realises any benefits from its development properties

The Group is principally engaged in property development and investment properties. Development properties typically require substantial capital outlay during the land acquisition and construction phases and it may take one or more years before positive cash flows may be generated through pre-sales or sales of a completed property development. Depending on the size of the development, the time span for completing a property development usually lasts for several years.

Consequently, changes in the business environment during the length of the project may affect the revenue and cost of the development, which in turn has a direct impact on the profitability of the project. Factors that may affect the profitability of a project include the risk that the receipt of government approvals may take more time than expected, the failure to complete construction according to original specifications, schedule or budget, and lacklustre sales or leasing of the properties. The sales and the value of a property development project may be adversely affected by a number of factors, including but not limited to the international, regional and local political and economic climate, local real estate conditions, the perceptions of property buyers, businesses, retailers or shoppers of the convenience and attractiveness of the projects, competition from other available properties, changes in market rates for comparable sales and increased business and operating costs. If any of the property development risks described above materialise, the Group's returns on investments may be lower than originally expected and the Group's financial performance will be materially and adversely affected.

Acquisition of the Group's real estate portfolio may be subject to risks associated with the acquisition of properties

While the Group believes that reasonable due diligence investigations have been conducted prior to the acquisition of its properties, there can be no assurance that its real estate holdings will not have defects or deficiencies requiring significant capital expenditures, repair or maintenance expenses, or payment or other obligations to third parties. The information that the Group relies upon as part of the due diligence investigations of its properties may be subject to inaccuracies and deficiencies, as certain building defects and deficiencies may be difficult or impossible to ascertain due to the limitations inherent in the scope of the inspections, the technologies or techniques used and other factors. In particular, no assurance can be given as to the absence of latent or undiscovered defects or deficiencies or inaccuracies in such reviews, surveys or inspection reports, any of which may have a material adverse impact on the Group's business, financial condition, results of operations and prospects.

In addition, some of the properties may be in breach of laws and regulations (including those in relation to real estate) or may fail to comply with certain regulatory requirements in ways that the Group's due diligence investigations did not uncover. As a result, the Group may incur additional financial or other obligations in relation to such breaches or failures, which will have an adverse effect on its business, financial condition, results of operations and prospects.

The market values of the Group's properties may differ from their appraised values as determined in the valuation reports

The valuations of the Group's properties are based on certain assumptions which are subjective and uncertain and may differ materially from actual measures of the market. Property valuations generally include a subjective determination of certain factors relating to the relevant property, such as the property's relative market position, financial and competitive strengths and physical condition. Accordingly, no assurance can be given to prospective investors that the assumptions are accurate measures of the market or that the valuation of each of the Group's properties is accurate.

The market value of the Group's properties or any future acquisitions may, therefore, differ from their appraised values. The appraised value of any of the Group's properties or any future acquisitions is not an indication of, and does not guarantee, a sale price at that value at present or in the future. The price at which the Group may sell a property may be lower than its appraised value or the initial acquisition price of that property.

The process of acquiring land from existing owners or occupants on the sites where we plan to develop our new projects may result in delays and/or increase our construction costs

Our ability to proceed with our plans for new projects is dependent on, among other things, completing the land acquisition process in a timely manner and obtaining the requisite land titles for our projects. We typically approach existing owners or occupants of the land and seek to enter into agreements with such owners or occupants for the ownership of the land to be transferred to us. There can be no assurance that the ownership of the land will be transferred to us, or that we will acquire valid title to the land, even though we have made payment for the land.

Any delays in the acquisition of land for development could result in delays in our construction schedules. We could also incur significant costs in connection with the acquisition of the land from such existing owners or occupants, which could in turn materially increase the costs involved in developing the project.

There can be no assurance that we will obtain or perfect the relevant titles to our acquisitions in a timely manner or at all. Any delay or significant increase in costs relating to land acquisition could have an adverse effect on our business, financial condition, results of operations and prospects.

We face increasing competition which could adversely affect our business, financial condition, results of operations and prospects

We compete with other property developers on certain aspects, including location, facilities and supporting infrastructure, services and pricing. Intensified competition among property developers may result in increased costs for land acquisition, oversupply of properties and a slowdown in the approval process for new property developments by the relevant Government authorities, all of which may materially adversely affect our business. As a major property development business in Indonesia, we face challenges in attracting new clients and retaining customers for our townships and residential, commercial, retail and industrial developments. Our major competitors are primarily the other large property developers in Indonesia, such as Agung Podomoro Land Tbk and Lippo Karawaci Tbk in Jakarta, Alam Sutra Realty Tbk and Summarecon Agung Tbk in Serpong, Greater Jakarta, and Ciputra Group in Surabaya and Medan. We have also identified other competitors in our commercial and retail sectors. For example, Deltamas' main competitors are MM2100, Lippo Cikarang, Kawasan Industri Jababeka and Surya Cipta Industry Estate.

Some of our competitors may have access to greater financial resources, greater economies of scale in purchasing and/or lower cost bases, which may give them a competitive advantage. We cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition with respect to our activities may not have a material adverse effect on our business, financial condition, results of operations and prospects.

The success of our business is dependent on our ability to anticipate and respond to customer requirements

The growth of the Indonesian economy has led to the growing disposable income of middle and upper-income classes and a change in lifestyle, resulting in a substantial change in the requirements of our target customers. As our customers continue to seek quality housing and commercial properties with better amenities and access to infrastructure, in particular, a convenient transportation network, as part of their residential and business needs, we are required to continue to offer innovative development concepts as well as develop new types and ranges of product offerings. Our ability to anticipate and understand the demands of prospective customers is critical to the success of our property development business. If we fail to anticipate and respond to the needs of our customers accordingly, we could lose market share to our competitors, which could materially adversely affect our business, financial condition, results of operations and prospects.

The Group's Indonesia subsidiaries may be subject to a significant increase in tax expenses as a result of gains arising from revaluation of investment properties at fair value

Currently, in accordance with Indonesian FAS, completed investment properties are required to be measured initially at cost and subsequently, companies are permitted to choose between recognition based on fair value or at cost. The fair value model refers to the amount as determined by an independent appraiser for which the completed investment property could be exchanged between knowledgeable and willing parties in an arm's-length transaction and should reflect market conditions and revalued as of the balance sheet date. The gains or losses arising from revaluation of investment properties are required to be included in net profit or loss for the period in which it arises. Such gains may be subject to current tax at a rate of 10% or non-final tax at a rate of 20%. Accordingly, such gains may result in a significant increase in our income before tax, which could, in turn, lead to a significant increase in our tax expenses.

Risks Relating to Indonesia

Our properties are mainly located in Indonesia and our revenue from our properties in Indonesia comprised 90.4% of our total revenue as at 31 December 2013. As a result, future political, economic, legal and social conditions in Indonesia, as well as certain actions and policies the Indonesian Government may take or adopt, or omit from taking or adopting, could have a material adverse effect on our business, financial condition, results of operations and prospects.

An outbreak of the avian flu, the Influenza A ("H1N1") virus, severe acute respiratory syndrome ("SARS") or another contagious disease may have an adverse effect on the economies of Asian countries and may adversely affect us

An outbreak of avian flu, the H1N1 virus, SARS, or another contagious disease or the measures taken by the governments of affected countries, including Indonesia, against such potential outbreaks, could seriously interrupt our operations or the services or operations of our suppliers and customers, which could have a material adverse effect on our business, financial condition, results of operations and prospects. The perception that an outbreak of avian flu, SARS or another contagious disease may occur again may also have an adverse effect on the economic conditions of countries in Asia, including Indonesia.

Political and social instability in Indonesia may adversely affect the economy, which in turn could have a material adverse effect on our business, financial condition, results of operations and prospects

Indonesia has held free elections since 2004. The first direct presidential elections in the history of Indonesia were held in Indonesia on 5 July 2004 and 20 September 2004. In the second round, the former coordinating minister for politics and security, Susilo Bambang Yudhoyono, defeated incumbent President Megawati Sukarnoputri. President Yudhoyono was inaugurated on 20 October 2004. Upon taking office in October 2004, President Yudhoyono appointed a new cabinet and announced plans to improve economic conditions. However, past political instability continued to have an adverse effect on investor confidence in the Indonesian economy during the first part of President Yudhoyono's term. President Yudhoyono's first term was scheduled to expire in October 2009, and, therefore, a new presidential election took place on 8 July 2009. According to certified final results, President Yudhoyono and his vice-presidential running mate, Boediono, won approximately 61 per cent. of the popular vote to win a second term as President. On 20 October 2009, President Yudhoyono was inaugurated for his second five-year term, which will expire in October 2014. The Indonesian Constitution limits presidential tenure to two five-year terms. As a result, President Yudhoyono will not be eligible to run for president in the upcoming 2014 elections. Political campaigns by new candidates in Indonesia may increase political and social uncertainty. Political and social unrest may also occur if the results of elections are disputed or unpopular. Furthermore, there can be no assurance that the upcoming presidential 2014 elections will not lead to an increase in political or social uncertainty and instability in Indonesia.

Political and social developments in Indonesia have been unpredictable in the past and, as a result, confidence in the Indonesian economy has remained low. Any resurgence of political instability could adversely affect the Indonesian economy, which in turn could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Indonesia is located in an earthquake zone and is subject to significant geological risk

Indonesia is located in one of the most volcanically active regions in the world and is subject to significant seismic activity that can lead to destructive earthquakes and tsunamis. In December 2004, an underwater earthquake off the coast of Sumatra created a tsunami that devastated coastal communities in Indonesia, Thailand and Sri Lanka and caused billions of U.S. dollars in damages. In Indonesia, more than 220,000 people died or were recorded as missing in the disaster. In May 2006, a 6.3 magnitude earthquake struck roughly 30 miles southwest of Mount Merapi, killing over 6,000 people and leaving over 200,000 people homeless in the Yogyakarta region. In July 2006, a 7.7 magnitude earthquake struck approximately 220 miles south of Jakarta and the resulting tsunami killed over 500 people and left over 35,000 people homeless. In September and October 2009, a series of earthquakes ranging in magnitude of up to 7.6 struck various parts of Indonesia. In October 2010, a 7.7 magnitude earthquake shook the islands of Mentawai, West Sumatra, claiming more than 500 lives and leaving thousands homeless. In the same month, Mount Merapi erupted once again, this time killing 353 people and resulted in the evacuation of 350,000 people. Most recently, in April 2012, a 8.6 magnitude earthquake again struck North Sumatra.

A significant earthquake or other geological disturbance in any of Indonesia's more populated cities and financial centres could severely disrupt the Indonesian economy, which in turn could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Terrorist attacks in Indonesia could destabilise the country

In recent years, there have been various bombing incidents in Indonesia directed toward the Indonesian Government and foreign governments, and public and commercial buildings frequented by foreigners. Most recently, in July 2009, bomb blasts at the JW Marriott Hotel and Ritz-Carlton Hotel in Jakarta killed a total of nine people and wounded 53 people. Indonesian, Australian and U.S. government officials have indicated that these bombings may be linked to an international terrorist organisation.

Further terrorist acts could destabilise Indonesia and increase internal divisions within the Indonesian Government as it considers responses to such instability and unrest, thereby adversely affecting purchasers' confidence in Indonesia and the Indonesian economy. Violent acts arising from and leading to instability and unrest have had, and could continue to have, a material adverse effect on investment and confidence in, and the performance of, the Indonesian economy, which in turn could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Depreciation or volatility in the value of the Rupiah may adversely affect our business, financial condition, results of operations and prospects

One of the most important immediate causes of the economic crisis which began in Indonesia in mid-1997 was the depreciation and volatility of the value of the Rupiah as measured against other currencies, such as the U.S. dollar. Although the Rupiah has appreciated considerably from the low point of approximately Rp17,000 per one U.S. dollar in January 1998, the Rupiah continues to experience significant volatility. There can be no assurance that the Rupiah will not be subject to depreciation and continued volatility, that the current exchange rate policy will remain the same, or that the Indonesia Government will, or will be able to, act when necessary to stabilise, maintain or increase the value of the Rupiah, and will not act to devalue the Rupiah, or that any such action, if taken, will be successful. Modification of the current floating exchange rate policy could result in significantly higher domestic interest rates, liquidity shortages, capital or exchange controls or the withholding of additional financial assistance by multinational lenders. This could result in a reduction of economic activity, an economic recession, loan defaults and increases in the price of imports. Any of the foregoing consequences could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Downgrades of credit ratings of Indonesia and Indonesian companies could adversely affect us and the market price of the Notes

Certain recognised statistical rating organisations, including Moody's and Fitch, have previously downgraded Indonesia's sovereign rating and the credit ratings of various credit instruments of the Indonesian Government and a large number of Indonesian banks and other companies. Indonesia's sovereign foreign currency long-term debt is now rated as investment grade by Moody's and Fitch but there is no assurance as to future performance and ratings. Any future ratings downgrade could have an adverse impact on liquidity in the Indonesian financial markets, the ability of the Indonesia Government and companies operating in Indonesia to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. Interest rates on any floating rate Rupiah-denominated debt that we may have in the future would also likely increase. Any of the foregoing could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

Labour activism or increases in labour costs could adversely affect Indonesian companies, including us, which in turn could affect our business, financial condition, results of operations and prospects

Laws and regulations that facilitate the formation of labour unions, combined with weak economic conditions, have in the past resulted, and may in the future result, in labour unrest and activism in Indonesia. A labour union law passed in 2000 permits employees to form unions without intervention from their employers. The labour law passed in 2003 (the "**Labour Law**") increased the amount of mandatory severance, service and compensation payments payable to terminated employees. The Labour Law requires implementation of regulations that may substantially affect labour regulations in Indonesia. Under the Labour Law, employees who voluntarily resign are entitled to payments for unclaimed annual leave, relocation expenses (if any), housing expenses, medical expenses, service payments, severance pay and other expenses as specified by the employment agreements, company policies or collective labour agreements. The Labour Law requires companies to form bilateral forums consisting of both employers and employees, and the participation of more than half of a company's employees in negotiating collective labour agreements. The law also set up more permissive procedures for staging strikes. Although several labour unions challenged the Labour Law on constitutional grounds, the Indonesian Constitutional Court declared it valid, except for certain provisions, such as the procedures for terminating the employment of an employee who commits a serious mistake and criminal sanctions against an employee who instigates or participates in an illegal labour strike. Labour unrest and activism in Indonesia could adversely affect our business, reputation, financial condition, results of operations and prospects, and our ability to pay interest on, and repay the principal of, the Notes.

The Indonesian legal system is subject to considerable discretion and uncertainty

Indonesia's legal system is a civil law system based on written statutes in which judicial and administrative decisions do not constitute binding precedent and are not systematically published. Indonesia's commercial and civil laws are historically based on Dutch law as in effect prior to Indonesia's independence in 1945, and some of these laws have not been revised to reflect the complexities of modern financial transactions and instruments. Indonesian courts may be unfamiliar with sophisticated commercial or financial transactions, leading to uncertainty in the interpretation and application of legal principles in Indonesia. The application of legal principles in Indonesia depends upon subjective criteria such as the good faith of the parties to the transaction and principles of public policy, the practical effect of which is difficult or impossible to predict. Indonesian judges have very broad fact-finding powers and a high level of discretion in relation to the manner in which those powers are exercised. As a result, the administration and enforcement of laws and regulations by Indonesian courts and the governmental agencies in Indonesia may be subject to considerable discretion and uncertainty.

For instance, Indonesian laws and regulations may impose certain obligations, such as the registration of deeds with the Company Registry Office, with the failure to do so attracting fines or imprisonment. However, in practice, certain of these laws and regulations may not be actively enforced, if at all, and this may result in a widespread practice of companies of not adhering to the strict requirements of the applicable laws and regulations. In addition, Indonesian legal principles relating to the rights of debtors and creditors, or their practical implementation by Indonesian courts, may differ materially from those that would apply in other countries. As a result, it may be more difficult for us to pursue a claim against the tenants of our Indonesian properties than it would be in other jurisdictions. This may adversely affect or eliminate entirely our ability to obtain and/or enforce a judgment against the tenants of our Indonesian properties.

Regional autonomy may adversely affect our business through the imposition of local restrictions, taxes and levies

Indonesia is a large and diverse nation covering a multitude of ethnicities, languages, traditions and customs. During the administration of the former President Soeharto, the central Government controlled and exercised decision-making authorities on almost all aspects of national and regional administration, including the allocation of revenues generated from extraction of national resources in the various regions. This control led to a demand for greater regional autonomy, in particular with respect to the management of local economic and financial resources. In response to such demand, the Indonesian Parliament in 1999 passed Law No. 22 of 1999 regarding Regional Autonomy ("**Law No. 22/1999**") and Law No. 25 of 1999 regarding Fiscal Balance between the Central and the Regional Governments ("**Law No. 25/1999**"). Law No. 22/1999 has been revoked and replaced by the provisions of regional autonomy Law No. 32 of 2004 ("**Law No. 32/2004**") as amended by Law No. 8 of 2005 regarding the First Amendment of Law No. 32/2004 on Regional Autonomy and Law No. 12 of 2008 regarding the Second Amendment of Law No. 32/2004. Law No. 25/1999 has been revoked and replaced by Law No. 33 of 2004 regarding the Fiscal Balance between the Central and the Regional Governments.

Under these regional autonomy laws, regional autonomy was expected to give the regional governments greater powers and responsibilities over the use of "national assets" and to create a balanced and equitable financial relationship between central and regional governments. However, under the pretext of regional autonomy, certain regional governments have put in place various restrictions, taxes and levies which may differ from restrictions, taxes and levies put in by other regional governments and/or are in addition to restrictions, taxes and levies stipulated by the central government. Our business and operations are located throughout Indonesia and may be adversely affected by conflicting or additional restrictions, taxes and levies that may be imposed by the applicable regional authorities.

Risks Relating to China, Singapore, Malaysia and the United Kingdom

In China, we operate in a legal system in which the application of various laws and regulations may be uncertain

The Chinese legal system is based on written statutes and therefore, decided legal cases are without binding legal effect, although they are often followed by judges as guidance. As the Chinese economy is undergoing development generally at a faster pace than its legal system, some degree of uncertainty exists in connection with whether, and how, existing laws and regulations will apply to certain events or circumstances. Some of the laws and regulations, and the interpretation, implementation and enforcement thereof, are still at an experimental stage and are therefore subject to policy changes.

The Chinese government is still in the process of developing a comprehensive system of laws and regulations. Considerable progress has been made in the promulgation of laws and regulations relating to general economic matters, such as foreign investment, corporate organisation and governance, commerce, trade, securities and taxation in relation to, *inter alia*, the protection of foreign investors. However, as China continues to develop its legal structure in order to protect the country's own needs as well as to accommodate the needs of foreign investors and promote foreign investments, its laws and regulations may be subject to change. There is no assurance that the introduction of new laws and regulations, changes to existing laws and regulations and the application and/or enforcement thereof will not have an adverse impact on our business.

The breach of any law or regulation in China by us may have a material adverse effect on our business, financial position, results of operations and prospects.

Our business operations could be adversely affected by changes in political and economic conditions in China

We have operations located in China. The property market in China is volatile and may experience an oversupply of residential units and property price fluctuations. Any significant slowdown in the Chinese economy or decline in demand for our products from our customers in China will have an adverse effect on our financial performance and results of operations.

In addition, any unfavourable changes in the socio-political conditions in China may also affect our business operations. Since the adoption of the "open door policy" in 1978 and the "socialist market economy" in 1993, the Chinese government has been constantly reforming its economic and political systems in a bid to compete internationally. Any changes in the political and economic policy of the Chinese government may lead to changes in the laws and regulations or the interpretation of the same, as well as changes in the land ownership regulations (including the implementation of regulations from time to time to prevent the overheating of the property market), foreign exchange regulations, and taxation, which may in turn adversely affect our business, financial condition and results of operations.

Chinese foreign exchange controls may limit the our ability to utilise our revenue effectively

Our business in China is subject to China's rules and regulations on currency conversion. In China, the State Administration of Foreign Exchange of China ("**SAFE**") regulates the conversion of the RMB into foreign currencies. Currently, foreign investment enterprises ("**FIEs**") are required to apply to SAFE for "Foreign Exchange Registration Certificates for FIEs". With such registration certification (which needs to be renewed annually), FIEs are allowed to open foreign currency accounts including a "recurrent account" and a "capital account". Currently, conversion of amounts in a "recurrent account", for example, the remittance of foreign currencies for payment of dividends, can be effected without requiring the approval of SAFE. However, conversion of currency in a "capital account", such as capital items including direct investments, still requires the approval of SAFE.

As such, any future restrictions on currency exchanges or remittances may limit our ability to utilise funds generated in China. The ability of our subsidiaries in China to pay dividends or make other distributions to us may also be restricted. We cannot assure Noteholders that the relevant regulations will not be amended to our disadvantage and that the ability of our subsidiaries in China to distribute dividends to us will not be adversely affected.

We do not have full control over our investment property in Singapore

Through our wholly owned subsidiary, we have ownership in office and retail units comprising 21% of the strata units in Orchard Towers, a freehold mixed development located in Singapore. While we are free to deal with our strata owned units, we do not have full control over matters relating to the development as a whole, such as building management, refurbishment works and collective sale of the development, which are decided by taking into account the votes of all the owners of strata units in Orchard Towers. If such matters are decided in a way that is detrimental to our interests, there may be a material adverse effect on our business, financial position, results of operations and prospects.

Our results of operations are dependent on the conditions of the hospitality and leisure industry in Malaysia

The number of guests at our resorts, hotels and golf courses in Malaysia is affected, to a large extent, by the conditions of the hospitality and leisure industry in Asia Pacific and Malaysia. Any condition that adversely affects the hospitality and leisure industry in the Asia Pacific, or Malaysia specifically, such as acts of terrorism, health scares, adverse weather conditions and natural disasters, new visa requirements or seasonal factors, may cause a drop in average occupancy levels and/or average room rates at our resorts and hotels, and a drop in patronage at our golf courses.

We rely on independent contractors to manage our New Brook Buildings in the United Kingdom

We engage independent third-party contractors to provide various services in connection with managing our New Brook Buildings in the United Kingdom, including back-end support functions, and accounting, tax and corporate services. The services rendered by independent third-party contractors may not be satisfactory or match the level of quality that we require. This could adversely affect our results of business, reputation, financial condition and results of operations.

Risks associated with investment in the Notes

Limited Liquidity of the Notes Issued under the Programme

There can be no assurance regarding the future development of the market for the Notes issued under the Programme or the ability of the Noteholders, or the price at which the Noteholders may be able, to sell their Notes. The Notes may have no established trading market when issued, and one may never develop. Even if a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

The lack of liquidity may have a severely adverse effect on the market value of the Notes. Although the issue of additional Notes may increase the liquidity of the Notes, there can be no assurance that the price of such Notes will not be adversely affected by the issue in the market of such additional Notes.

Fluctuation of Market Value of Notes Issued under the Programme

Trading prices of the Notes are influenced by numerous factors, including the operating results and/or financial condition of the Issuer and/or its subsidiaries (if any) and/or associated companies (if any) and/or joint venture companies (if any), political, economic, financial and any other factors that can affect the capital markets, the industry, the Issuer, its subsidiaries (if any) and/or associated companies (if any) and/or joint venture companies (if any) generally. Adverse economic developments, in Singapore as well as countries in which the Issuer, its subsidiaries (if any) and/or associated companies (if any) and/or joint venture companies (if any) operate or have business dealings, could have a material adverse effect on the Singapore economy and the operating results and/or the financial condition of the Issuer, its subsidiaries (if any), associated companies (if any) and joint venture companies (if any).

Global financial turmoil has resulted in substantial and continuing volatility in international capital markets. Any further deterioration in global financial conditions could have a material adverse effect on worldwide financial markets, which may also adversely affect the market price of the Notes.

Interest Rate Risk

Noteholders may suffer unforeseen losses due to fluctuation in interest rates. Generally, a rise in interest rates may cause a fall in bond prices, resulting in a capital loss for the Noteholders. However, the Noteholders may reinvest the interest payments at higher prevailing interest rates. Conversely, when interest rates fall, bond prices may rise. The Noteholders may enjoy a capital gain but interest payments received may be reinvested at lower prevailing interest rates.

Inflation Risk

Noteholders may suffer erosion on the return of their investments due to inflation. Noteholders would have an anticipated rate of return based on expected inflation rates on the purchase of the Notes. An unexpected increase in inflation could reduce the actual returns.

Singapore Tax Risk

The Notes to be issued from time to time under the Programme during the period from the date of this Information Memorandum to 31 December 2018 are, pursuant to the ITA and MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" issued by MAS on 28 June 2013, intended to be "qualifying debt securities" for the purposes of the ITA, subject to the fulfillment of certain conditions more particularly described in "Singapore Taxation".

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith should the relevant tax laws or MAS circulars be amended or revoked at any time.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the relevant Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes may be subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of the Notes containing such a feature. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period. The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

The Notes may be issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Exchange rate risks and exchange controls may result in Noteholders receiving less interest or principal than expected

The Issuer will pay principal and interest on the Notes in the currency specified. This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the currency in which the Notes are denominated. These include the risk that exchange rates may significantly change (including changes due to devaluation of the currency in which the Notes are denominated or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the currency in which the Notes are denominated would decrease (i) the Investor's Currency equivalent yield on the Notes; (ii) the Investor's Currency equivalent value of the principal payable on the Notes; and (iii) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Provisions in the Trust Deed and the Conditions of the Notes may be modified

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The Conditions of the Notes also provide that the Trustee may agree, without the consent of the Noteholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed which in the opinion of the Trustee is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of Singapore law or is required by Euroclear, Clearstream, Luxembourg, CDP and/or any other clearing system in which the Notes may be held and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

Variable Rate Notes may have a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

There is no assurance that the Issuer will have sufficient cash flow to meet payment obligations under the Notes

The Issuer expects that its cash flow will be sufficient for it to service and repay all its financial obligations (including the Notes) as and when they fall due. However, in the event that the Issuer suffers a deterioration in its financial condition, there is no assurance that the Issuer will have sufficient cash flow to meet payments under the Notes. The ability of the Issuer to comply with its obligations under the Trust Deed and the Notes may be adversely affected.

The performance of contractual obligations by the Issuer is dependent on other parties

The ability of the Issuer to make payments in respect of the Notes may depend upon the due performance by the other parties to the Trust Deed and the Agency Agreement of their obligations thereunder including the performance by the Trustee, the Issuing and Paying Agent, the Non-CDP Paying Agent and/or the Calculation Agent of their respective obligations. Whilst the non-performance of any relevant parties will not relieve the Issuer of their obligations to make payments in respect of the Notes, the Issuer may not, in such circumstances, be able to fulfil their obligations to the Noteholders and/or the Couponholders.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

Where the Global Notes are held by or on behalf of CDP, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Note(s) will be deposited with CDP. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. CDP will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through CDP.

Although the Notes are represented by one or more Global Notes, the Issuer will discharge its payment obligations under the Notes by making payments to or to the order of CDP for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of CDP to receive payments under the relevant Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by CDP to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Notes will not have a direct right under the respective Global Notes to take enforcement action against the Issuer in the event of a default under the relevant Notes but will have to rely upon their rights under the Trust Deed.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should seek independent legal advice to determine whether and to what extent (i) the Notes are legal investments for the potential investor; (ii) the Notes can be used as collateral for various types of borrowing; and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

THE ISSUER

BUSINESS

OVERVIEW

The Issuer was incorporated in the Republic of Singapore on 27 January 1994 as a private company limited by shares known as Rasville Pte Ltd and subsequently converted to a public company on 1 December 1995. The Issuer underwent several name changes and eventually adopted its name Sinarmas Land Limited on 28 April 2011. The Issuer has been listed on the Main Board of the SGX-ST since 18 July 1997.

The Group has long-term investments in major commercial buildings, hotels and resorts and is involved in property development and leasing in Indonesia, China, Singapore, Malaysia and the United Kingdom. The Group's Indonesia property division contributed 90.4% of the total revenue of the Group for the year ended 31 December 2013, and is engaged in the development of townships, residential, commercial and industrial properties in large cities in Indonesia which include Jakarta, Bekasi, Cibubur, Surabaya, Medan and Balikpapan. The Group in Indonesia operates chiefly through PT Bumi Serpong Damai Tbk ("**BSDE**") and PT Duta Pertiwi Tbk ("**DUTI**"), which are listed on the Indonesia Stock Exchange. In addition, the Group holds 49.4% effective interest in PT Puradelta Lestari Tbk ("**PDL**"). PDL holds 99.9% interest in PT Pembangunan Deltamas ("**PDM**"), and in turn the Group holds 49.4% effective interest in PDM. As at 31 December 2013, the Issuer holds 49.87% effective interest of BSDE and BSDE is the direct owner of 88.56% of the shares of DUTI. As at 31 December 2013, the Group's Indonesian listed subsidiaries BSDE and DUTI, together with its associated company PT Plaza Indonesia Realty Tbk ("**Plaza Indonesia**") through an effective interest of 26.03%, had a total combined market capitalisation in excess of S$3.7 billion.

BSDE is a leading developer in Indonesia and is the largest property company by market capitalisation on the Indonesia Stock Exchange as at 31 December 2013. It was established in 1984 by a consortium of shareholders and started operations in 1989. BSDE's flagship development is BSD City, a satellite city comprising of a development area (including land rights) of approximately 6,000 hectares. Located within the Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi) area, BSD City's revenue is mainly derived from the sale of developed properties, land, shophouses and industrial properties and recurring income from its investment properties. BSDE's main property projects are situated in Greater Jakarta and it has other assets in Jakarta, Bekasi, Cibubur, Surabaya, Medan and Balikpapan, and has plans to expand into Samarinda, Manado, Palembang and Semarang. As at 31 December 2013, BSDE held approximately 4,900 hectares of developed and undeveloped land in its landbank. Most of the land in the landbank is located within Greater Jakarta, Jakarta, Bekasi, Cibubur, Surabaya, Medan and Balikpapan and within projects such as BSD City, Grand Wisata and Kota Wisata.

DUTI is a subsidiary of BSDE and develops superblocks and commercial centres, mostly with the patented name ITC, and its main portfolio consists of superblocks, commercial buildings, housing, office and hotels. The term "superblock" refers to a commercial development which comprises a shopping mall, apartments, office space, local shops and a hotel. The Group's portfolio of superblocks comprises ITC Mangga Dua, Mal Mangga Dua, ITC Roxy Mas, ITC Cempaka Mas, Mal Ambasador Kuningan, ITC Fatmawati, ITC Surabaya, ITC Permata Hijau, ITC Depok and ITC Surabaya Mega Grosir.

PDL's and PDM's main project is Kota Deltamas ("**Deltamas**"), which is a mixed-use development project comprising residential units, commercial centres, industrial estates, business parks, schools, hospital and other public facilities and is located at Bekasi Regency, West Java, and is approximately 37 kilometres from Jakarta. Deltamas' Master Plan envisages a development of 3,041 hectares of mixed industrial zone in Bekasi. Deltamas is located approximately 50 kilometres from Tanjung Priok, Jakarta's commercial sea port and is approximately 60 kilometres from Soekarno Hatta International Airport.

Plaza Indonesia is an associated company of the Group through the Group's effective interest in PT Paraga Artamida ("**Paraga**") and BSDE. As at 31 December 2013, the Issuer's interest in Paraga is 84.37%. Paraga holds 25.99% of Plaza Indonesia and BSDE holds 8.23%. In turn, through its holdings in Paraga and BSDE, the Group's effective interest in Plaza Indonesia is 26.03%. Plaza Indonesia owns assets such as Plaza Indonesia Shopping Centre, Grand Hyatt Jakarta (Hotel), Keraton At the Plaza (Hotel & Residence) and The Plaza Office Tower.

In China, the Group has two property development projects in Chengdu and Shenyang. The development project in Chengdu was completed in March 2009 while the development project in Shenyang is now in its last phase of construction and is expected to be completed by June 2014.

In Singapore, the Group holds approximately 21% of Orchard Towers as a long-term investment comprising commercial and retail units. In Malaysia, the Group owns and operates the Palm Resort Golf & Country Club and Le Grandeur Palm Resort Hotel. In Batam, Indonesia, the Group owns and operates Palm Springs Golf & Beach Resort.

Outside Asia, the Group made its first investment in June 2013 with the acquisition of a freehold office building, New Brook Buildings, in West End, London, United Kingdom. Details of these development projects and investments can be found under the section titled "*Business Operations*".

The controlling shareholder of the Issuer is WFMT(2), whose beneficiaries are certain members of the Widjaja family.

CORPORATE STRUCTURE AS AT 31 DECEMBER 2013

Simplified Corporate Structure, with main subsidiaries and associates, directly and indirectly held by Sinarmas Land Limited

Sinarmas Land Limited*

- **Indonesia**
  - 65.00% PT AFP Dwilestari
  - 49.87% PT Bumi Serpong Damai Tbk#
  - 44.16% PT Duta Pertiwi Tbk#
  - 98.12% PT Karawang Bukit Golf
  - 48.77% PT Karawang Tatabina Industrial Estate
  - 84.37% PT Paraga Artamida
  - 54.57% PT Royal Oriental
  - 58.17% PT Sinar Mas Teladan
  - 65.39% PT Sinar Mas Wisesa
  - 26.03% PT Plaza Indonesia Realty Tbk#
  - 49.40% PT Puradelta Lestari Tbk
- **China**
  - 100.00% Shining Gold Real Estate (Chengdu) Co., Ltd
  - 100.00% Shining Gold Real Estate (Shenyang) Co., Ltd
- **Singapore/ Malaysia**
  - 100.00% Anak Bukit Resorts Sdn Bhd
  - 100.00% AFP Gardens (Tanjong Rhu) Pte Ltd
  - 100.00% AFP Land Limited
  - 100.00% Golden Bay Realty (Private) Limited
  - 99.22% Palm Resort Berhad
- **United Kingdom**
  - 100.00% SML Brook England (HK) Limited
  - 100.00% SML Jersey Properties Pte Limited

* Listed on the SGX-ST
\# Listed on the Indonesia Stock Exchange

COMPETITIVE STRENGTHS

Flagship Integrated Developments in Strategic Locations

The Group is the developer of the largest urban centre in Greater Jakarta, BSD City. Through BSDE, BSD City holds development rights over 6,000 hectares of land in premium locations in Greater Jakarta.

This urban centre includes housing, commercial and light industrial areas supported by schools, hospitals, recreational and religious areas. BSD City is connected to Jakarta's business districts and major facilities through a freeway linking Jakarta to Serpong and Tangerang. As at December 2013, BSD City had approximately 35,000 residential, commercial and industrial property units and a population of 160,000.

As at 31 December 2013, 1,900 hectares of land have been developed within BSD City into township developments which include housing, commercial and light industrial areas. The Group has acquired an additional 3,000 hectares that are available for development. The Group believes that the undeveloped land bank together with the remaining land rights will provide sustainable development for the Group.

Another flagship development of the Group is Deltamas, which is a mixed-use development project comprising industrial estates, residential units, commercial centres, business parks, schools, hospital and other public facilities and is located at Bekasi Regency, West Java, and approximately is 37 kilometres from Jakarta. Deltamas' Master Plan envisages a development of 3,041 hectares of mixed industrial zone in Bekasi. Deltamas is located approximately 50 kilometres from Tanjung Priok, Jakarta's commercial sea port and is approximately 60 kilometres from Soekarno Hatta International Airport. Deltamas' strategic location and high quality infrastructure has attracted key tenants such as Suzuki, Futaba Industrial, and Takata to its industrial estate areas. As of 31 December 2013, Deltamas has a remaining landbank of approximately 2,000 hectares.

Diversified Portfolio and Capabilities across Multiple Property Sectors

The Group has a diversified portfolio and capabilities across multiple property sectors in various countries. The Group has operations in cities across Indonesia, China, Singapore, Malaysia and the United Kingdom and has expertise in developing new and diversified projects across multiple property sectors on a large scale simultaneously in more than one geographical region.

The Group has a track record spanning around 30 years in developing townships, residential, commercial and industrial developments and acquisition of property assets. This allows the Group to evaluate and, where appropriate, pursue a wide range of investment opportunities in Indonesia, mainly in the areas the Group operates in such as Jabodetabek area, Cibubur, Surabaya, Medan and Balikpapan. The Group also believes that its capabilities across multiple property sectors positions it well for potential investments in further jurisdictions should suitable opportunities arise.

Recurring Income Base Underpinned by Quality Commercial Portfolio

The Group's recurring revenue stream is underpinned by a quality investment property portfolio with strong operating fundamentals. The Group's recurring revenue increased from S$97.3 million in 2011 to S$110.0 million in 2013. The Group's investment property portfolio enjoys robust occupancy rates.

Established Market Leader with Strong Track Record of Joint Venture Partners and Strategic Partnerships

The Group has an established track record of partnerships with leading international and Indonesian players across a variety of sectors including residential, retail, industrial and commercial projects. The Issuer currently has joint ventures with Hong Kong Land for the development of a high-end residential project, AEON Japan for the development of a retail mall, Sojitz Corporation to build an industrial estate within Deltamas, and Gramedia Group to develop Indonesia's largest exhibition hall.

The Group believes that entering into joint ventures and strategic initiatives with the right partners helps to further entrench the Group's market leadership position in Indonesia by supporting faster monetization of the Group's land bank, by reducing capital outlay requirements for new developments, and by enhancing BSD City's value proposition as a holistic urban center by offering new-to-market concepts and products with leading international players. The Group intends to leverage on this experience and continue exploring potential partnerships to support expansion within Indonesia as well as diversification into new markets.

Strong Financial Position and Ability to Expand

The Group has a strong financial position and the ability to expand. The Group's landmark purchase of New Brook Buildings in West End, London, United Kingdom in 2013 proves its capability to expand beyond the Asian market. The Group believes that its strong financial position will provide it with the financial flexibility to fund its growth and expansion and allow it to respond quickly and competitively to access financing and to further capitalise on emerging investment opportunities. These opportunities include investments in good quality central business district commercial assets and property development projects in Indonesia, other countries in South-East Asia, and in the United Kingdom. As at 31 December 2013, the Group had a total of S$687.7 million of cash and cash equivalents and approximately S$466.9 million of total assets in investments and developments held outside Indonesia. The Group is in a net cash position as at 31 December 2013, with cash exceeding borrowings by approximately S$48.9 million.

Quality of Development

The Group believes in providing quality developments for its customers. Through its track record, the Group has built a reputation for providing property development and facilities that are respectable and trustworthy both in terms of concept and quality of development. The Group's development process is supported by its design, planning and construction processes made possible by its network of architects, civil engineers and independent third parties that are employed through high quality selection processes and strict supervision. Each third party contractor is selected based on its track record with the Group, ability to complete a certain development, credentials and accountability in the property sector. The Group also strictly monitors the quality of materials used in its projects to ensure a consistently high quality of development that would result in the Group's good repute. As a result of its consistency in providing high quality development, the Group has received prestigious rewards such as the South East Asia Property Award 2013, BCI Asia Award 2013, World FIABCI Prix D'Excellence Awards 2013 and numerous other awards.

STRATEGIES

Leverage on Portfolio Diversification and Premium Standards

The Group seeks increased diversification in its portfolio in order to reduce its dependency on one or two types of property sectors. For instance, BSDE develops residential, commercial and light industry properties within BSD City and also seeks to diversify its income stream to include income from office towers, hotels, commercial premises and entertainment and education facilities. The Group further seeks to leverage on its capabilities across multiple property sectors to take advantage of opportunities as and when they arise.

An important aspect of this strategy is to anticipate and meet the needs of existing and potential customers. The Group believes that over time, there will be increasing expectations of a higher standard of living among both corporate and residential clients. The Group aims to (i) achieve a high level of quality in its developments; (ii) employ innovative sales and marketing techniques; and (iii) implement international design standards in order to attract premium international clients. The Group also recognizes the importance of maintaining consistency in standards and providing good value to its customers.

Increase Land Reserves in Strategic Locations

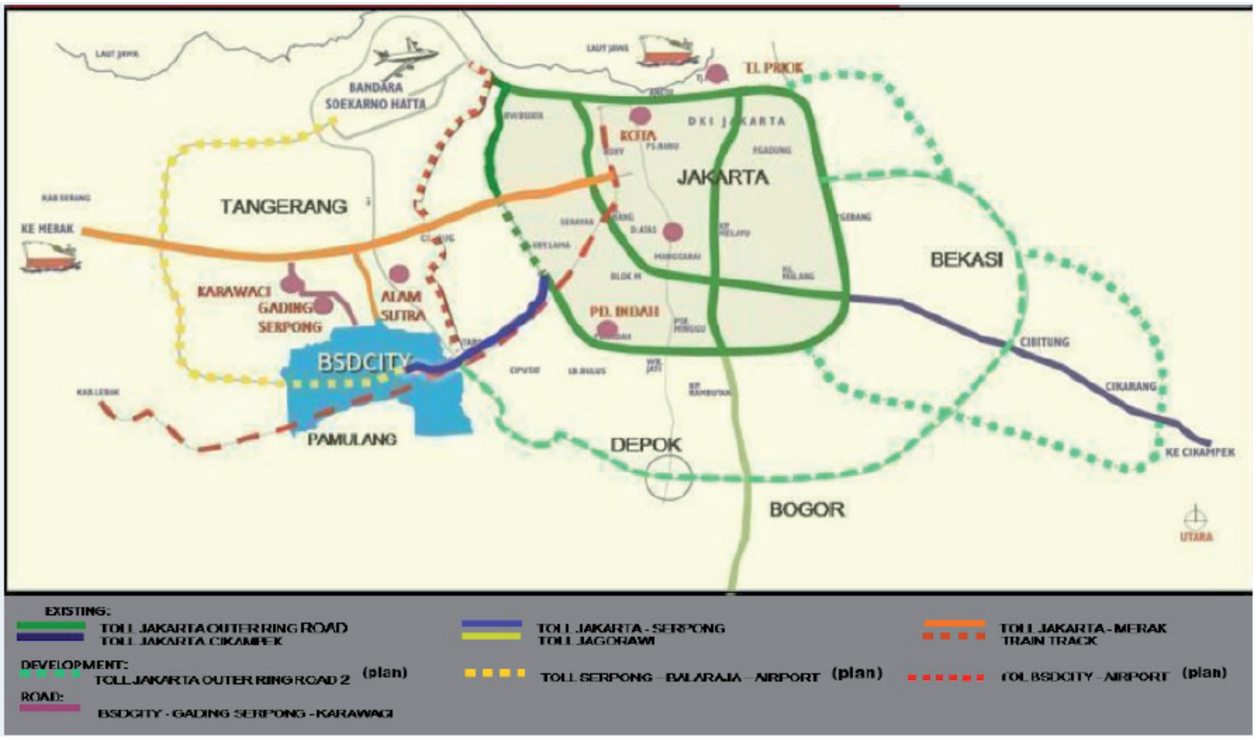
As at 31 December 2013, the Group owns approximately 7,000 hectares of land reserves in Indonesia, approximately 88 hectares of undeveloped land in Johor, Malaysia within the Palm Resort Golf & Country Club and approximately 118 hectares of undeveloped land in Batam within the Palm Springs Golf & Beach Resort. The Group's two largest land reserves are BSD City with 3,000 hectares of land in Indonesia and Deltamas with 2,000 hectares of land in Indonesia. Continuous replenishment of land reserves, in particular in strategic locations, is fundamental to the Group's property development activities.

The Group seeks to continue to increase its land reserves, in particular through acquisition of new plots of land in strategic locations at competitive rates. In 2013, the Group acquired three plots of land in CBD Jakarta, with a total land area of approximately 6.5 hectares. The Group through BSDE has a Strategic Land Bank division solely focused on acquiring new land in Indonesia. The Group is always on the lookout for strategically located land that is available for purchase both in Indonesia and other possible expansion areas. At present, there are no time limits for developing land banks or penalties in Indonesia for leaving land banks undeveloped. This is beneficial for the Group's long-term development prospects, as the Group can continually acquire land to grow its land banks while looking out for the best opportunities to develop the land banks.

Enhance Infrastructure and Accessibility

The Group has focused principally on developing prime or centrally located residential properties and selecting suburban properties that are located near major transportation hubs and other facilities.

The Group believes that infrastructural support and accessibility are key elements of the success of its property developments. The Group continues to pursue further infrastructure developments by the Indonesian Government. The Indonesian Government is expected to be taking steps to improve the transport network from BSD City to Greater Jakarta through the development of the toll road of Serpong-Balaraja which would enhance BSD City's position as a strategic location for residential housing that is in close proximity to Jakarta. BSDE through its subsidary has created a joint venture with Gramedia Group and Astra Group to bid for the project to develop the Serpong-Balaraja toll road. As at the Latest Practicable Date, the project to develop the Serpong-Balaraja toll road is currently still undergoing a tender process.



Increase Portion of the Group's Recurring Income

The Group aims to increase its recurring income base through the acquisition of high quality commercial portfolios. The Group embarked to achieve this following the acquisition of New Brooks Buildings in June 2013, increasing its recurring income by another S$6.5 million from this acquisition. The Group believes that the expected recurring income from its office space rent, hotel and building management will allow it to build a strong cash flow position.

BUSINESS OPERATIONS

1. INDONESIA PROPERTY

The Group has interests in city and township development, residential, commercial, retail and industrial property development, as well as hospitality properties, in Indonesia. The Group's properties are mainly located within the Jabodetabek area, Cibubur, Surabaya, Medan and Balikpapan. The Group owns approximately 7,000 hectares of landbank in Indonesia. As at 31 December 2013, the Group's two largest land banks are BSD City, with 3,000 hectares of land, and Deltamas, with 2,000 hectares of land. In 2013, the Group acquired three plots of land in CBD Jakarta, with a total land area of approximately 6.5 hectares.

The Group operates chiefly through its subsidiaries BSDE and DUTI (which is a subsidiary of BSDE), which are listed on the Indonesia Stock Exchange. As at 31 December 2013, the BSDE group of companies, which includes DUTI, accounted for approximately 93.4% of the total revenue of the Group's Indonesia property division. In addition, the Group also holds 49.4% effective interest in PDL. PDL holds 99.9% interest in PDM, and in turn the Group holds 49.4% effective interest in PDM.

Revenue from Indonesia Property increased 59.3% from S$559.0 million in 2012 to S$890.4 million in 2013, mainly due to S$302.2 million of revenue from sales of land parcels to its joint venture companies, PT Indonesia International Expo (with Gramedia Group) and PT Bumi Parama Wisesa (with Hongkong Land) and associated company, PT AMSL Indonesia (with AEON Japan) for joint development. The revenue increase was also contributed to by higher sales recognised in BSD City. Gross profit increased by 90.0% from S$345.7 million to S$657.0 million due to higher margins achieved from land sales.

City and Township Developments

The Group has acquired a total of 4,900 hectares of land for development in connection with the total land development rights and has developed approximately 1,900 hectares of land into a mix of residential and commercial and light industrial developments. The Group's City and Township projects consist of BSD City, an integrated township in the Jabodetabek area, and Deltamas, a mixed development project comprising of industrial estates, residential units, commercial centres, business parks, schools, hospital and other public facilities, located at Bekasi Regency, West Java.

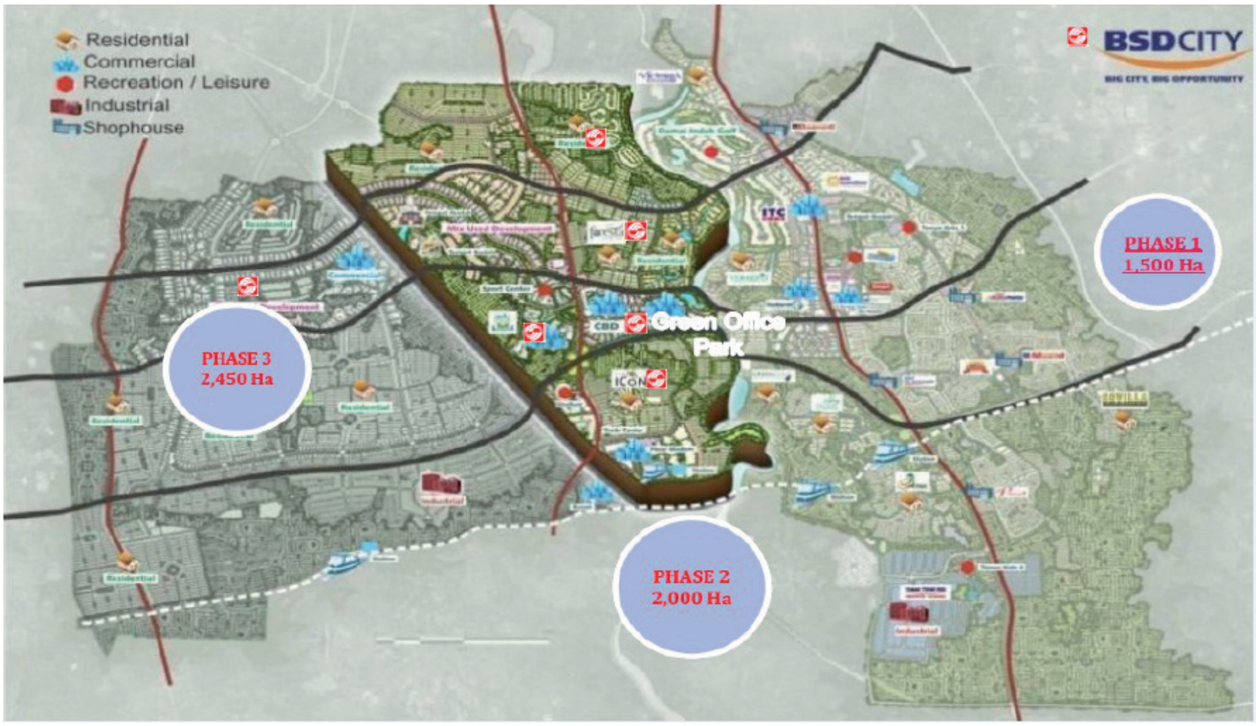
<u>BSD City</u>

BSD City comprises a mix of residential and commercial and light industrial properties. BSD City is designed to provide residents with homes, business spaces, shopping, education and leisure facilities in a green environment. The aim in developing BSD City is to provide a better, healthier living environment that is in close proximity of Jakarta. BSD City is an iconic development in greater Jakarta that has received numerous awards such as the World FIABCI Prix d'Excellence award in 2013.

At present, BSD City is accessible by two existing toll roads, an executive double-tracked train and a feeder bus. It has an established power supply and fibre optic cables, a water treatment plant and a nursery and a seeding cultivation centre to support its green development. As a self-contained integrated township, BSD City has also developed facilities such as golf courses, a water theme park, shopping malls, sports houses, swimming pools, movie theatres, education institutions, hospitals, places of worship and traditional markets.

According to its Master Plan, BSD City will be developed in three phases with the total area of each phase being approximately 1,500 hectares, 2,000 hectares and 2,450 hectares respectively. Phase I started in 1989 and has been completed. Phase II started in 2008 and is currently in the process of development. Phase II is expected to be completed in 2020. Phase III is expected to commence in 2020 and to be completed by 2035. As of now, the development in BSD City spans over 1,900 hectares, with residential projects such as Green Cove, Sevilla, The Green, De Park, Greenwich Park, The Emiment, Foresta, The Icon and The Avani Park, commercial projects such as Sunburst Office Park, ITC BSD, Green Office Park and Breeze Life Style Mall and industrial projects such as Taman Tekno.

The Group is planning further developments in BSD City as part of Phase II, namely (i) the development of approximately 22 hectares of land for the Indonesia International Exhibition and Convention Centre ("**IIECC**"), an exhibition hall supported by commercial developments which is expected to commence operations by 2015, with the Gramedia Group as joint partner; (ii) the development of approximately 10 hectares of land for AEON Mall with target total retail space of approximately 125,000 to 150,000 square metres and which is expected to commence operations by 2015, with AEON Japan as joint partner; (iii) the development of Casa de Parco, an apartment which will be targeted at the middle to low income segment; and (iv) the development of approximately 65 to 68 hectares of land for Nava Park, a high-end housing development which is expected to be launched by 2015 with Hong Kong Land as joint partner.



(Master Plan, BSD City)

<u>Deltamas</u>

Deltamas is a mixed-use development project comprising residential units, commercial centres, industrial estates, business parks, schools, hospital and other public facilities and is located at Bekasi Regency, West Java, approximately 37 kilometres from Jakarta. Deltamas' Master Plan envisages a development of 3,041 hectares of mixed industrial zone in Bekasi. Deltamas is located approximately 50 kilometres from Tanjung Priok, Jakarta's commercial sea port and approximately 60 kilometres from Soekarno Hatta International Airport.

Deltamas is divided into Greenland International Industrial Center ("**GIIC**") which is an industrial zone of approximately 1,333 hectares, Greenland SFB which is a zone comprising of approximately 74 hectares, a commercial zone of approximately 757 hectares and a residential zone of approximately 826 hectares. As at 31 December 2013, Deltamas has a remaining landbank of approximately 2,000 hectares.

Residential

Other than residential projects within BSD City and Deltamas, the Group's Indonesia property division also develops other residential projects, namely Grand Wisata, Kota Wisata, Kota Bunga, Banjar Wijaya, Taman Permata Buana, Legenda Wisata, Bale Tirtawana, Wisata Bukit Mas and Balikpapan Baru.

Grand Wisata, strategically located in Bekasi, Greater Jakarta, holds development rights over 1,100 hectares of land. It has developed approximately 320 hectares of land and has land reserves of 545 hectares of undeveloped land as at 31 December 2013. This project is scheduled to be developed over 15 years from its commencement in 2005 and has 10 phases, each being a district divided into clusters. The project has facilities such as direct toll road access, sports club, commercial areas and recreation centres.

Kota Wisata is a housing project located in Cibubur which commenced development in 1996. The Group holds development rights over 543 hectares of land in Kota Wisata. The Group has developed approximately 362 hectares of land and has land reserves of 118 hectares of undeveloped land. Kota Wisata is accessible from the Cibubur toll road or from Bekasi.

Hotel and Resort

The Group's associated company, Plaza Indonesia, owns the Grand Hyatt Hotel, a 28-storey five star luxury hotel with 428 rooms located in the central business district in Jakarta. The Group also owns and operates Le Grandeur Mangga Dua, a 16-storey hotel in Jakarta with 346 rooms and Le Grandeur Balikpapan, a 5-storey hotel in Balikpapan with 185 rooms.

In 2013, the Grand Hyatt Hotel, Le Grandeur Mangga Dua and Le Grandeur Balikpapan had average occupancy rates of approximately 66%, 62% and 62% respectively.

Office

The Group owns an office building named Sinar Mas Land Plaza ("**SML Plaza**") located within the Golden Triangle central business district in Jakarta.

SML Plaza consists of three towers. Tower I of SML Plaza is a 12-storey office block with basement and a 7-storey carpark building with an approximate net lettable area ("**NLA**") of 10,230 square metres. Tower II is a 39-storey office building with a NLA of 61,633 square metres, and Tower III is a 12-storey three-tower office building with a NLA of approximately 13,244 square metres. All three towers are located within one complex and are located next to each other.

In 2013, SML Plaza had an average occupancy rate of 99%.

In 2013, the other office buildings owned by the Group in Indonesia were Wisma BII Surabaya, a 20-storey office building located in Surabaya, and Wisma BII Medan, a 10-storey office building located in Medan, which had average occupancy rates of 75% and 90% respectively.

The Group also owns BSD Green Office Park, an award winning office tower, Wisma BCA and Wisma Eka Jiwa.

Retail & Trade Centers

The Group owns retail developments with 14 retail spaces which include 9 ITC retail & trade centers, Mall Ambassador, Jakarta, Mal Mangga Dua, Jakarta, DP Mall, Semarang, Harcomas Mangga Dua, Jakarta and The Breeze, BSD City. The Group also owns Plaza Indonesia Shopping Centre through its investment in Plaza Indonesia. The Group is also developing two AEON Malls that will be located in BSD City and Deltamas, and is working jointly with Gramedia Group to develop the largest exhibition and convention centre in Indonesia, IIECC. The two AEON Malls and IIECC are expected to be completed by 2015.

The Group has also announced a memorandum of understanding with Courts Asia to build two "big-box" stores in Indonesia with a "build-to-suit" concept. The projects will be developed in Deltamas and in BSD City, Greater Jakarta. The project in Deltamas will span a land area of 1.6 hectares, and the project in BSD City will span 1.8 hectares.

2. CHINA PROPERTY

The Group is involved in mixed development projects in Chengdu and Shenyang, as set out below.

Revenue from the Group's China property was S$64.0 million, comprising 6.5% of the Group's total revenue, for the year ended 31 December 2013, and gross profit was S$16.6 million for the year ended 31 December 2013.

丽水金阳 - Li Shui Jin Yang

The Group's Shenyang development project, 丽水金阳 "Li Shui Jin Yang", is located in Tie Xi district, a suburban town west of Shenyang city in Liaoning province. This project is situated in the Shenyang Tie Xi Economic and Technological Development Zone.

With a site area of approximately 9 hectares, this high-rise condominium project consists of 23 blocks of 2,450 residential apartments with a total built-up area of 200,879 square metres, 83 retail units with a total built-up area of 9,634 square metres, a 168-room hotel and 300 car park lots.

This project is being developed in several phases. Phase 1, comprising a total 1,052 residential units and 37 retail units, was about 97.6% and 94.0% sold for residential and retail units respectively as at 31 December 2013. Phase 2, comprising a total of 1,398 residential units, was partially launched during 2012 and 81.0% sold as at 31 December 2013. The construction for the first stage of Phase 2 was completed in October 2012 and the construction for the second stage of Phase 2 was completed in October 2013. Construction for Phase 3, which comprises a single 11-storey hotel block with 168 rooms and 20 retail and 87 residential units, commenced in September 2012 and is expected to be completed by June 2014. Sales for Phase 3 are expected to be launched at the end of the second quarter of 2014.

丽水金都 - Li Shui Jin Du

The Group's Chengdu development project, 丽水金都 "Li Shui Jin Du", is located in Xindu, a suburban town north of Chengdu city, Sichuan province. Xindu and Chengdu are connected by the Shulong Expressway.

With a site area of approximately 4.8 hectares, this high-rise condominium project consists of nine blocks of 1,205 residential apartments with total built-up area of 138,278 square metres, one block of retail space with built-up area of 3,301 square metres, and 499 car park lots.

The construction of this project was completed in March 2009 and as at 31 December 2013, approximately 99.8% of the total residential units have been sold. All of the retail units have been sold since 2011.

3. SINGAPORE AND MALAYSIA PROPERTY

The Group holds long-term investments in commercial properties, hotels and resorts in Singapore and Malaysia. In 2013, revenue was approximately S$24.2 million and gross profit was S$13.2 million. In Singapore, the Group (through its wholly owned subsidiary) has ownership in office and retail units comprising 21% of the strata units in Orchard Towers, a freehold mixed development located on Orchard Road. The Group is the single largest owner of strata titles and unit gross floor area in Orchard Towers. As at 31 December 2013, the average occupancy rates of retail and office units in Orchard Towers were 92% and 99% respectively.

The Group owns and operates the Palm Resort Golf & Country Club (with three 18-hole golf courses) and Le Grandeur Palm Resort (a 330-room hotel). Both are located in Johor, Malaysia. The Group also owns Palm Springs Golf & Beach Resort (a 27-hole golf course) in Batam, Indonesia. In addition, the Group owns undeveloped land banks of approximately 88.2 hectares and 1.18 hectares around its golf courses in Johor and Batam respectively. The average occupancy at Le Grandeur Palm Resort was 66% in 2013, and there are 10 lodges at Palm Springs Golf & Beach Resort for members' use. The number of golf rounds played in 2013 was 92,425 in Palm Resort Golf & Country Club and 30,446 in Palm Springs Golf & Beach Resort.

Revenue from the Group's Singapore and Malaysia property is contributed by Orchard Towers in Singapore, Palm Resort Golf and Country Club and Le Grandeur Hotel in Malaysia and Palm Springs Golf & Beach Resort in Batam, Indonesia.

4. UNITED KINGDOM PROPERTY

In June 2013, the Group made its first foray into the London property market with the acquisition of the New Brook Buildings, a freehold office building located in West End, London with net leasable area of approximately 8,961 square metres for a purchase consideration of £84 million. The building is fully leased with the earliest lease expiring in 2020. The revenue contributed by New Brook Buildings from 12 June 2013 (date of acquisition) to 31 December 2013 was approximately S$6.5 million and the gross profit thereon was S$4.9 million.

PROPERTIES

1. MAJOR PROPERTIES HELD BY SUBSIDIARIES AND ASSOCIATED COMPANIES OF THE GROUP

Country and Type of Development	Tenure	Site Area (Square Metres)	Approximate Net Lettable Area (Square Metres / Number of Rooms for Hotels
INDONESIA			
Commercial			
Sinar Mas Land Plaza	20-year lease till Jul 2019	624	10,230
(a) Tower I – a 12-storey office block, a basement level and a 7-storey carpark building. Located at JI. M.H. Thamrin Kav. 51, Central Jakarta.	20-year lease till Nov 2022 20-year lease till Jan 2025 20-year lease till Jul 2026	1,628 309 330	
(b) Tower II - a 39-storey office building, 3 basement levels and mechanical penthouse Located at JI. M.H. Thamrin Kav. 51, Central Jakarta.	20-year lease till Mar 2025	13,302	61,633
Tower III - a 12-storey office building Located at JI. M.H. Thamrin Kav. 51, Central Jakarta.			13,244
Wisma BII – Medan A 10-storey office block and 3 basement levels. Located at JI. Diponegoro, North Sumatra.	20-year lease till Jan 2026	4,358	11,681
Wisma BII – Surabaya A 20-storey office building, a basement level and a 11-storey carpark building. Located at JI. Pemuda, Surabaya.	20-year lease till Nov 2023	4,104	23,281
Hotels			
Le Grandeur Mangga Dua Hotel A 4-star hotel, shophouses and retail kiosks. Located at JI. Mangga Dua Raya, Jakarta.	20-year lease till Jul 2028	13,940	346 rooms
Le Grandeur Balikpapan Hotel A 4-star hotel. Located at JI. Jenderal Sudirman, Balikpapan, East Kalimantan.	20-year lease till Apr 2028	19,100	185 rooms
Grand Hyatt Jakarta Hotel and Plaza Indonesia Shopping Center A 5-star hotel and shopping complex. Located at JI. M.H. Thamrin, Jakarta. (Owned by associated company, PT Plaza Indonesia Realty Tbk)	20-year lease till Aug 2025	48,908	428 rooms

Country and Type of Development	Tenure	Site Area (Square Metres)	Approximate Net Lettable Area (Square Metres / Number of Rooms for Hotels
Singapore			
Commercial			
Orchard Towers The Issuer owns approximately 21 per cent. of the total strata area in this complex. Located at 400 Orchard Road.	Freehold	6,130	8,375
Malaysia			
Hotel			
Le Grandeur Palm Resort Johor A 4-star hotel. Located on the Palm Resort Golf & Country Club at Senai, Johor Baru.	Freehold	56,656	330 rooms
UNITED KINGDOM			
Commercial			
New Brook Buildings – West End London Located at 8–18 Great Queen Street, Covent Garden, London WC2.	Freehold	2,388	8,961

2. MAJOR PROPERTIES UNDER CONSTRUCTION / DEVELOPMENT

Country and Type of Development	Site Area (Square Metres)	Approximate Percentage Held (%)	Expected Completion Date
INDONESIA			
Industrial Estate			
KIIC			
- **PT Maligi Permata Industrial Estate**	1,120,000	42	N.A.
- **PT Harapan Anang Bakri & Sons**	64,000	37	N.A.
- **PT Karawang Tatabina Industrial Estate** Located at Desa Wadas, Sukaluyu, Jambe, Karawang, West Java. The site is for the development of infrastructure only.	3,130,000	49	N.A.
Commercial			
Sedana Housing, Commercial & Golf Course	440,000	98	N.A.

Country and Type of Development	Site Area (Square Metres)	Approximate Percentage Held (%)	Expected Completion Date
Residential			
Banjar Wijaya Located at Jl. Cipondoh Raya, Tangerang, West Java.	185,897	44	2016
Kota Bunga Located at Jl. Hancet, Cipanas, West Java.	169,290	44	2016
Wisata Bukit Mas	89,169	55	2015
Wisata Bukit Mas II Located at Surabaya, East Java.	91,986	41	2014
Taman Permata Buana Located at Jl. Kembangan, West Jakarta.	23,736	35	2014
Grand Wisata Located at Bekasi, Greater Jakarta.	5,876,399	24	2020
Kota Wisata Located at Cibubur, Greater Jakarta.	1,309,025	44	2021
Balikpapan Baru Located at Balikpapan, Kalimantan.	458,046	65	2014
Legenda Wisata Located at Cibubur, Greater Jakarta.	189,658	44	2014
Township			
BSD City A proposed township that includes residential and commercial development, infrastructure, public utilities, facilities and amenities. Located at Serpong, Tangerang, West Java.	29,256,120	50	2035
Kota Deltamas A mixed development project comprising residential units, commercial centres, industrial estate, business park, schools, hospital and other public facilities. Located at Bekasi Regency, West Java.	19,298,400	49	2021
CHINA			
Mixed Development			
Li Shui Jin Yang 丽水金阳 Located in Tie Xi District, Shenyang City, Liaoning Province.	89,940	100	2014

3. MAJOR PROPERTIES HELD BY THE GROUP FOR DEVELOPMENT / SALE

Country and Type of Development	Site Area (Square Metres)	Approximate Percentage Held (%)
INDONESIA		
Mixed Development		
PT Mustika Candraguna Located at MT. Haryono, South Jakarta.	7,955	35
PT Bumi Paramudita Mas Located at Tanjung Sari, Surabaya.	16,769	50
Lenteng Agung Located at southern part of Jakarta.	54,187	44
Roxy II Located at Jl. K.H. Hasyim Ashari, Central Jakarta.	154,535	44
Residential and Commercial		
PT Karya Dutamas Cemerlang Located at Karawang, West Java.	1,479,050	65
Grand City Balikpapan Located at Balikpapan, East Kalimantan.	1,892,308	65
Jati Asih Located at Jati Asih, Pondok Gede, Greater Jakarta.	833,703	44
Cibubur Located at Cibubur, Greater Jakarta.	1,576,174	44
Benowo Located at Surabaya, East Java.	2,962,176	44
Kuningan Located in CBD Jakarta.	55,132	49
Resort		
Palm Springs Located at Batam.	1,180,000	65
Land at Pecatu Located at Bali.	803,540	84
MALAYSIA		
Mixed Development		
Palm Resort Berhad Located at Senai, Johor Bahru.	505,860	99
Anak Bukit Resorts Sdn Bhd Located at Senai, Johor Bahru.	376,360	100

COMPETITION

The Group faces competition in Indonesia from other property development companies. It faces challenges to attract new customers for its townships, residential, commercial, retail and industrial property. The Group considers its major competitors in Indonesia to be publicly listed property development companies, in particular those which have operations in Serpong, Greater Jakarta. The Group's main competitors in Indonesia are Alam Sutra Realty Tbk and Summarecon Agung Tbk, due to their proximity to BSD City. Although BSDE is one of the major and leading property development companies in Indonesia, the property development market in Indonesia is expected to remain highly competitive.

In Malaysia, the Group faces competition from other golf clubs and hotels in Johor. In Singapore, the Group's investment property has to vie for tenants with other commercial buildings. The Group's China projects are in the last phase of development and should not face significant competition. In the United Kingdom, the Group's latest investment is fully let to tenants with long leases of at least eight years and hence would not be subject to competition in the near term.

INTELLECTUAL PROPERTY

The Group relies on a combination of trademarks and domain name registrations, copyright protection and contractual arrangements to protect its brand name and logos, marketing designs and internet domain names. The Issuer and the companies within the Group are the proprietors of trade mark registrations and the applicants of pending trademark applications in various countries around the world for the marks used in the course of business including Sinarmasland, Bumi Serpong Damai and BSD City.

INSURANCE

The Group maintains general insurance coverage for its businesses, including industrial all-risks insurance against risks of fire, damages, theft and other possible risks, with joint insurance coverage with inventories. The management believes that the insurance coverage is adequate to cover possible losses on the assets insured.

ENVIRONMENTAL MATTERS AND COMPLIANCE

The operations of the Group are subject to regulatory requirements and potential liabilities arising under applicable environmental laws and regulations. The Issuer believes that each member of the Group is in compliance in all material respects with applicable environmental regulations in Indonesia and the other jurisdictions in which it operates. To date, there are no known cases of environmental non-compliance involving the Group. The Issuer is not aware of any environmental proceedings or investigations to which it is, or might become, a party. The Issuer also ensures that it obtains AMDAL prior to the commencement of any development projects in Indonesia. AMDAL is an Indonesia environmental feasibility assessment and a key regulatory approval by the Indonesian Government.

EMPLOYEES

As at 31 December 2013, the Group had approximately 6,600 employees.

In line with the concept of organisational structure renewal, the Group, in developing its human resources, continuously focuses on three priorities, namely:

(a) Managerial

The Group considers that the role of a leader is to lead team members with better thinking patterns and working attitude and to optimise the use of team members' competency and potency so as to achieve the Group's targets. A leader is also expected to create a culture of accountability.

(b) Training

The Group provides opportunities to all employees to attend training programs related to their jobs scope. Training programs covers the following fields, among others: Accountancy, Taxation, Architecture, Law, Human Resources, Social Responsibility, Marketing, English Language, and Communication.

(c) Attitude

The Group encourages its employees to develop their creativity, competency, innovation, and entrepreneurship.

LEGAL ISSUES AND PROCEEDINGS

From time to time, the Group may face various legal issues or be involved in proceedings arising from the ordinary course of the Group's business.

To the best of the Group's knowledge, there are no outstanding material legal issues or legal proceedings.

AWARDS

The Group has received a number of awards and certificates, including:

- South East Asia Property Award 2013 – BSD Green Office Park, For the Best Green Development Award
- Forbes Asia 2013 – BSDE, Best of the Best Top 100 Companies
- BCI Asia Award 2013 – Sinar Mas Land as Top 10 Developer
- Asia Pacific Property Awards 2013 – Sinar Mas Land Plaza BSD City, Five Start Best Office Development Indonesia
- Asia Pacific Property Awards 2013 – Primavera of Foresta BSD City, highly commended for Multi Units Development
- Asean Energy Award 2013 – Sinar Mas Land Plaza BSD City, Winner for Energy Efficient Building
- World FIABCI Prix D'Excellence Awards 2013 – BSD Green Office Park, Winner for Sustainable Development
- World FIABCI Prix D'Excellence Awards 2013 – Sinar Mas Land Plaza BSD City, Runner up for Office Development
- South East Asia Property Award 2012 – The Best Green Development Award from Property Report Magazine Singapore
- FIABCI Indonesia Prix D'Excellence Award 2012 – 1st Winner of Sustainable Development Category – BSD Green Office Park
- FIABCI Indonesia Prix D'Excellence Award 2012 – 1st Winner Office Building Category – Sinarmas Land Office Building
- FIABCI Indonesia Prix D'Excellence Award 2012 – 2nd Winner Hotel Category – Le Grandeur Hotel Mangga Dua
- Asia Pacific Property Award 2012 – Best Office Development Indonesia from Asia Pacific Property Awards, Bloomberg and HSBC
- BCI Asia Award – Ten Best Developer from BCI Asia
- Forbes Best of the Best 2012 – Forbes Indonesia Magazine

CORPORATE SOCIAL RESPONSIBILITY

Since 2004, the Group has held the BSD City Green Festival annually in June to campaign for the importance of protecting and conserving the environment amongst the local community. The BSD City Green Festival is often held together with the Environment Campaign organised by the Banten Province Government, Tangerang Regency Government and South Tangerang City Government. The Group held the BSD City Green Festival for the tenth time in June 2013, with the theme "Action For Green Life". The 2013 Green Festival was held in City Park 1, South Tangerang City on June 2, 2013 and in the Heroes Cemetery Aryawangsakara, Tangerang Regency Government on June 9, 2013. The Group donated more than 3,000 trees of rare species to the surrounding community, government agencies, educational institutions, non-governmental organisations, and other institutions. To date, the Group has planted over 3 million trees in commercial areas, pedestrian areas, road medians, neighbourhood parks and other locations.

As a manifestation of the Issuer's commitment to realise its Corporate Social Responsibility mission in implementing the development with an environmental cause, the BSD Green Office Park was developed in BSD City with an area of 25 hectares. This area was used to develop an office area that complies with international green standards. This environmentally-friendly area was designed to reduce the number of people in Tangerang area who commute to Jakarta to earn a living by providing a place to work right within BSD City, prevent land erosion, enhance absorption of rainwater and reduce air pollution. In May 2013, the Group's BSD Green Office Park was awarded the Gold Winner World FIABCI Prix d'Excellence Award 2013 in Taiwan under the category Sustainable Development. The Group's BSD Green Office also received the ASEAN Energy Award 2013-International Property Awards Asia Pacific 2012 For Office Development.

Enabling Communities

The Group's strategy is to mobilise stakeholders such as local communities and government institutions, and to deploy its financial resources. The leadership of BSD City is implemented through active participation and the implementation of integrated community programs in education, economy, health and infrastructure with the aim to help community development in a healthy and harmonious environment.

The Group's cooperation with the Tzu Chi Foundation is a cornerstone of the Group's humanitarian efforts for disadvantaged communities living in sub-standard houses. One of the programs which the Group has implemented is *Bedah Rumah* or House Renovation Program in Lengkong Kyai Village, Tangerang Regency. The program is implemented with the redevelopment of 15 community houses and drainage improvements. The purpose of this program is to support government programs to alleviate poverty especially in the district of Tangerang, by fulfilling one of the basic needs of a society, which is a secure and decent home to live in.

The Buddhist Tze Chi Foundation was established in 1966 in Taiwan, and has contributed to the social and community services, nursing education, medical and humanism in Taiwan and around the world. In Indonesia the Buddhist Tzu Chi Foundation was established in 1994, and now has many branches in different cities in Indonesia. In 2013, Tzu Chi and the Issuer made a commitment to cooperate in the economic field house renovation program.

In mid-2013, BSDE started building *Rumah Pintar* (Smart House) located in BSD city, in support of the programme initiated by Indonesia's First Lady, Mrs. Ani Bambang Yudhoyono, who is a member of Solidaritas Istri Kabinet Indonesia Bersatu (Solidarity of Spouses of United Indonesia Cabinet). The goal of *Rumah Pintar* is to empower children, mothers and other community members, in order to create educated and prosperous communities throughout Indonesia.

Each *Rumah Pintar* is designed as a community learning centre focusing on early childhood education, education of women through in empowerment activities and the nurturing of family health. It comes with a library, a playroom and arts and culture corner, and is equipped with computers and multimedia stations.

Environmental Conservation

Green environment has always been the Group's inspiration and commitment. The Group is conscious of building and sustaining green lifestyles within its projects. Since 2004, the Issuer has held the BSD City Green Festival annually in June to campaign for the importance of protecting and conserving the environment among the local community. The BSD City Green Festival is often held together with the Environment Campaign organised by Banten Province Government, Tangerang Regency Government and South Tangerang City Government. The Issuer held its Green Festival for the tenth time in June 2013, with the theme "Action For Green Life", in City Park 1, South Tangerang City and the Heroes Cemetery Aryawangsakara, Tangerang Regency Government.

The Group has donated more than 3,000 trees to the surrounding community, government agencies, educational institutions, non-governmental organisations, and other institutions. These donations consist of a wide variety of plants that are now classified as rare. To date, the Group has planted over 3 million trees in commercial, pedestrian areas, road medians, neighbourhood parks and other locations.

RECENT DEVELOPMENTS

On 7 May 2014, the Issuer announced a change in shareholding interests subsequent to an internal restructuring of the Group.

On 23 April 2014, BSDE acquired from Paraga an aggregate of 922,760,000 quoted shares of nominal value of Rp200 each, representing 25.99% of the shareholding in Plaza Indonesia , for a total net consideration of Rp2,030,072,000,000 (approximately S$223 million based on the exchange rate of Rp1 = S$0.00011 as at 2 May 2014) (the "**PIR Transaction**"). Following the PIR Transaction, the Issuer's effective interest in Plaza Indonesia decreased from 26.03% to 17.06%.

On 30 April 2014, BSDE completed a capital increase without pre-emptive rights by the issue of 874,849,800 new shares of nominal value of Rp100 each (the "**New BSDE Shares**"), representing 5% of the total issued and paid-up shares of BSDE before the capital increase, at the exercise price of Rp1,820 per New BSDE Share (the "**BSDE Capital Increase**"). Paraga and its subsidiary, PT Ekacentra Usahamaju, have each subscribed for 437,424,900 New BSDE Shares pursuant to the BSDE Capital Increase for the total cash consideration of Rp1,592,226,636,000 (approximately S$175 million based on the exchange rate of Rp1 = S$0.00011 as at 2 May 2014) (the "**BSDE Transaction**"). Following the BSDE Transaction, the Issuer's effective interest in BSDE and Plaza Indonesia increased from 49.87% to 51.50% and from 17.06% to 17.62%, respectively.

As a result of the Group adopting FRS110 for financial period beginning 1 January 2014, the Group is required to retrospectively consolidate PDL and its subsidiaries with effect from April 2013. Prior to the adoption of FRS110, the PDL Group was treated as associated companies accounted for by the Group using the equity method.

DIRECTORS AND KEY EXECUTIVES

BOARD OF DIRECTORS

The Board of Directors (the "**Board**") of the Issuer comprises:

Name	**Position**
Franky Oesman Widjaja	Executive Chairman
Muktar Widjaja	Executive Director and Chief Executive Officer
Margaretha Natalia Widjaja	Executive Director
Ferdinand Sadeli	Executive Director and Chief Financial Officer
Robin Ng Cheng Jiet	Executive Director
Foo Meng Kee	Independent Director and Chairman of Audit Committee and Nominating Committee
Kunihiko Naito	Independent Director
Rodolfo Castillo Balmater	Independent Director and Chairman of Remuneration Committee

Franky Oesman Widjaja
Executive Chairman

Mr. Franky Widjaja, aged 56, was appointed as Executive Chairman of the Issuer in December 2006 and he has been a Director of the Issuer since 1997. He earned his Bachelor's degree in Commerce from Aoyama Gakuin University, Japan in 1979.

Mr. Franky Widjaja has extensive management and operational experience. Since 1982, he has been involved with different businesses including pulp and paper, property, chemical, financial services and agriculture.

Mr. Franky Widjaja is a member of the Issuer's Executive/Board Committee and Nominating Committee. He is Vice President Commissioner of the Issuer's Indonesia Stock Exchange listed property subsidiaries, BSDE and DUTI.

Mr. Franky Widjaja is Chairman and Chief Executive Officer of Golden Agri-Resources Ltd ("**GAR**"), President Commissioner of its Indonesian subsidiary, PT Sinar Mas Agro Resources and Technology Tbk, which is listed on the Indonesia Stock Exchange and Director of Bund Center Investment Ltd ("**BCI**"). He is a member of the Boards of several subsidiaries of the Issuer, GAR and BCI.

Muktar Widjaja
Executive Director and Chief Executive Officer

Mr. Muktar Widjaja, aged 59, was appointed as Chief Executive Officer of the Issuer in December 2006. He has been a Director of the Issuer since 1997. He obtained his Bachelor of Commerce degree in 1976 from the University Concordia, Canada.

Since 1983, Mr. Muktar Widjaja has been actively involved in the management and operations of the property, financial services, agriculture, chemical and pulp and paper businesses. Mr. Muktar Widjaja is a member of the Issuer's Executive/Board Committee and President Commissioner of BSDE and DUTI.

Mr. Muktar Widjaja is Director and President of GAR and Vice President Commissioner of PT Sinar Mas Agro Resources and Technology Tbk. He is a member of the Boards of several subsidiaries of the Issuer and GAR.

Mr. Muktar Widjaja was a Director of BCI until May 2012.

Margaretha Natalia Widjaja
Executive Director

Ms. Margaretha Widjaja, aged 32, was appointed as Director of the Issuer in December 2010. Ms. Margaretha Widjaja graduated from Seattle University, United States of America in 1999 with a degree in Bachelor of Arts majoring in Finance, Marketing and Information Systems. She later obtained a Master of Management Information Systems in 2001 from the same university.

Since 2008, Ms. Margaretha Widjaja was Vice-Chairman of the Indonesian Property Division of the Issuer and she was instrumental in leading the transition of the management organisation structure and the re-branding of "Sinarmas Land" in Indonesia. She supports the Chief Executive Officer in formulating the Group's business plans and strategies. She is also responsible for the Group's Enterprise Risk Management activities and corporate governance initiatives.

Prior to her current position, Ms. Margaretha Widjaja was Deputy CEO, Forestry Division of Sinar Mas Group from 2002 to 2008, where she led the teams responsible for Finance, Information Technology, Human Resources, Legal and Business Control and was key to driving the strategies for the Division's growth during her tenure. She had also worked as an Investment Analyst with Merrill Lynch Bank in the United States between 2000 and 2002 and was involved in the due diligence analysis and execution of various merger and acquisition transactions.

Ms. Margaretha Widjaja is a member of Executive/Board Committee of the Issuer. She is also a member of the Boards of several subsidiaries of the Issuer and a Director of Finneland Properties Pte Ltd.

Ferdinand Sadeli
Executive Director and Chief Financial Officer

Mr. Ferdinand Sadeli, aged 40, was appointed as Director and Chief Financial Officer in April 2012 after joining the Issuer as the Chief Investment Officer. He graduated from Trisakti University, Jakarta, Indonesia with a Bachelor of Economics majoring in Accounting in 1996 and the University of Melbourne, Australia with a Master of Applied Finance in 1999. He is a Chartered Financial Analyst (CFA) charterholder, CPA (Australia) holder and Financial Risk Manager (FRM) holder. He also engages as part-time lecturer at Binus Business School for post graduate and executive education courses since 2000.

Mr. Sadeli has more than 18 years of combined working experience in several different roles (auditor, accountant, business valuer, merger and acquisition consultant, Chief Financial Officer and banker) within multinational and public listed companies in Indonesia, Singapore and Australia. Prior to joining the Issuer, Mr. Sadeli was a Director of the Investment Bank Division in PT Barclays Capital Securities Indonesia from October 2010 to January 2012. Mr. Sadeli joined PT Bakrieland Development Tbk as a Finance Director in July 2007 before he left in October 2010. He previously worked for 11 years in Ernst & Young, Jakarta and Sydney offices, with his last position as a Senior Manager. Mr. Sadeli was the President of CPA Australia – Indonesia Office from 2009 to 2012 and currently serves as a member of the International Board of CPA Australia.

Mr. Sadeli is a member of the Issuer's Executive/Board Committee. He is also a member of the Boards of several subsidiaries of the Issuer.

Robin Ng Cheng Jiet
Executive Director

Mr. Robin Ng Cheng Jiet, aged 39, joined the Issuer as the Finance Director and was appointed as an Executive Director in April 2012. He graduated with a Bachelor of Accountancy (Honours) from Nanyang Technological University, Singapore in 1998. Mr. Ng has been a Chartered Accountant (Australia) since 2001 and a Chartered Accountant (Singapore) since 2002.

Mr. Ng has over 15 years of experience in operational finance and public accounting and was formerly the Chief Financial Officer of Top Global Limited, a company listed on the SGX-ST. Prior to joining Top Global Limited, Mr. Ng was the Finance Director, Asia, of Methode Electronics, Inc. from August 2009 to October 2010, and was with Lear Corporation where he held various positions, with his last position as the Head of Finance, Japan, before leaving in August 2009. Previously, he was the Regional Internal Controls Manager at Kraft Foods Asia Pacific Ltd. Mr. Ng was also with Ernst & Young Singapore and Australia (Sydney office) for more than seven years, serving as Audit Manager before he left.

Mr. Ng is a member of the Issuer's Executive/Board Committee. He is also a member of the Boards of several subsidiaries of the Issuer.

Foo Meng Kee
Independent Director and Chairman of Audit Committee and Nominating Committee

Mr. Foo Meng Kee, aged 64, joined the Issuer's Board of Directors in 2001. Mr. Foo's academic qualifications include a MBA from the University of Dubuque, United States; Graduate Diploma in Marketing Management from the Singapore Institute of Management; and Bachelor of Commerce (Honours) from the Nanyang University of Singapore. Mr. Foo was with Hitachi Zosen Singapore Limited (now known as Keppel Shipyard Limited) from 1976 to 1998. When he was the Managing Director of Hitachi Zosen Singapore Limited, he led in the listing of the company on the Main Board of the SGX-ST. Currently, he is the principal owner of M K Capital Pte Ltd and M K Marine Pte Ltd.

Mr. Foo has in the past served on the Committees of the Association of Singapore Marine Industries and the Singapore Armed Forces Reservists' Association.

Mr. Foo is Chairman of the Issuer's Audit Committee and Nominating Committee and a member of its Remuneration Committee. He also sits on the Boards of Directors of Lee Metal Group Ltd and Jiutian Chemical Group Ltd, both listed on the SGX-ST, and Titan Petrochemicals Group Limited, a company listed on the Hong Kong Stock Exchange.

Kunihiko Naito
Independent Director

Mr. Kunihiko Naito, aged 69, re-joined the Issuer's Board of Directors in December 2007. Prior to that, he was a Director of the Issuer from November 1997 to February 2006. Mr. Naito graduated from Waseda University, Japan, in 1967 with a Bachelor's degree in Engineering.

Mr. Naito was with Nissho Iwai Corporation (now known as Sojitz Corporation) for 36 years, of which 14 years were with its North American operation in New York. He held various positions at Nissho Iwai Corporation, including that of General Manager of Machinery Department in New York, Deputy General Manager for the South East Asia region (based in Singapore), and Chief Representative for Nissho Iwai Corporation Indonesia.

Mr. Naito was actively involved in food and industrial/residential property development projects worldwide. Mr. Naito is the Representative Director of NSN Global Partners Ltd, Japan and NSN Global (S) Pte Ltd, Singapore in the field of industrial business consulting.

Mr. Naito is a member of the Issuer's Audit Committee and Remuneration Committee.

Rodolfo Castillo Balmater
Independent Director and Chairman of Remuneration Committee

Mr. Rodolfo Castillo Balmater, aged 65, joined the Issuer's Board of Directors in February 2006. He graduated from Araullo University, Philippines in 1969 with a degree in Bachelor of Science in Commerce majoring in Accountancy (with honours), and completed a Master in Management from the Asian Institute of Management (with distinction) in 1978.

Mr. Balmater worked with international accounting firms (SGV Philippines, Arthur Andersen and Ernst & Young) from 1969 to 2006 in various capacities. Within these 37 years, he was involved in audit work, financial consulting activities, and business advisory service holding various job positions as Partner and/or Director. Mr. Balmater is currently President Director of PT Balmater Consulting Company which advises family-owned businesses and also provides training on corporate governance, finance, accounting, audit and risk management. He is currently a member of each of the Audit Committees of PT Erajaya Swasembada Tbk and PT Molindo Raya Industrial.

Mr. Balmater is Chairman of the Issuer's Remuneration Committee and member of its Audit Committee and Nominating Committee.

Board Committees

Executive/Board Committee Composition and Role

The Board has established the Executive/Board Committee to supervise the management of the business and affairs of the Issuer. The Executive/Board Committee assists the Board in the discharge of its duties by, *inter alia*, approving the opening and closing of banking accounts, and acceptance of banking facilities up to certain limits. The Executive/Board Committee comprises the following five Directors:

<u>Group A</u>
Franky Oesman Widjaja
Muktar Widjaja
Margaretha Natalia Widjaja

<u>Group B</u>
Ferdinand Sadeli
Robin Ng Cheng Jiet

Circular resolutions of the Executive/Board Committee are effective if signed by any two Directors from Group A jointly with the two Directors from Group B.

Audit Committee Composition and Role

The Audit Committee comprises the following three Directors, all of whom, including the Audit Committee Chairman, are non-executive independent Directors:

Foo Meng Kee (Audit Committee Chairman)
Rodolfo Castillo Balmater
Kunihiko Naito

The Board considers that the members of the Audit Committee are appropriately qualified to discharge the responsibilities of the Audit Committee.

The Audit Committee's roles and responsibilities are described in its terms of reference.

The Audit Committee has the explicit authority to investigate any matter within its terms of reference. In addition, the Audit Committee has full access to and co-operation of the Issuer's management team and full discretion to invite any Director or executive officer to attend its meetings. Reasonable resources are made available to enable the Audit Committee to discharge its functions properly.

In addition to its statutory functions, the Audit Committee considers and reviews any other matters as may be agreed to by the Audit Committee and the Board. In particular, the duties of the Audit Committee include:

(a) Reviewing significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance.

(b) Reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls (such review can be carried out internally or with the assistance of any competent third parties).

(c) Reviewing the effectiveness of the Group's internal audit function.

(d) Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors.

(e) Making recommendations to the Board on the proposals to the shareholders on appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors.

The Audit Committee reviews with the Issuer's management team, and where relevant, the auditors, the results announcements, annual reports and financial statements, interested person transactions and corporate governance, before submission to the Board for approval or adoption.

In performing its functions, the Audit Committee meets with the internal and external auditors, and reviews the audit plans and overall scope of both internal and external audits, and the co-operation and assistance given by the Issuer's management team to the respective auditors. Where necessary, the Audit Committee also meets separately with the internal and external auditors whereby any issues may be raised directly to the Audit Committee, without the presence of the Issuer's management team. The internal and external auditors have unfettered access to the Audit Committee.

Responsibilities for Risk Management and Internal Controls

The Board, with assistance from the Audit Committee, is responsible for the governance of risk by ensuring that the Issuer's management team maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and determines the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

Opinion on Adequacy and Effectiveness of Internal Control and Risk Management Systems

The Audit Committee is responsible for making the necessary recommendations to the Board such that the Board may make an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Group. In this regard, the Audit Committee is assisted by the external auditors, internal auditors and the enterprise risk management committee ("**ERMC**").

The Board is satisfied that there is appropriate and adequate review by the Audit Committee of the adequacy of the Issuer's internal financial controls, operational and compliance controls, and risk management policies and systems established by the Issuer's management team. In its review, the Audit Committee had been assisted by both the external auditors and the internal auditors, and this review is conducted at least once every year.

During the course of the audit, the external auditors carried out a review of the effectiveness of the Group's material internal controls, including financial, operational, compliance and information technology controls to the extent of their scope as laid out in their audit plan. Material non-compliance and internal control weaknesses noted during the audit are reported to the Audit Committee together with the recommendations of the external auditors.

In addition, based on the enterprise risk management framework established and maintained, the work performed by the ERMC and the internal audit function as well as the assurance received from the Chief Executive Officer and Chief Financial Officer, the Board with the concurrence of the Audit Committee, is of the opinion that the Group's internal controls including financial, operational, compliance and information technology controls, and risks management systems, were adequate as at 31 December 2013 to meet the needs of the Group in its current business environment.

The Board notes that the Issuer's system of internal controls and risk management provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledges that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Internal Audit

The Issuer has established an in-house internal audit function. The role of the internal auditors is to assist the Audit Committee to ensure that the Issuer maintains a sound system of internal controls.

The Chief Internal Auditor ("**CIA**") reports to the Audit Committee chairman. On administrative matters, the CIA reports to the Executive Chairman. The CIA has met the standards set by nationally or internationally recognized professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The Audit Committee approves the hiring and removal of the CIA and ensures that the internal audit function is adequately staffed and has appropriate standing within the Issuer. It also ensures the adequacy and effectiveness of the internal audit function.

The annual internal audit plan is established in consultation with, but independent of, the Issuer's management team, and is reviewed and approved by the Audit Committee. Every quarter, the Audit Committee and the Issuer's management team review and discuss internal audit findings, recommendations and status of remediation, at Audit Committee meetings.

The internal auditors have unfettered access to the Group's documents, records, properties and personnel, including access to the Audit Committee.

Nominating Committee Composition and Role

The Nominating Committee comprises the following three Directors, two of whom, including the Nominating Committee Chairman, are non-executive and independent Directors:

Foo Meng Kee (Nominating Committee Chairman)
Rodolfo Castillo Balmater
Franky Oesman Widjaja

The Nominating Committee's roles and responsibilities are described in its terms of reference. The Nominating Committee is primarily responsible for:

(a) identifying and nominating for the approval of the Board, all Board appointments including candidates to fill Board vacancies as and when they arise;

(b) reviewing the independence element on the Board annually; and

(c) deciding how the Board's performance may be evaluated.

The Nominating Committee is also responsible for making recommendations to the Board:

(a) as regards the re-appointment, re-election and re-nomination of any Director;

(b) concerning the Board having a strong and independent element;

(c) concerning the re-appointment of any Director having multiple board representations;

(d) concerning the Board's performance criteria;

(e) regarding training and professional development programmes for the Board; and

(f) concerning any matters relating to the continuation in office as a Director of any Director at any time.

<u>Process for Selection, Appointment, and Re-appointment of Directors</u>

All new Board appointments are considered, reviewed and recommended by the Nominating Committee first, before being brought up to the Board for approval. Potential candidates to fill casual vacancies or as an additional director are sourced with recommendations from Directors, the Issuer's management team or external consultants. The Nominating Committee then evaluates the suitability of potential candidates for the position taking into account, *inter alia*, his/her knowledge, skills, experience and ability to contribute to the Board's effectiveness. Upon the Nominating Committee's recommendation, the Board approves the new appointment. In the event that the membership of the Nominating Committee falls below the minimum number of three members, the Nominating Committee shall be dissolved, and any new nominations are channelled directly to the Board for approval after which the Nominating Committee is reconstituted with the requisite number of members.

Pursuant to the Articles of Association, save for the position of Executive Chairman, all Directors are to submit themselves for re-election at regular intervals. In particular, one-third of the Directors retire from office by rotation at the annual general meeting ("**AGM**"), and newly appointed Directors must submit themselves for re-election at the AGM immediately following his/her appointment. Under the Companies Act, Cap. 50, the office of a director of the Issuer shall become vacant at the conclusion of the AGM commencing next after the director attains the age of 70 years, and he shall be subject to yearly re-appointment. The Board is satisfied with the current practice.

<u>Board Evaluation Process</u>

The Nominating Committee is tasked to carry out the processes as implemented by the Board for assessing the effectiveness of the Board as a whole, and the contribution by each individual Director to the effectiveness of the Board on an annual basis.

The Issuer has in place a system to assess the effectiveness/performance of the Board and acts, where appropriate, on feedback from Board members, on improvements.

During the annual evaluation process, each Director is required to complete the respective forms for self-assessment as well as for assessment of the performance of the Board, based on pre-determined approved performance criteria.

Remuneration Committee Composition and Role

The Remuneration Committee comprises the following three Directors, all of whom, including the Remuneration Committee chairman, are non-executive and independent Directors:

Rodolfo Castillo Balmater (Remuneration Committee Chairman)
Foo Meng Kee
Kunihiko Naito

The Remuneration Committee has written terms of reference that describes its roles and responsibilities.

The duties of the Remuneration Committee include reviewing and recommending to the Board for approval, the following:

(a) a general framework of remuneration for the Board and key management personnel;

(b) the specific remuneration packages for each Director and key management personnel; and

(c) the Issuer's obligations arising in the event of termination of executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

The Remuneration Committee may, during its annual review of remuneration of Directors and key management personnel, seek advice from external remuneration consultants as and when it deems necessary.

None of the members of the Remuneration Committee is involved in deliberations in respect of any remuneration, compensation, incentives or any form of benefits to be granted to him.

KEY EXECUTIVES

Set out below are some of the Group's key executives or senior management:

Name	**Position**
Francis Yee Kong Seng	Chief Operating Officer of the Issuer
Franciscus Xaverius Ridwan Darmali	President Director of BSDE
Michael Jackson Purwanto Widjaja	Vice President Director of BSDE, Vice President Director of DUTI
Welly Setiawan Prawoko	Commissioner of BSDE, Commissioner of DUTI
Teky Mailoa	Commissioner of BSDE, Vice President Director of DUTI, President Director of PDL, President Director of PDM
Lie Jani Harjanto	Director of BSDE, President Director of DUTI
Hermawan Wijaya	Director and Corporate Secretary of BSDE, Director of DUTI, Director of PDL
Liauw Herry Hendarta	Director of BSDE
Petrus Kusuma	Director of BSDE
Hongky Jeffry Nantung	Director of BSDE, Director of DUTI
Syukur Lawigena	Director of BSDE
Ishak Chandra	Managing Director of the Corporate Partner and Strategy Division of BSDE, Managing Director of the Corporate Partner and Strategy Division of DUTI

Francis Yee Kong Seng
Chief Operating Officer of the Issuer

Mr. Francis Yee Kong Seng, aged 48, was appointed as Chief Operating Officer of the Issuer in January 2014. He oversees the corporate strategy and development, operations, investments and strategic partnerships. Mr. Yee was previously the Senior Vice President and Head, Group Strategy Management and Vice President and Head, Investment and Development Management of Ascendas Pte Ltd. Mr. Yee graduated from the National University of Singapore with a Bachelor's Degree in Science in 1989. He obtained a Master's Degree in Business Administration from the University of Western Australia in 2001. He also completed the Graduate Diploma in Organisational Learning in 2003 at the Singapore Civil Service College.

Franciscus Xaverius Ridwan Darmali
President Director of BSDE

Mr. F.X. Ridwan Darmali, aged 60, was appointed as President Director of BSDE in 2013 after his former positions as Commissioner of BSDE from 2011 to 2013 and Vice President Director of BSDE from 2010 to 2011. He was also the President Director of DUTI from 2010 to 2013. In addition, he was the Technical and Planning Director of DUTI from 1994 to 2005, General Manager of Paraga in 1992, Chief Engineer of PT Putra Satria Prima from 1986 to 1991 and Civil Project Coordinator of PT Indulexco Consulting Engineers from 1979 to 1985. He obtained his Bachelor's degree in Civil Engineering from Parahyangan Catholic University, Bandung, Indonesia, in 1981 and obtained further education in Highway Engineering from Bandung Institute of Technology in 1994.

Michael Jackson Purwanto Widjaja
Vice President Director of BSDE, Vice President Director of DUTI

Mr. Michael Jackson Purwanto Widjaja, aged 29, was appointed as Vice President Director of BSDE in 2007. He has also been Vice President Director of DUTI since 2007. He was Vice President Commissioner of PT Golden Energy Mines Tbk since 2011 to 2013 and Vice President Commissioner of PT Dian Swastatika Sentosa Tbk from 2009 to 2011. He obtained his Bachelor of Arts from the University of Southern California, USA, in 2006.

Welly Setiawan Prawoko
Commissioner of BSDE, Commissioner of DUTI

Mr. Welly Setiawan Prawoko, aged 60, was appointed Commissioner of BSDE following his position as Vice President Director of BSDE from 2003 to 2011 and director from 2000 to 2003. He has also been a commissioner of DUTI since 2011 following his position as Vice President Director from 2004 to 2011 and Director from 1993 to 2003. He has been working in the Group since 1988. He also has experience in the public accountant office of Hadi Sutanto and PricewaterhouseCoopers with 12 years of experience from 1976 to 1988. He obtained his bachelor degree in Economics from Indonesia Institute of Economics in 1988.

Teky Mailoa
Commissioner of BSDE, Vice President Director of DUTI, President Director of PDL, President Director of PDM

Mr. Teky Mailoa, aged 50, was appointed as Commissioner of BSDE in 2013 following his former position as Vice President Director of BSDE from 2011 to 2013, Commissioner of BSDE from 2010 to 2011 and Director of BSDE from 2003 to 2010. He was also appointed as Vice President Director of DUTI following his former position as Director in 2006. He is also the President Director of PDM and PDL since 1995. He obtained his Bachelor's degree in Civil Engineering from Trisakti University, Indonesia, in 1987 and later a Master's degree in Structure and Construction Management from the University of Wisconsin, Madison, USA, in 1990.

Lie Jani Harjanto
Director of BSDE, President Director of DUTI

Ms. Lie Jani Harjanto, aged 47, was appointed as Director of BSDE in 2010. She was also appointed as President Director of DUTI in 2013 after a position of Vice President Director since 2011. She has over 25 years of experience in the Sinar Mas Group with positions such as Financial Managing Director of Sinar Mas Energy & Mining Division, Financial Managing Director of Sinar Mas Forestry Division, General Manager of Property Management, Controller Manager of Sinar Mas Real Estate Division, and Internal Audit Manager of Sinar Mas Group. Ms. Harjanto obtained her Bachelor's degree in Economics from Trisakti University, Indonesia, in 1989.

Hermawan Wijaya
Director and Corporate Secretary of BSDE, Director of DUTI, Director of PDL

Mr. Hermawan Wijaya, aged 47, was appointed as Director of BSDE in 2010 and as Corporate Secretary of BSDE in August 2011 after his former position as a Commissioner of BSDE from 2006 to 2010. He has also been a Director of DUTI since 2003. He was also appointed Director of PDL in 2013. He has experience in the Public Accountant Office of Hadi Sutanto, PricewaterhouseCoopers and the Accounting Office of Siddharta & Siddharta, Coopers & Lybrand. Mr. Wijaya obtained his Bachelor's degree in Economics from Atmajaya Catholic University, Jakarta, Indonesia, in 1990.

Liauw Herry Hendarta
Director of BSDE

Mr. Liauw Herry Hendarta, aged 46, was appointed as Director of BSDE in 2011. He was Director of DUTI from 2010 to 2013 following his former position as Deputy Director of DUTI from 2004 to 2009. He began his career and has held various positions in BSDE since 1994. Mr. Hendarta obtained his Bachelor's degree in Civil Engineering from Parahyangan Catholic University, Bandung, in 1991 and a Master's degree in Business Management from the Asian Institute of Management, Manila, Philippines, in 1994.

Petrus Kusuma
Director of BSDE

Mr. Petrus Kusama, aged 57, was appointed as Director of BSDE in 2010 after his former position as a Commissioner of BSDE from 2004 to 2008. He was also appointed as Director of DUTI in 2004 to 2013 after his former position as a Deputy Director of Housing II of DUTI from 1995 to 2004. He obtained his degree from the University of Fach Hochschule Aachen, Germany, in 1986.

Hongky Jeffry Nantung
Director of BSDE, Director of DUTI

Mr. Hongky Jeffry Nantung, aged 51, was appointed as Director of BSDE in 2011 after his former position as Vice President Commissioner of BSDE from 2006 to 2007. He was appointed as director of DUTI in 2013 following his position as Director of DUTI from 2006 to 2010 following his former position of Deputy Director of DUTI from 2003 to 2006. He has been with DUTI since 1991. He was also the former General Manager of PT Excelcomindo Pratama from 1998 to 2002 and the General Manager of Rajawali PDI Wisma Real Estate from 1997 until 1998. Mr. Nantung obtained his Bachelor's degree in Engineering from the University of Wollongong, Australia, in 1990.

Syukur Lawigena
Director of BSDE

Mr. Syukur Lawigena, aged 58, was appointed as Director of BSDE since 2010 following his former position as Deputy Director from 2003 to 2010. He has been with BSDE since 1988. He obtained his Bachelor degree in civil engineering from Parahyangan Catholic University, Bandung, Indonesia, in 1981.

Ishak Chandra
Managing Director of the Corporate Partner and Strategy Division of BSDE, Managing Director of the Corporate Partner and Strategy Division of DUTI

Mr. Ishak Chandra, aged 45, was appointed Managing Director of the Corporate Partner and Strategy Division of BSDE and Managing Director of the Corporate Partner and Strategy Division of DUTI in 2010. Mr. Chandra has over 20 years of experience in the property sector and obtained his Bachelor's degree in Economic Law from Indonesia University in 1995, and a Master of Business Administration (MBA) from University of Central Arkansas, United States, in 1997.

CLEARING AND SETTLEMENT

Clearance and Settlement under the Depository System

In respect of Notes which are accepted for clearance by CDP in Singapore, clearance will be effected through an electronic book-entry clearance and settlement system for the trading of debt securities ("**Depository System**") maintained by CDP. Notes that are to be listed on the SGX-ST may be cleared through CDP.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the securities accounts maintained by such accountholders with CDP.

In respect of Notes which are accepted for clearance by CDP, the entire issue of the Notes is to be held by CDP in the form of a Global Note for persons holding the Notes in securities accounts with CDP ("**Depositors**"). Delivery and transfer of Notes between Depositors is by electronic book-entries in the records of CDP only, as reflected in the securities accounts of Depositors. Although CDP encourages settlement on the third business day following the trade date of debt securities, market participants may mutually agree on a different settlement period if necessary.

Settlement of over-the-counter trades in the Notes through the Depository System may only be effected through certain corporate depositors ("**Depository Agents**") approved by CDP under the Companies Act to maintain securities sub-accounts and to hold the Notes in such securities sub-accounts for themselves and their clients. Accordingly, Notes for which trade settlement is to be effected through the Depository System must be held in securities sub-accounts with Depository Agents. Depositors holding the Notes in direct securities accounts with CDP, and who wish to trade Notes through the Depository System, must transfer the Notes to be traded from such direct securities accounts to a securities sub-account with a Depository Agent for trade settlement.

CDP is not involved in money settlement between Depository Agents (or any other persons) as CDP is not a counterparty in the settlement of trades of debt securities. However, CDP will make payment of interest and repayment of principal on behalf of issuers of debt securities.

Although CDP has established procedures to facilitate transfer of interests in the Notes in global form among Depositors, it is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Issuing and Paying Agent or any other agent will have the responsibility for the performance by CDP of its obligations under the rules and procedures governing its operations.

Clearance and Settlement under Euroclear and/or Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for participating organisations and facilitates the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in the accounts of such participants, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfer. Euroclear and Clearstream, Luxembourg provide to their respective participants, among other things, services for safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. The respective systems of Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective participants to settle trades with one another. Euroclear and Clearstream, Luxembourg participants are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to Euroclear or Clearstream, Luxembourg is also available to other financial institutions, such as banks, brokers, dealers and trust companies which clear through or maintain a custodial relationship with a Euroclear or Clearstream, Luxembourg participant, either directly or indirectly.

A participant's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective participants, and have no record of, or relationship with, persons holding any interests through their respective participants. Distributions of principal with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the relevant Paying Agent, to the cash accounts of the relevant Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

SINGAPORE TAXATION

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore ("**IRAS**") and the MAS in force as at the date of this Information Memorandum and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis. These laws, guidelines and circulars are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Information Memorandum are intended or are to be regarded as advice on the tax position of any holder of the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant Financial Sector Incentive(s)) may be subject to special rules or tax rates. Prospective holders of the Notes are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject. It is emphasised that none of the Issuer, the Arrangers, the Dealers and any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.*

1. Interest and Other Payments

Subject to the following paragraphs, under Section 12(6) of the ITA, the following payments are deemed to be derived from Singapore:

(a) any interest, commission, fee or any other payment in connection with any loan or indebtedness or with any arrangement, management, guarantee, or service relating to any loan or indebtedness which is (i) borne, directly or indirectly, by a person resident in Singapore or a permanent establishment in Singapore (except in respect of any business carried on outside Singapore through a permanent establishment outside Singapore or any immovable property situated outside Singapore) or (ii) deductible against any income accruing in or derived from Singapore; or

(b) any income derived from loans where the funds provided by such loans are brought into or used in Singapore.

Such payments, where made to a person not known to the paying party to be a resident in Singapore for tax purposes, are generally subject to withholding tax in Singapore. The rate at which tax is to be withheld for such payments (other than those subject to the 15.0% final withholding tax described below) to non-resident persons (other than non-resident individuals) is currently 17.0%. The applicable rate for non-resident individuals is currently 20.0%. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15.0%. The rate of 15.0% may be reduced by applicable tax treaties.

However, certain Singapore-sourced investment income derived by individuals from financial instruments is exempt from tax, including:

(a) interest from debt securities derived on or after 1 January 2004;

(b) discount income (not including discount income arising from secondary trading) from debt securities derived on or after 17 February 2006; and

(c) prepayment fee, redemption premium and break cost from debt securities derived on or after 15 February 2007, except where such income is derived through a partnership in Singapore or is derived from the carrying on of a trade, business or profession.

In addition, as the Programme as a whole is arranged by Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch, and on the basis that each of them is a Financial Sector Incentive (Bond Market) Company, Financial Sector Incentive (Capital Market) Company or Financial Sector Incentive (Standard Tier) Company (as defined in the ITA), any tranche of the Notes (the "**Relevant Notes**") issued as debt securities under the Programme during the period from the date of this Information Memorandum to 31 December 2018 would be, pursuant to the ITA and MAS Circular FSD Cir 02/2013 entitled "Extension and Refinement of Tax Concessions for Promoting the Debt Market" issued by MAS on 28 June 2013 (the "**MAS Circular**"), qualifying debt securities ("**QDS**") for the purposes of the ITA, to which the following treatment shall apply:

(i) subject to certain prescribed conditions having been fulfilled (including the furnishing to MAS and such other relevant authorities as may be prescribed of a return on debt securities for the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require and the inclusion by the Issuer in all offering documents relating to the Relevant Notes of a statement to the effect that where interest, discount income, prepayment fee, redemption premium or break cost from the Relevant Notes is derived by a person who is not resident in Singapore and who carries on any operation in Singapore through a permanent establishment in Singapore, the tax exemption for QDS shall not apply if the non-resident person acquires the Relevant Notes using funds from that person's operations through the Singapore permanent establishment), interest, discount income (not including discount income arising from secondary trading), prepayment fee, redemption premium and break cost (collectively, the "**Qualifying Income**") from the Relevant Notes derived by a holder who is not resident in Singapore and who (aa) does not have any permanent establishment in Singapore or (bb) carries on any operation in Singapore through a permanent establishment in Singapore but the funds used by that person to acquire the Relevant Notes are not obtained from such person's operation through a permanent establishment in Singapore, are exempt from Singapore tax;

(ii) subject to certain conditions having been fulfilled (including the furnishing to MAS and such other relevant authorities as may be prescribed of a return on debt securities for the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require), Qualifying Income from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10.0% (except for holders of the relevant Financial Sector Incentive(s) who may be taxed at different rates); and

(iii) subject to:

    (aa) the Issuer including in all offering documents relating to the Relevant Notes a statement to the effect that any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA; and

    (bb) the furnishing to MAS and such other relevant authorities as may be prescribed of a return on debt securities for the Relevant Notes in the prescribed format within such period as the relevant authorities may specify and such other particulars in connection with the Relevant Notes as the relevant authorities may require,

    payments of Qualifying Income derived from the Relevant Notes are not subject to withholding of tax by the Issuer.

Notwithstanding the foregoing:

(A) if during the primary launch of any tranche of Relevant Notes, the Relevant Notes of such tranche are issued to fewer than four persons and 50.0% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the Issuer, such Relevant Notes would not qualify as QDS; and

(B) even though a particular tranche of Relevant Notes are QDS, if at any time during the tenure of such tranche of Relevant Notes, 50.0% or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income derived from such Relevant Notes held by:

(i) any related party of the Issuer; or

(ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption or concessionary rate of tax as described above.

The term "**related party**", in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.

The terms "**prepayment fee**", "**redemption premium**" and "**break cost**" are defined in the ITA as follows:

- "prepayment fee", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by the terms of the issuance of the securities;

- "redemption premium", in relation to debt securities and qualifying debt securities, means any premium payable by the issuer of the securities on the redemption of the securities upon their maturity; and

- "break cost", in relation to debt securities and qualifying debt securities, means any fee payable by the issuer of the securities on the early redemption of the securities, the amount of which is determined by any loss or liability incurred by the holder of the securities in connection with such redemption.

References to "prepayment fee", "redemption premium" and "break cost" in this Singapore tax disclosure have the same meaning as defined in the ITA.

Where interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) is derived from any of the Relevant Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for QDS under the ITA (as mentioned above) shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore.

Notwithstanding that the Issuer is permitted to make payments of interest, discount income, prepayment fee, redemption premium and break cost (i.e. the Qualifying Income) in respect of the Relevant Notes without deduction or withholding for tax under Section 45 or Section 45A of the ITA, any person whose interest, discount income, prepayment fee, redemption premium or break cost (i.e. the Qualifying Income) derived from the Relevant Notes is not exempt from tax shall include such income in a return of income made under the ITA.

Under the Qualifying Debt Securities Plus Scheme ("**QDS Plus Scheme**"), subject to certain conditions having been fulfilled (including the submission of a return on debt securities in respect of the QDS in the prescribed format to MAS and such other relevant authorities as may be prescribed within such period as the relevant authorities may specify and such other particulars in connection with the QDS as the relevant authorities may require), income tax exemption is granted on Qualifying Income derived by any investor from QDS (excluding Singapore Government Securities) which:

(a) are issued during the period from 16 February 2008 to 31 December 2018;

(b) have an original maturity of not less than 10 years;

(c) cannot be redeemed, called, exchanged or converted within 10 years from the date of their issue; and

(d) cannot be re-opened with a resulting tenure of less than 10 years to the original maturity date.

However, even if a particular tranche of the Relevant Notes are QDS which qualify under the QDS Plus Scheme, if, at any time during the tenure of such tranche of Relevant Notes, 50.0% or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by any related party(ies) of the Issuer, Qualifying Income from such Relevant Notes derived by:

(aa) any related party of the Issuer; or

(bb) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the Issuer,

shall not be eligible for the tax exemption under the QDS Plus Scheme as described above.

The MAS Circular states that, with effect from 28 June 2013, the QDS Plus Scheme will be refined to allow QDS with certain standard early termination clauses (as prescribed in the MAS Circular) to qualify for the QDS Plus Scheme at the point of issuance of such debt securities. MAS has also clarified that if such debt securities are subsequently redeemed prematurely pursuant to such standard early termination clauses before the 10th year from the date of issuance of such debt securities, the tax exemption granted under the QDS Plus Scheme to Qualifying Income accrued prior to such redemption will not be clawed back. Under such circumstances, the QDS Plus status of such debt securities will be revoked prospectively for such outstanding debt securities (if any), and holders thereof may still enjoy the tax benefits under the QDS scheme if the QDS conditions continue to be met.

MAS has stated that, notwithstanding the above, QDS with embedded options with economic value (such as call, put, conversion or exchange options which can be triggered at specified prices or dates and are built into the pricing of such debt securities at the onset) which can be exercised within ten years from the date of issuance of such debt securities will continue to be excluded from the QDS Plus Scheme from such date of issuance.

2. Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature.

Holders of the Notes who apply or who are required to apply Singapore Financial Reporting Standard 39 ("**FRS 39**") may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39. Please see the section below on "Adoption of FRS 39 Treatment for Singapore Income Tax Purposes".

3. Adoption of FRS 39 Treatment for Singapore Income Tax Purposes

The Inland Revenue Authority of Singapore has issued a circular entitled "Income Tax Implications Arising from the Adoption of FRS 39 - Financial Instruments: Recognition and Measurement" (the "**FRS 39 Circular**"). The ITA has since been amended to give effect to the FRS 39 Circular.

The FRS 39 Circular generally applies, subject to certain "opt-out" provisions, to taxpayers who are required to comply with FRS 39 for financial reporting purposes.

Holders of the Notes who may be subject to the tax treatment under the FRS 39 Circular should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

4. Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

SUBSCRIPTION, PURCHASE AND DISTRIBUTION

The Programme Agreement provides for Notes to be offered from time to time through one or more Dealers. The price at which a Series or Tranche will be issued will be determined prior to its issue between the Issuer and the relevant Dealer(s). The obligations of the Dealers under the Programme Agreement will be subject to certain conditions set out in the Programme Agreement. Each Dealer (acting as principal) will subscribe or procure subscribers for Notes from the Issuer pursuant to the Programme Agreement.

United States

The Notes have not been and will not be registered under the Securities Act and the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act ("**Regulation S**") or pursuant to an exemption from the registration requirements of the Securities Act. Each Dealer represents that it has offered and sold, and agrees that it will offer and sell, Notes of any Series (i) as part of their distribution at any time and (ii) otherwise until 40 days after completion of the distribution of an identifiable tranche of which such Notes are a part, as determined and certified to the Issuing and Paying Agent by such Dealer (or in the case of a sale of an identifiable tranche of Notes to or through more than one Dealer, by each of such Dealers with respect to the Notes of an identifiable tranche purchased by or through it, in which case the Issuing and Paying Agent shall notify each such Dealer when all such Dealers have so certified), only in accordance with Rule 903 of Regulation S. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and it and they have complied and shall comply with the offering restrictions requirement of Regulation S. Each Dealer agrees that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

> "The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of an identifiable tranche of Notes of which such Notes are a part, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act."

Terms used in this paragraph have the meanings given to them by Regulation S.

Each Dealer represents that it has not entered and agrees that it will not enter into any contractual arrangement with any distributor (as such term is defined in Regulation S) with respect to the distribution or delivery of the Notes, except with its affiliates or with the prior written consent of the Issuer.

In addition:

(i) except to the extent permitted under U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**"), (a) each Dealer represents that it has not offered or sold, and agrees that during a 40-day restricted period it will not offer or sell, Notes to a person who is within the United States or its possessions or to a United States person, and (b) represents that it has not delivered and agrees that it will not deliver within the United States or its possessions definitive Notes that are sold during the restricted period;

(ii) each Dealer represents that it has and agrees that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules;

(iii) if it is a United States person, each Dealer represents that it is acquiring the Notes for purposes of resale in connection with their original issue and if it retains Notes for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. §1.163-5(c)(2)(i)(D)(6); and

(iv) with respect to each affiliate that acquires from it Notes for the purpose of offering or selling such Notes during the restricted period, each Dealer either (a) repeats and confirms the representations and agreements contained in sub-paragraphs (i), (ii) and (iii) on its behalf or (b) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (i), (ii) and (iii).

Terms used in sub-paragraphs (i), (ii), (iii) and (iv) have the meaning given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including the D Rules.

In respect of Notes that are expressed in the applicable Pricing Supplement to be subject to the C Rules, the following applies:

Under U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (the "**C Rules**"), Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. In connection with the original issuance of Notes in bearer form, each Dealer represents that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either of them is within the United States or its possessions, and will not otherwise involve its U.S. office in the offer and sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and regulations thereunder, including the C Rules.

Hong Kong

In relation to each Tranche of Notes issued by the Issuer, each Dealer has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Singapore

Each Dealer has acknowledged that this Information Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the SFA, (ii) to a relevant person pursuant to Section 275(1), or to any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

General

The selling restrictions herein contained may be modified, varied or amended from time to time by notification from the Issuer to the Dealers and each Dealer undertakes that it will at all times comply with all such selling restrictions.

Each Dealer understands that no action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession of distribution of the Information Memorandum or any other document or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer will comply with all laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or any interest therein or rights in respect thereof or has in its possession or distributes, the Information Memorandum or any other document or any Pricing Supplement.

Any person who may be in doubt as to the restrictions set out in the SFA or the laws, regulations and directives in each jurisdiction in which it subscribes for, purchases, offers, sells or delivers the Notes or any interest therein or rights in respect thereof and the consequences arising from a contravention thereof should consult his own professional advisers and should make his own inquiries as to the laws, regulations and directives in force or applicable in any particular jurisdiction at any relevant time.

FORM OF PRICING SUPPLEMENT

Pricing Supplement

[LOGO, if document is printed]

Sinarmas Land Limited
(Incorporated with limited liability in Singapore)

S$1,000,000,000
Multicurrency Medium Term Note Programme

SERIES NO: [●]
TRANCHE NO: [●]

[Brief Description and Amount of Notes]
Issue Price: [●] per cent.

[Publicity Name(s) of Dealer(s)]

[Issuing and Paying Agent/Non-CDP Paying Agent]
[The Bank of New York Mellon
[address]/
The Bank of New York Mellon
[address]]

The date of this Pricing Supplement is [●].

This Pricing Supplement relates to the Tranche of Notes referred to above.

This Pricing Supplement, under which the Notes described herein (the "**Notes**") are issued, is supplemental to, and should be read in conjunction with, the Information Memorandum dated 14 May 2014 (as revised, supplemented, amended, updated or replaced from time to time, the "**Information Memorandum**") issued in relation to the S$1,000,000,000 Multicurrency Medium Term Note Programme of Sinarmas Land Limited (the "**Issuer**"). Terms defined in the Information Memorandum have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Information Memorandum. The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Information Memorandum, contains all information that is material in the context of the issue of the Notes.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act, Chapter 134 of Singapore (the "**Income Tax Act**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

[Except as disclosed in this Pricing Supplement, there/There] has been no material adverse change, or any development that is likely to lead to a material adverse change in the financial condition, business, results of operations or assets of the Issuer or the Group, taken as a whole since the date of the last published consolidated audited accounts of the Issuer.

SINARMAS LAND LIMITED

Signed: ______________________________
Authorised Signatory

The terms of the Notes and additional provisions relating to their issue are as follows:

[Include whichever of the following apply]

1.	Series No.:	[●]
2.	Tranche No.:	[●]
3.	Currency:	[●]
4.	Principal Amount of Series:	[●]
5.	Principal Amount of Tranche:	[●]
6.	Denomination Amount:	[●]
7.	Calculation Amount (if different from Denomination Amount):	[●]
8.	Issue Date:	[●]
9.	Redemption Amount (early redemption):	[Denomination Amount/(including [others]] [Specify early redemption amount if different from final redemption amount or if different from that set out in the Conditions]
10.	Interest Basis:	[Fixed Rate/Floating Rate/ Variable Rate/Hybrid/ Zero Coupon]
11.	Interest Commencement Date:	[●]
12.	**Fixed Rate Note**	
	(a) Maturity Date:	[●]
	(b) Day Count Fraction:	[●] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(c) Interest Payment Date(s):	[●]
	(d) Initial Broken Amount:	[●]
	(e) Final Broken Amount:	[●]
	(f) Interest Rate:	[●] per cent. per annum
13.	**Floating Rate Note**	
	(a) Redemption Month:	[month and year]
	(b) Interest Determination Date:	[●] business days prior to the first day of each Interest Period

	(c)	Day Count Fraction:	[●] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(d)	Specified Number of Months (Interest Period):	[●]
	(e)	Specified Interest Payment Dates:	[●]
	(f)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
	(g)	Benchmark:	[SIBOR, Swap Rate or other benchmark]
	(h)	Primary Source:	[Specify relevant screen page or "Reference Banks"]
	(i)	Reference Banks:	[Specify three]
	(j)	Relevant Time:	[●]
	(k)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
	(l)	Spread:	[+/-][●] per cent. per annum
	(m)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
14.	**Variable Rate Note**		
	(a)	Redemption Month:	[month and year]
	(b)	Interest Determination Date:	[●] business days prior to the first day of each Interest Period
	(c)	Day Count Fraction:	[●] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(d)	Specified Number of Months	(Interest Period):
	(e)	Specified Interest Payment Dates:	[●]
	(f)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
	(g)	Benchmark:	[SIBOR, Swap Rate or other benchmark]

	(h)	Primary Source:	[Specify relevant screen page or "Reference Banks"]
	(i)	Reference Banks:	[Specify three]
	(j)	Relevant Time:	[●]
	(k)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
	(l)	Spread:	[+/-] [●] per cent. per annum
15.	**Hybrid Note**		
	(a)	Fixed Rate Period:	[●]
	(b)	Floating Rate Period:	[●]
	(c)	Maturity Date:	[●]
	(d)	Redemption Month:	[month and year]
	(e)	Interest Determination Date:	[●] business days prior to the first day of each Interest Period
	(f)	Day Count Fraction:	[●] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(g)	Interest Payment Date(s) (for Fixed Rate Period):	[●]
	(h)	Initial Broken Amount:	[●]
	(i)	Final Broken Amount:	[●]
	(j)	Interest Rate:	[●] per cent. per annum
	(k)	Specified Number of Months (Interest Period):	[●]
	(l)	Specified Interest Payment Date(s) (for Floating Rate Period):	[●]
	(m)	Business Day Convention:	[Floating Rate Business Day Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]
	(n)	Benchmark:	[SIBOR, Swap Rate or other benchmark]
	(o)	Primary Source:	[Specify relevant screen page or "Reference Banks"]
	(p)	Relevant Time:	[●]

	(q)	Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not Singapore]
	(r)	Reference Banks:	[Specify three]
	(s)	Spread:	[+/-][●] per cent. per annum
	(t)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Hybrid Notes during the Floating Rate Period, if different from those set out in the Conditions:	[●]
16.	**Zero Coupon Note**		
	(a)	Maturity Date:	[●]
	(b)	Amortisation Yield:	[●] per cent. per annum
	(c)	Any other formula/basis of determining amount payable:	[●]
	(d)	Day Count Fraction:	[●] [To insert 2000 or 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.]
	(e)	Any amount payable under Condition [6(f)] (Default interest on the Notes):	[●]
17.	Issuer's Redemption Option		[Yes/No]
	Issuer's Redemption Option Period (Condition 5(d)):		[Specify maximum and minimum number of days for notice period] [Specify Dates]
18.	Noteholders' Redemption Option		[Yes/No]
	Noteholders' Redemption Option Period (Condition 5(e)):		[Specify maximum and minimum number of days for notice period] [Specify Dates]
19.	Issuer's Purchase Option		[Yes/No]
	Issuer's Purchase Option Period (Condition 5(b)):		[Specify maximum and minimum number of days for notice period] [Specify Dates]
20.	Noteholders' VRN Purchase Option		[Yes/No]
	Noteholders' VRN Purchase Option Period (Condition 5(c)(i)):		[Specify maximum and minimum number of days for notice period] [Specify Dates]
21.	Noteholders' Purchase Option		[Yes/No]
	Noteholders' Purchase Option Period (Condition 5(c)(ii)):		[Specify maximum and minimum number of days for notice period] [Specify Dates]

22.	Redemption for Taxation Reasons: (Condition 5(f))	[Yes/No] [on [insert other dates of redemption not on interest payment dates]]
23.	Notes to be represented on issue by:	[Temporary Global Note/ Permanent Global Note]
24.	Temporary Global Note exchangeable for Definitive Notes:	[Yes/No]
25.	Temporary Global Note exchangeable for Permanent Global Note:	[Yes/No]
26.	Applicable TEFRA exemption:	[C Rules/D Rules]
27.	Listing:	[●]
28.	ISIN Code:	[●]
29.	Common Code:	[●]
30.	Clearing System(s):	[Not Applicable/Euroclear/Clearstream, Luxembourg/The Central Depository (Pte) Limited] [other clearing information]
31.	Depository:	[Common depositary for Euroclear/Clearstream, Luxembourg/The Central Depository (Pte) Limited/others]
32.	Delivery:	Delivery [against/free of] payment
33.	Method of issue of Notes:	[Individual Dealer/ Syndicated Issue]
34.	The following Dealer(s) [is/are] subscribing for the Notes:	[Insert legal name(s) of Dealer(s)]
35.	Paying Agent:	[Issuing and Paying Agent/Non-CDP Paying Agent]
36.	Calculation Agent:	[Insert name of Calculation Agent]
37.	The aggregate principal amount of Notes issued has been translated in Singapore dollars at the rate of [●] producing a sum of (for Notes not denominated in Singapore dollars):	S$[●]
38.	Other terms: Details of any additions or variations to the terms and conditions of the Notes as set out in the Information Memorandum: Any additions or variations to the selling restrictions:	[●]

GENERAL AND OTHER INFORMATION

INCORPORATION

1. The Issuer was incorporated in the Republic of Singapore on 27 January 1994. The registered address of the Issuer is at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

AUTHORISATION

2. The establishment of the Programme was approved by resolutions of the Directors passed on 25 April 2014.

INFORMATION ON DIRECTORS

3. No Director is or was involved in any of the following events:

   (a) a petition under any bankruptcy laws filed in any jurisdiction against such person or any partnership in which he was a partner or any corporation of which he was a director or an executive officer;

   (b) a conviction of any offence, other than a traffic offence, or judgment, including findings in relation to fraud, misrepresentation or dishonesty, given against him in any civil proceedings in Singapore or elsewhere, or being named subject to any pending proceedings which may lead to such a conviction or judgment, or so far as such person is aware, any criminal investigation pending against him; or

   (c) the subject of any order, judgment or ruling of any court of competent jurisdiction, tribunal or government body, permanently or temporarily enjoining him from acting as an investment adviser, dealer in securities, director or employee of a financial institution and engaging in any type of business practice or activity.

4. As at the date of this Information Memorandum, no option to subscribe for shares in, or debentures of, the Issuer has been granted to, or was exercised by, any Director of the Issuer.

5. Save as disclosed below, as at the Latest Practicable Date, the Directors are not related by blood or marriage to one another nor are they related to any substantial shareholder of the Issuer:

   Mr. Franky Oesman Widjaja and Mr. Muktar Widjaja are brothers. Ms. Margaretha Natalia Widjaja is the daughter of Mr. Muktar Widjaja and a niece of Mr. Franky Oesman Widjaja. The controlling shareholders of the Issuer comprise certain members of the Widjaja Family.

6. (a) None of the Directors of the Issuer has any interest in the shares of the Issuer as at the Latest Practicable Date.

   (b) The interests of the substantial shareholders of the Issuer in the shares of the Issuer as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Total	
Substantial Shareholders	**Number of Shares**	**%**	**Number of Shares**	**%**	**Number of Shares**	**%**
Golden Moment	169,000,000	5.55	-	-	169,000,000	5.55
Flambo[1]	1,825,129,854	60.00	169,000,000	5.55	1,994,129,854	65.55
WFMT(2)[2]	-	-	1,994,129,854	65.55	1,994,129,854	65.55

Notes:

(1) The deemed interest of Flambo arises from its interest in 169,000,000 shares held by its wholly-owned subsidiary, Golden Moment, in the Issuer.

(2) The deemed interest of WFMT(2) arises from its interest in 1,825,129,854 shares held by Flambo and 169,000,000 shares held by Golden Moment in the Issuer.

SHARE CAPITAL

7. As at the date of this Information Memorandum, there is only one class of ordinary shares in the Issuer. The rights and privileges attached to the shares of the Issuer are stated in the Articles of Association of the Issuer.

8. The issued share capital of the Issuer as at the Latest Practicable Date is as follows:

Share Designation	Issued Share Capital	
	Number of Shares	**Amount**
Ordinary Shares	3,041,959,437	S$1,907,108,100.14

9. No shares in, or debentures of, the Issuer are under option or agreed conditionally or unconditionally to be put under option and no person has been, or is entitled to be, given an option to subscribe for any shares in, or debentures of, the Issuer, save that on 19 November 2010, the Issuer issued 1,520,978,744 warrants pursuant to a bonus issue on the basis of one warrant for every two existing ordinary shares held in the capital of the Issuer. Each warrant carries the right to subscribe for one new ordinary share of the Issuer at the exercise price of S$0.10 each. As at 31 December 2013, the number of outstanding warrants was 1,520,978,744 (2012: 1,520,978,744) and may only be exercised on the fifth anniversary of the date of issuance (i.e.18 November 2015). Assuming all the warrants are fully exercised, the number of new ordinary shares of the Issuer to be issued would be 1,520,978,744.

BORROWINGS

10. Save as disclosed in Appendix III, the Group had as at 31 December 2013 no other borrowings or indebtedness in the nature of borrowings including bank overdrafts and liabilities under acceptances (other than normal trading bills) or acceptance credits, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

11. The Directors are of the opinion that, after taking into account the present banking facilities and the net proceeds of the issue of the Notes, the Issuer will have adequate working capital for its present requirements.

CHANGES IN ACCOUNTING POLICIES

12. There has been no significant change in the accounting policies of the Issuer since its audited financial accounts for the financial year ended 31 December 2013 except for the relevant and mandatory standards that are applicable to the Company for the annual period beginning 1 January 2014.

LITIGATION

13. Save as disclosed in this Information Memorandum, there are no governmental, legal or arbitration proceedings pending or threatened against the Issuer or any of its subsidiaries the outcome of which may have or have had during the 12 months prior to the date of this Information Memorandum a material adverse effect on the financial position of the Group.

MATERIAL ADVERSE CHANGE

14. There has been no material adverse change in the financial condition or business of the Issuer or the Group since 31 December 2013.

CONSENTS

15. The Auditors have given and have not withdrawn their written consent to the issue of this Information Memorandum with the references herein to their name and, where applicable, reports in the form and context in which they appear in this Information Memorandum.

DOCUMENTS AVAILABLE FOR INSPECTION

16. For so long as Notes may be issued pursuant to this Information Memorandum, copies of the following documents may be inspected at the office of the Issuer at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535 during normal business hours:

    (a) the Memorandum and Articles of Association of the Issuer;

    (b) the Trust Deed;

    (c) the Agency Agreement;

    (d) a copy of this Information Memorandum together with any supplement to this Information Memorandum or updated Information Memorandum;

    (e) the letter of consent referred to in paragraph 15 above; and

    (f) the most recently published annual report and audited consolidated accounts of the Issuer and its subsidiaries and the most recently published interim accounts of the Issuer.

FUNCTIONS, RIGHTS AND OBLIGATIONS OF THE TRUSTEE

17. The functions, rights and obligations of the Trustee are set out in the Trust Deed.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF SINARMAS LAND LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

The information in this Appendix II has been extracted and reproduced from the audited financial statements of the Group for the financial year ended 31 December 2012 and has not been specifically prepared for inclusion in this Information Memorandum. Investors should read the consolidated financial data in conjunction with the related notes.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

We have audited the accompanying financial statements of Sinarmas Land Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 47 to 111, which comprise the statements of financial position of the Company and of the Group as at 31 December 2012, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation, of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the statement of financial position of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2012, and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

(cont'd)

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

MOORE STEPHENS LLP
Public Accountants and
Certified Public Accountants

Singapore

18 March 2013

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 S$'000	(Restated) 2011 S$'000
Revenue	6	631,270	534,351
Cost of sales		(261,117)	(239,801)
Gross profit		370,153	294,550
Operating expenses			
Selling expenses		(43,727)	(47,094)
General and administrative expenses		(115,562)	(96,113)
Total operating expenses		(159,289)	(143,207)
Operating profit		210,864	151,343
Other income/(expenses)			
Finance income	7	30,925	37,505
Finance costs	8	(19,882)	(29,066)
Foreign exchange (loss)/gain, net		(36,371)	4,685
Share of results of associated companies, net of tax		40,568	13,496
Share of results of joint ventures, net of tax		5,267	4,558
Other operating income, net	9	15,327	10,904
Other income, net		35,834	42,082
Exceptional items			
Negative goodwill	41(b)	1,226	-
Gain on equity interest	41(b)	20,953	-
Exceptional items, net		22,179	-
Profit before income tax	10	268,877	193,425
Income tax	11	(36,380)	(26,742)
Total profit for the year		232,497	166,683
Attributable to:			
Owners of the Company		112,664	88,841
Non-controlling interests		119,833	77,842
		232,497	166,683
Earnings per share (cents)			
Basic	12	3.70	2.92
Diluted	12	2.78	2.20

The accompanying notes form an integral part of the financial statements.

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	S$'000	S$'000
Total profit for the year	232,497	166,683
Other comprehensive (loss)/income:		
Foreign currency translation differences on consolidation	(118,123)	12,300
Equity portion of bonds	(1,669)	(2,003)
Other comprehensive (loss)/income, net of tax	(119,792)	10,297
Total comprehensive income for the year	112,705	176,980
Total comprehensive income attributable to:		
Owners of the Company	50,945	98,328
Non-controlling interests	61,760	78,652
	112,705	176,980

The accompanying notes form an integral part of the financial statements.

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Note	Group		Company	
			(Restated)		
		2012	2011	2012	2011
		S$'000	S$'000	S$'000	S$'000
Assets					
Current Assets					
Cash and cash equivalents	14	653,608	629,176	6,023	4,479
Short-term investments	15	1,231	1,442	-	-
Trade receivables	16	11,326	12,355	-	-
Other current assets	17	148,916	84,209	535,903	527,246
Inventories, at cost		1,074	1,133	-	-
Properties held for sale		449,886	435,004	-	-
		1,266,041	1,163,319	541,926	531,725
Non-Current Assets					
Subsidiaries	18	-	-	1,421,338	1,428,617
Associated companies	19	531,776	451,696	-	-
Joint ventures	20	54,168	18,864	-	-
Long-term investments	21	4,022	12,184	-	-
Properties under development for sale	22	1,046,739	740,200	-	-
Investment properties	23	159,905	187,417	-	-
Property, plant and equipment	24	145,850	155,541	212	66
Long-term receivables	25	185,323	218,460	-	-
Deferred charges	26	-	356	-	-
Deferred tax assets	27	204	165	-	-
Goodwill	28	1,784	1,784	-	-
		2,129,771	1,786,667	1,421,550	1,428,683
Total Assets		3,395,812	2,949,986	1,963,476	1,960,408

The accompanying notes form an integral part of the financial statements.

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

STATEMENTS OF FINANCIAL POSITION (cont'd)
AS AT 31 DECEMBER 2012

		Group		Company	
			(Restated)		
	Note	2012	2011	2012	2011
		S$'000	S$'000	S$'000	S$'000
Liabilities and Equity					
Current Liabilities					
Borrowings	33	2,000	6,135	-	-
Trade payables	29	33,474	20,105	-	-
Other payables	30	338,650	323,847	32,891	35,027
Bonds payables	31	27,787	69,860	-	-
Obligations under finance leases	32	91	91	85	85
Income taxes payable		841	133	-	-
		402,843	420,171	32,976	35,112
Non-Current Liabilities					
Bonds payables	31	160,108	42,864	-	-
Obligations under finance leases	32	95	185	86	170
Borrowings	33	106,760	109,812	-	-
Long-term liabilities	34	407,454	283,291	-	-
Deferred tax liabilities	27	11	21	-	-
		674,428	436,173	86	170
Total Liabilities		1,077,271	856,344	33,062	35,282
Equity attributable to owners of the Company					
Issued capital	35	1,907,108	1,907,108	1,907,108	1,907,108
Foreign currency translation deficit		(950,323)	(890,273)	-	-
Goodwill on consolidation		(62,122)	(62,122)	-	-
Option reserve		14,934	16,603	-	-
Asset revaluation reserve		9,758	9,758	-	-
Other reserves		13,203	17,303	-	-
Retained earnings		562,415	458,573	23,306	18,018
		1,494,973	1,456,950	1,930,414	1,925,126
Non-controlling interests		823,568	636,692	-	-
Total Equity		2,318,541	2,093,642	1,930,414	1,925,126
Total Liabilities and Equity		3,395,812	2,949,986	1,963,476	1,960,408

The accompanying notes form an integral part of the financial statements.

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012

	← Attributable to Owners of the Company →									
	Issued capital	Foreign currency translation deficit	Goodwill on consolidation	Option reserve	Asset revaluation reserve	Other reserves	Retained earnings	Total	**Non-controlling interests**	**Total Equity**
Group	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1.1.2012	1,907,108	(890,273)	(62,122)	16,603	9,758	17,303	458,573	1,456,950	636,692	2,093,642
Profit for the year	-	-	-	-	-	-	112,664	112,664	119,833	232,497
Other comprehensive (loss)/income	-	(60,050)	-	(1,669)	-	-	-	(61,719)	(58,073)	(119,792)
Total comprehensive income/(loss) for the year	-	(60,050)	-	(1,669)	-	-	112,664	50,945	61,760	112,705
Acquisition of subsidiaries (Note 41(b))	-	-	-	-	-	-	-	-	142,213	142,213
Capital subscription by non-controlling shareholders	-	-	-	-	-	-	-	-	11,384	11,384
Change in interest in subsidiaries (Note 41(c),(d),(e))	-	-	-	-	-	(4,100)	-	(4,100)	(12,869)	(16,969)
Dividends (Note 36)	-	-	-	-	-	-	(8,822)	(8,822)	-	(8,822)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(15,612)	(15,612)
Balance at 31.12.2012	1,907,108	(950,323)	(62,122)	14,934	9,758	13,203	562,415	1,494,973	823,568	2,318,541
Balance at 1.1.2011	1,907,108	(901,763)	(62,122)	18,606	9,758	17,518	369,732	1,358,837	570,054	1,928,891
Profit for the year	-	-	-	-	-	-	88,841	88,841	77,842	166,683
Other comprehensive income/(loss)	-	11,490	-	(2,003)	-	-	-	9,487	810	10,297
Total comprehensive income/(loss) for the year	-	11,490	-	(2,003)	-	-	88,841	98,328	78,652	176,980
Adjustment to additional rights issue expenses in a subsidiary	-	-	-	-	-	(254)	-	(254)	(265)	(519)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(7,692)	(7,692)
Capital returned to non-controlling shareholders	-	-	-	-	-	-	-	-	(2,520)	(2,520)
Change in interest in a subsidiary (Note 41(a))	-	-	-	-	-	39	-	39	(1,537)	(1,498)
Balance at 31.12.2011	1,907,108	(890,273)	(62,122)	16,603	9,758	17,303	458,573	1,456,950	636,692	2,093,642

The accompanying notes form an integral part of the financial statements.

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012	(Restated) 2011
		S$'000	S$'000
Cash flows from operating activities			
Profit before income tax		268,877	193,425
Adjustments for:			
Depreciation of property, plant and equipment	24	10,954	10,490
Depreciation of investment properties	23	6,395	6,518
Amortisation expense	26	355	159
Interest expense		19,882	29,066
Gain on disposal of:			
Property, plant and equipment	9	(176)	(202)
Investment properties	9	(3,769)	-
Negative goodwill	41(b)	(1,226)	-
Gain on equity interest	41(b)	(20,953)	-
Share of results of associated companies, net of tax		(40,568)	(13,496)
Share of results of joint ventures, net of tax		(5,267)	(4,558)
(Write-back of)/Allowance for impairment loss on:			
Available-for-sale financial assets	9	(1,190)	(1,623)
Trade receivables	16	203	-
Changes in fair value of financial assets at fair value through profit or loss	9	(161)	(39)
Unrealised foreign exchange loss/(gain), net		72,346	(7,281)
Interest income		(30,925)	(37,505)
Operating cash flows before working capital changes		274,777	174,954
Changes in working capital:			
Short-term investments		372	157
Trade receivables		826	2,419
Other current assets and receivables		(50,139)	(19,853)
Inventories		59	(210)
Trade payables		13,369	476
Other payables		102,948	139,753
Cash generated from operations		342,212	297,696
Interest paid		(16,519)	(25,058)
Interest received		30,977	36,281
Tax paid		(47,712)	(37,722)
Net cash generated from operating activities		308,958	271,197

The accompanying notes form an integral part of the financial statements.

SINARMAS LAND LIMITED AND ITS SUBSIDIARIES
Company Registration No. 199400619R
(Incorporated in Singapore)

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012	(Restated) 2011
		S$'000	S$'000
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	41(b),(c)	26,860	-
Acquisition of an associated company	44(6)	(24,723)	-
Acquisition of additional interest in an associated company	44(5)	(68,135)	-
Investments in joint ventures		(35,812)	(8,004)
Proceeds from capital reduction in associated companies		-	1,988
Proceeds from capital reduction in a joint venture		3,675	4,200
Proceeds from disposal of investment properties		27,339	-
Proceeds from disposal of property, plant and equipment		186	219
Capital expenditure on investment properties	23	(7,140)	(22,196)
Capital expenditure on property, plant and equipment	24	(13,016)	(28,000)
Payments for deferred expenditure	26	-	(337)
Capital expenditure on properties under development and held for sale		(209,803)	(65,478)
Proceeds from disposal of available-for-sale financial assets		9,756	1,427
Dividends from associated companies		11,490	4,800
Net cash used in investing activities		(279,323)	(111,381)
Cash flows from financing activities			
Acquisition of additional interests in subsidiaries	41(d),(e),(a)	(24,408)	(1,498)
Repayment of borrowings, net		(6,150)	(3,515)
Proceeds from issuance/(Repayment) of bonds, net		78,163	(88,200)
(Increase)/decrease in time deposits pledged		(29)	2,915
Payment of dividends		(24,434)	(7,692)
Payments of obligations under finance leases		(90)	(238)
Capital subscribed by/(returned to) non-controlling shareholders		11,384	(2,520)
Net cash generated from/(used in) financing activities		34,436	(100,748)
Net increase in cash and cash equivalents		64,071	59,068
Cash and cash equivalents at the beginning of the year		627,676	565,530
Effect of exchange rate changes on cash and cash equivalents		(39,668)	3,078
Cash and cash equivalents at the end of the year	14	652,079	627,676

The accompanying notes form an integral part of the financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements:

1 General

Sinarmas Land Limited (the "Company") is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The Company's registered office and principal place of business is at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

The Company is principally an investment holding company. The Company and its subsidiaries (collectively, the "Group") are involved in property business, through its investments in Indonesia, China, Malaysia and Singapore.

The subsidiaries, associated companies and joint ventures, including their principal activities, countries of incorporation, and the extent of the Company's equity interests in those subsidiaries, associated companies and joint ventures are set out in Notes 43, 44 and 20 to the financial statements respectively.

The statement of financial position of the Company and the consolidated financial statements of the Group as at and for the year ended 31 December 2012 were authorised for issue by the Board of Directors on 18 March 2013.

2 New and Revised Financial Reporting Standards ("FRSs")

(I) Adoption of New and Revised FRSs and Interpretations of FRSs ("INT FRSs")

During the current financial year, there are no revised and amended FRSs and INT FRSs that are relevant to the Group's operations and mandatory for annual periods beginning on 1 January 2012 and accordingly, there is no financial impact on the financial statements of the Group.

(II) New and Revised FRSs and INT FRSs issued but not yet effective

As at the date of these financial statements, the Group has not adopted the following new and revised FRSs that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
FRS 1 (Amendments), Presentation of Items of Other Comprehensive Income	*1 July 2012*
FRS 19, Employee Benefits	*1 January 2013*
FRS 27, Separate Financial Statements	*1 January 2014*
FRS 28, Investments in Associates and Joint Ventures	*1 January 2014*
FRS 32 (Amendments), Offsetting of Financial Assets and Financial Liabilities	*1 January 2014*
FRS 107 (Amendments), Offsetting of Financial Assets and Financial Liabilities	*1 January 2013*
FRS 110, Consolidated Financial Statements	*1 January 2014*
FRS 111, Joint Arrangements	*1 January 2014*
FRS 112, Disclosure of Interests in Other Entities	*1 January 2014*
FRS 113, Fair Value Measurement	*1 January 2013*
Improvements to FRSs (2012)	
• *Amendments to FRS 1, Presentation of Financial Statements*	*1 January 2013*
• *Amendments to FRS 16, Property, Plant and Equipment*	*1 January 2013*
• *Amendments to FRS 32, Financial Instruments: Presentation*	*1 January 2013*

The directors expect that the adoption of the new and revised FRSs above will have no material financial impact on the financial statements in the period of initial application.

3 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements, which are expressed in Singapore dollar, are prepared in accordance with the historical cost convention, except as discussed in the accounting policies below. The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and FRSs.

As part of the Restructuring Exercise in 1997 whereby the Company acquired from the Sinar Mas Group its subsidiaries and associated companies ("Restructuring Exercise 1997"), certain property, plant and equipment, investment properties and properties held for development and sale have been revalued by independent professional valuers as at 30 September 1996. Accordingly, the revalued amount is deemed to be the cost to the Group.

The preparation of financial statements requires the use of accounting estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the disclosures of contingent assets and contingent liabilities. Although these estimates are based on management's best knowledge of current events and actions, actual results may actually differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 5 to the financial statements.

(b) Change in Accounting Policy

During the current financial year, the Group has changed its accounting policy adopted for joint venture from proportionate consolidation accounting method to the equity accounting method as the latter provides more reliable and relevant information about the Group's investment in joint ventures. Under the equity accounting method, the investment in joint ventures is presented as one line item, initially stated at cost less any impairment losses, and is subsequently accounted for using the equity accounting method.

In accordance with FRS 8*, Accounting Policies, Changes in Accounting Estimates and Errors*, the change has been made retrospectively and the comparatives have been restated accordingly.

The effects of the change in accounting policy are as follows:

	As previously reported in 2011 S$'000	Restated for 2011 S$'000
Consolidated income statement		
Revenue	543,760	534,351
Cost of sales	(243,572)	(239,801)
Operating profit	155,622	151,343
Other income, net	37,852	42,082
Profit before income tax	193,474	193,425
Income tax	(26,791)	(26,742)
Total profit for the year	166,683	166,683
Profit attributable to:		
Owners of the Company	88,841	88,841
Non-controlling interests	77,842	77,842

3 Summary of Significant Accounting Policies (cont'd)

(b) Change in Accounting Policy (cont'd)

	As previously reported 31/12/2011 S$'000	Restated for 31/12/2011 S$'000
Consolidated statement of financial position		
Cash and cash equivalents	636,069	629,176
Other current assets	85,104	84,209
Properties held for sale	447,015	435,004
Associated companies	459,700	451,696
Joint ventures	-	18,864
Properties under development for sale	741,478	740,200
Property, plant and equipment	158,062	155,541
Other payables	336,585	323,847

	As previously reported in 2011 S$'000	Restated for 2011 S$'000
Consolidated statement of cash flows		
Cash flows from operating activities:		
Cash generated from operations	308,064	297,696
Interest received	36,332	36,281
Tax paid	(37,771)	(37,722)
Cash flows from investing activities:		
Capital expenditure on properties under development and held for sale	(70,003)	(65,478)
Net increase in cash and cash equivalents	60,713	59,068

(c) Functional and Presentation Currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Singapore dollar, which is the Company's functional and presentation currency that reflects the primary economic environment in which the Company operates. The financial statements are presented in Singapore dollar and all values are rounded to the nearest thousand ($'000) except when otherwise indicated.

(d) Foreign Currency Transactions and Translation

Foreign currency transactions are translated into the respective functional currencies of the entities in the Group using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and arising from the translation of foreign currency denominated monetary assets and liabilities at the exchange rates prevailing at the end of the reporting period are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates prevailing at the date of transactions. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rate at the date that the fair value was determined.

3 Summary of Significant Accounting Policies (cont'd)

(d) Foreign Currency Transactions and Translation (cont'd)

Currency translation differences on financial assets at fair value through profit or loss are recognised as part of the fair value gain or loss in the income statement while the translation differences on available-for-sale financial assets are recognised in other comprehensive income.

In the preparation of the consolidated financial statements, the financial statements of those subsidiaries whose functional currency is not Singapore dollar (i.e. foreign entities) are translated into Singapore dollar, the presentation currency of the Company, as follows:

(i) assets and liabilities are translated at the closing rate at the end of the reporting period;
(ii) share capital and reserves are translated at historical exchange rates; and
(iii) revenue and expenses are translated at average exchange rates for the period which approximate the exchange rates prevailing on the transactions dates.

Exchange differences arising from the above translations are recognised in other comprehensive income and these are accumulated in foreign currency translation reserve. On consolidation, exchange differences arising from the translation of net investments in foreign entities (including monetary items that in substance form part of the net investment in foreign entities) are recognised in other comprehensive income. On disposal, the accumulated translation differences are reclassified to the income statement as part of the gain or loss on disposal in the period in which the foreign entity is disposed of.

(e) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to 31 December, after elimination of material balances, transactions and any unrealised profit or loss on transactions between the Group entities. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control ceases. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The consideration transferred in a business combination is measured at fair value at the date of acquisition, which is the sum of the fair values of the assets transferred, the liabilities incurred by the acquirer to former owners of the acquiree, and the equity interests issued by the acquirer. Acquisition related costs are to be expensed through the income statement as incurred. Changes in ownership interest in a subsidiary that do not result in loss of control are accounted for as equity transactions. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values. Any non-controlling interest at the date of acquisition in the acquiree is measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's consolidated statement of comprehensive income, statement of financial position and consolidated statement of changes in equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination.

3 **Summary of Significant Accounting Policies** (cont'd)

(f) Subsidiaries

Subsidiaries are entities in which the Company, directly or indirectly, holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors, or is able to govern the financial and operating policies so as to obtain benefits from its activities.

Investment in subsidiaries in the financial statements of the Company are stated at cost, less any impairment losses.

(g) Associated Companies

Associated companies are entities in which the Group, directly or indirectly, holds not less than 20% but not more than 50% of the issued equity voting capital held as a long-term investment or over which the Group is in a position to exercise a significant influence on the financial and operating policy decisions.

The associated companies are accounted for by the Group using the equity method. At the end of the reporting period, the Group's investment in associated companies are stated at cost of investment, less any impairment losses, plus the Group's share of undistributed post-acquisition reserves.

Losses of an associated company in excess of the Group's interest in that associated company (which includes any long-term receivables, in substance, form part of the Group's net investment in that associated company) are not recognised.

Goodwill arising from the acquisition of an associated company is included as part of the carrying amount of the investment, and is assessed for impairment as part of the investment.

(h) Joint Venture Operations

Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties.

Investment in a joint venture is accounted for by the Group using equity method. At the end of the reporting period, the Group's investment in joint venture is stated at cost of investment less any impairment losses, plus the Group's share of undistributed post-acquisition results.

Losses of a joint venture in excess of the Group's interest in that joint venture (which includes any long-term receivables, in substance, form part of the Group's net investment in that joint venture) are not recognised.

(i) Deferred Charges

Deferred charges are stated at cost less accumulated amortisation. They comprise certain expenditures, whose benefits extend over a period of more than one year, are being deferred and amortised, over the periods benefited using the straight-line method.

3 **Summary of Significant Accounting Policies** (cont'd)

(j) Goodwill

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value at the date of acquisition of any previous equity interest in the acquiree, over the fair value of the net identifiable assets acquired is initially recognised as "Goodwill" in the consolidated financial statements. Subsequently, goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances change, indicating that goodwill might be impaired. If the Group's interest in the net fair value of the identifiable assets and liabilities exceeds the consideration transferred and the non-controlling interest in the acquiree, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is recognised as an income immediately.

Goodwill on acquisition arising prior to 1 January 2001 has been charged in full to equity; such goodwill has not been retrospectively capitalised and amortised, as allowed under revised SAS 22, *Business Combinations (revised 2003)*. Goodwill arising from business combinations occurring between 1 January 2001 and 1 July 2004 has been carried at net carrying value and subjected to an impairment test, while negative goodwill arising from business combinations occurring between 1 January 2001 and 1 July 2004 has been credited to retained earnings.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units. If the recoverable amount of a cash-generating unit is estimated to be less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(k) Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Depreciation is charged so as to write off the depreciable amount of assets, other than freehold land which is not depreciated, using the straight-line method, over the following estimated useful lives:

		No. of years
Freehold buildings	-	20 to 50
Leasehold land, buildings and improvements	-	5 to 50
Plant, machinery and equipment	-	5 to 10
Motor vehicles, furniture and fixtures	-	3 to 10

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the term of the relevant leases.

The residual values and estimated useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The cost of maintenance and repairs is charged to the income statement as incurred; significant renewals and improvements are capitalised. When assets are retired or otherwise disposed of, their carrying amounts are derecognised and any resulting gains or losses are recognised in the income statement.

3 Summary of Significant Accounting Policies (cont'd)

(k) Property, Plant and Equipment (cont'd)

The cost of construction in progress represents all costs (including borrowing costs on such borrowings) attributable to bringing the constructed asset to its working condition and getting it ready for its intended use. The accumulated costs will be reclassified to the appropriate asset class when the construction is completed. No depreciation charge is provided for construction in progress until the assets are transferred and used in operations.

(l) Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or both. Investment properties are carried at cost less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 20 to 60 years.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

The residual values and useful lives of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period.

(m) Properties under Development for Sale and Held for Sale

Properties under development for sale consisting of land held for development and properties under development, which include houses, shops and strata title buildings under construction, are stated at cost, less any impairment losses when the recoverable amount of the asset is estimated to be lower than its carrying amount.

Land held for development consists of land acquired which will be developed over more than one year. Upon commencement of development, the cost of land held for development will be transferred to properties under development.

Each property under development is accounted for as a separate project. The cost of properties under development include land cost, direct development and construction costs, capitalised interest and other indirect costs incurred during the period of development. The cost is determined and/or allocated using the specific identification method. Allowances are recognised in the income statement for any foreseeable losses. Cost estimated and allocation are reviewed and adjusted as appropriate, at the end of each reporting period. On the completion of the development, the accumulated cost will be reclassified as properties held for sale under current assets whereas properties held for investment purposes will be reclassified as investment properties under non-current assets.

Properties held for sale are stated at the lower of cost and/or net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

3 **Summary of Significant Accounting Policies** (cont'd)

(n) Financial Assets

The Group classifies its non-derivative financial assets in the following categories: loans and receivables, fair value through profit or loss and available-for-sale. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. The Group's loans and receivables comprise trade and other receivables. Loans and receivables are recognised initially at fair value which is normally the original invoiced amount plus, any directly attributable transaction costs, and subsequently carried at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired.

Financial assets at fair value through profit or loss are financial assets held for trading. Financial assets at fair value through profit or loss are initially recognised at fair value with subsequent changes in fair value recognised in the income statement.

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any other category. Available-for-sale financial assets are recognised initially at fair value plus, any directly attributable transaction costs, and subsequently carried at fair value with gains and losses being recognised in other comprehensive income until the investment is derecognised or until the investment is determined to be impaired at which time the previous gain or loss that has been recognised in other comprehensive income is reclassified from equity to the income statement. Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition. Impairment losses recognised in the income statement for investments in equity instruments classified as available-for-sale are not subsequently reversed through the income statement.

(o) Cash and Cash Equivalents

Cash and cash equivalents classified under current assets comprise cash on hand, cash in banks and time deposits which are short-term, highly liquid assets that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents for the consolidated statement of cash flows purpose, include cash and cash equivalents as defined above less time deposits pledged as security.

(p) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Consumables are stated at cost using the FIFO (first-in first-out) method.

3 Summary of Significant Accounting Policies (cont'd)

(q) Impairment of Non-Financial Assets excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets excluding goodwill to determine whether there is any indication that those assets have suffered an impairment loss or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An asset's recoverable amount is calculated as the higher of the asset's value in use and its fair value less cost to sell.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any depreciation) had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(r) Financial Liabilities and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Debt instruments issued which carry a right to convert to equity that is dependent on the outcome of uncertainties beyond the control of both the Group and the holder are classified as liabilities.

Significant financial liabilities include finance lease obligations, interest-bearing borrowings, bonds payables and trade and other payables. The accounting policies adopted for finance lease obligations and convertible bonds are outlined in Note 3(s) and Note 3(t) respectively.

Interest-bearing borrowings and bonds payables are recorded at the proceeds received, net of direct issue costs. Direct issue costs are amortised over the period of the bonds. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing trade and other payables are recognised initially at cost less attributable transaction costs and subsequently stated at amortised cost using the effective interest method.

Ordinary shares are classified as equity. Equity is recorded at the proceeds received, net of direct issue costs.

3 Summary of Significant Accounting Policies (cont'd)

(s) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases and the related lease obligations are recorded in the statement of financial position at the fair value of the leased assets at the inception of the leases. The excess of the lease payments over the recorded lease obligations is treated as a finance charge which is amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation.

Rental costs under operating leases are charged to the income statement in equal annual amounts over the period of the leases.

(t) Convertible Financial Instruments

Convertible financial instruments are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible financial instruments and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in capital reserves (equity) if the option is converted into a fixed number of equity shares or as a financial liability if the option is converted into a variable number of equity shares based on an exercise price of a prescribed percentage of the net tangible assets at the exercise date. Correspondingly, a discount on the financial instruments is recorded and amortised over the period of the financial instruments. Gains and losses arising from changes in fair value of the embedded option (financial liability) are included in the income statement.

(u) Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

(v) Borrowing Costs

Interest expense and similar charges are expensed in the income statement in the period in which they are incurred, except to the extent they are capitalised as being directly attributable to the acquisition and construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

Certain subsidiaries capitalise borrowing costs, including interest and other finance charges on borrowings used to finance the construction of fixed assets and development of properties. Capitalisation ceases when substantially all the activities necessary to prepare the related assets for their intended use or sale are completed. The capitalised costs are depreciated over the same periods and on the same basis as the underlying assets.

3 Summary of Significant Accounting Policies (cont'd)

(w) Income Tax

Current income tax for current and prior years is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of each reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is recognised in the income statement, except when it relates to items recognised in other comprehensive income or directly to equity, in which case the deferred income tax is also dealt with in other comprehensive income or directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. The amount of deferred income tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(x) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved for payment.

(y) Post-Employment Benefits

Certain subsidiaries have unfunded defined benefit retirement plans covering substantially all of their eligible permanent employees in accordance with the Indonesian Labor Law No. 13/2003 dated 25 March 2003 (Law 13/2003). The obligation for Law 13/2003 has been accounted for using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Current service costs, interest costs and effects of curtailments and settlements (if any) are recognised directly in the current year's income statement. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised over the average period until the benefits become vested. Actuarial gains or losses are amortised over the expected average remaining working lives.

The retirement plan obligations recognised in the statement of financial position represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service costs. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service costs, plus the present value of available refunds and reductions in the future contributions to the plan.

Fixed contributions paid to state-managed post-employment benefits schemes, such as the Central Provident Fund, on a mandatory, contractual or voluntary basis are recognised as an expense in the income statement in the period in which services are rendered by employees. The Group has no further payment obligation once the contributions have been paid.

3 **Summary of Significant Accounting Policies** (cont'd)

(z) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised in the income statement as follows:

(i) Revenue from the sale of completed development properties held for sale is recognised using the completed contract method when the Group's significant risks and rewards of ownership in the real estate have been transferred to the customers and the Group does not have a substantial continuing involvement with the properties.

(ii) Revenue from rental of investment properties under operating leases is recognised on a straight-line basis over the terms of the lease contracts.

(iii) Hotel room revenue is recognised based on room occupancy while other hotel revenues are recognised when the goods are delivered or the services are rendered to the customers.

(iv) Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

(v) Dividend income from investments is recognised on the date the dividends are declared payable by the investees.

(vi) Revenue arising from sales of goods is recognised when the products are delivered to the customers and collectability of the related receivables is probable.

(vii) Club membership revenue is recognised over the term of the membership period.

(aa) Segment Reporting

The chief operating decision maker has been identified as the Executive Committee of the Group, which consists of the Executive Chairman, the Chief Executive Officer and Executive Directors. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Operating segments are reported in a manner consistent with the internal reporting.

The Executive Committee assesses the performance of the operating segments based on a measure of adjusted earnings before income tax, non-controlling interests, interest on borrowings, foreign exchange gain/(loss), depreciation and amortisation, exceptional item, share of results of associated companies and joint ventures ("EBITDA"). All inter segment sales and transfers are accounted for as if the sales or transfers were to a third party, i.e. at current market prices.

4 Financial Risk Management

(a) Capital Risk Management

The Group manages its capital to safeguard the Group's ability to continue as a going concern in order to maximise return to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group's overall strategy remains unchanged since 2011.

The capital structure of the Group consists of total equity, comprising issued capital, reserves, retained earnings and non-controlling interests and net cash, which includes the cash and cash equivalents net of borrowings.

Neither the Group nor the Company is subject to any externally imposed capital requirements.

The net cash ratio as at 31 December 2012 and 2011 are as follows:

	2012	(Restated) 2011
	S$'000	S$'000
Total cash and cash equivalents	653,608	629,176
Total borrowings	(296,841)	(228,947)
Net cash	356,767	400,229
Total equity	2,318,541	2,093,642
Net cash ratio	0.15	0.19

The directors review the capital structure on a semi-annual basis. As a part of the review, the directors consider the cost of capital and the risks associated with each class of capital. Accordingly, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-back as well as the issue of new debt or the redemption of existing debt.

(b) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risks (including interest rate risk, foreign currency risk and price risk), credit risk, liquidity risk and cash flow risks. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group may use relevant financial instruments to manage certain risks. Such financial instruments are not held for trade or speculative purposes.

(i) Interest Rate Risk

As the Group does not have significant exposure to interest rate risk on its financial assets at variable rate, its exposure to interest rate risk arises primarily on its existing long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The interest rate that the Group will be able to obtain on debt financing will depend on market conditions at that time, and may differ from the rates the Group has secured currently.

4 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(i) Interest Rate Risk (cont'd)

At 31 December 2012, if interest rates on all variable rate borrowings had been 0.5% higher/lower with all other variables held constant, profit before income tax for the year and total equity would have been $544,000 (2011: $580,000) and $433,000 (2011: $459,000) lower/higher respectively, mainly as a result of higher/lower interest expense on variable rate borrowings net of applicable income taxes. This analysis is prepared assuming the amount of borrowings outstanding at the end of the reporting period was outstanding for the whole year.

The interest rates and repayment terms of interest-bearing financial instruments are disclosed in the respective notes to the financial statements. The interest rate profile of the Group's interest-bearing financial instruments as at the end of the reporting period was as follows:

	2012	(Restated) 2011
	S$'000	S$'000
Financial assets		
Fixed rate	185,323	218,460
Variable rate	644,985	635,063
Non-interest bearing	32,504	26,628
	862,812	880,151
Financial liabilities		
Fixed rate	149,718	70,136
Variable rate	108,760	115,947
Non-interest bearing	93,679	78,628
	352,157	264,711

(ii) Foreign Currency Risk

The Group operates in several countries. Entities within the Group may transact in currencies other than their respective functional currency ("foreign currency") such as the United States Dollar ("USD"), the Indonesian Rupiah ("IDR"), the Japanese Yen ("JPY"), the Malaysian Ringgit ("RM") and the Singapore Dollar ("SGD") which is also the Company's presentation currency.

The Group faces foreign exchange risk as its borrowings and cost of certain key purchases are either denominated in foreign currencies or whose price is influenced by their benchmark price movements in foreign currencies (especially USD) as quoted on international markets.

The Group does not have any formal hedging policy for its foreign exchange exposure and did not actively engage in activities to hedge its foreign currency exposures during the financial year. The Group seeks to manage the foreign currency risk by constructing natural hedges where it matches revenue and expenses in any single currency.

The Group is also exposed to currency translation risks arising from its net investments in foreign operations. These net investments are not hedged as currency positions in these foreign operations are considered long-term in nature.

4 **Financial Risk Management** (cont'd)

(b) Financial Risk Management (cont'd)

(ii) Foreign Currency Risk (cont'd)

The entities within the Group have different functional currencies depending on the currency of their primary economic environment. A 5% strengthening of the functional currency of these entities against the following currencies at the reporting date would increase/(decrease) the Group's profit before income tax by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant:

	Group	
	2012	2011
	S$'000	S$'000
SGD against functional currency of USD	34,794	219
USD against functional currencies of SGD, RM and IDR	(210)	(36,561)
IDR against functional currencies of SGD and USD	(8,480)	(10,729)
JPY against functional currencies of SGD and USD	(10,393)	(11,151)

(iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices. The Group is exposed to price risk arising from its investments held that are classified as available-for-sale and fair value through profit or loss. The Group monitors the market closely to ensure that the risk exposure to the volatility of the investments is kept to a minimum. As at the end of the reporting period, the Group has no significant exposure to price risk.

(iv) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents.

Trade debtors comprise mainly the Group's customers who bought properties and tenants of investment properties. The tenants of investment properties and purchasers of development properties may default on their obligations to pay the amount owing to the Group. The Group manages credit risks by requiring the customers/tenants to furnish cash deposits, and/or bankers' guarantees. The Group also performs regular credit evaluations of its customers' financial conditions and only entered into contracts with customers with an appropriate credit history.

For sales of development properties, the Group generally has certain recourse, which include forfeiture of deposit and/or installments paid and re-sale of the re-possessed properties.

Cash and cash equivalents mainly comprise deposits with reputable banks with high credit ratings.

4 **Financial Risk Management** (cont'd)

(b) Financial Risk Management (cont'd)

(v) Significant Concentrations of Credit Risk

Concentrations of credit risk exist when changes in economic, industry or geographical factors similarly affect counter-parties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group has no significant concentration of credit risks with exposure spread over a large number of counter-parties and customers.

(vi) Liquidity Risk

To manage liquidity risk, the Group maintains a level of cash and cash equivalents and funding facilities deemed adequate by management to finance its operations. In assessing the adequacy of the facilities, management reviews its working capital requirements.

The table below analyses the maturity profile of the Group's financial liabilities based on the contractual undiscounted cash flows.

	Less than 1 year	1 to 5 years	Over 5 years	Total
	S$'000	S$'000	S$'000	S$'000
At 31 December 2012				
Borrowings	50,207	267,499	64,757	382,463
Other financial liabilities	55,316	-	-	55,316
Total financial liabilities	105,523	267,499	64,757	437,779
At 31 December 2011				
Borrowings	86,124	174,893	-	261,017
Other financial liabilities	35,764	-	-	35,764
Total financial liabilities	121,888	174,893	-	296,781

5 **Critical Accounting Estimates, Assumptions and Judgements**

The Group makes estimates and assumptions concerning the future. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Judgement in Applying Accounting Policy

Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the capital allowances, deductibility of certain expenses and taxability of certain income during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax expense and income tax payable in the period in which such determination is made. As at 31 December 2012, the Group's income tax payable and income tax expense amounted to $841,000 (2011: $133,000) and $36,380,000 (2011: $26,742,000) (Note 11) respectively.

5 **Critical Accounting Estimates, Assumptions and Judgements** (cont'd)

(b) Critical Accounting Estimates and Assumptions

Estimated Useful Lives of Investment Properties and Property, Plant and Equipment

The Group estimates the useful lives of investment properties and property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of investment properties and property, plant and equipment are reviewed at the end of each reporting period and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of investment properties and property, plant and equipment are based on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the investment properties and property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

There is no change in the estimated useful lives of investment properties and property, plant and equipment during the financial year. The carrying amount of investment properties and property, plant and equipment as at 31 December 2012 amounted to $159,905,000 (2011: $187,417,000) and $145,850,000 (2011: $155,541,000) respectively (Notes 23 and 24).

6 **Revenue**

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Sale of development properties	497,125	412,175
Rental income	58,559	58,343
Hotel revenue	17,323	16,306
Golf and resort operations	24,288	22,685
Others	33,975	24,842
	631,270	534,351

7 **Finance Income**

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Interest income from:		
Cash and cash equivalents	28,925	35,457
Available-for-sale financial assets	760	808
Loan receivables	1,240	1,240
	30,925	37,505

8 Finance Costs

	Note	Group 2012 S$'000	Group 2011 S$'000
Interest expense on:			
Obligations under finance leases		21	29
Borrowings		5,378	5,523
Bonds payables			
- bond interest		10,479	20,436
- amortisation of discount on bonds	31	4,091	3,604
- amortisation of deferred bond charges	31	236	572
Write back of option reserve		(323)	(1,098)
		19,882	29,066

9 Other Operating Income, Net

	Group 2012 S$'000	Group (Restated) 2011 S$'000
Income from water supply and building management, net	10,952	7,799
Write back of impairment loss on available-for-sale financial assets	1,190	1,623
Management and lease co-ordination fees	1,045	1,103
Gain on disposal of property, plant and equipment	176	202
Gain on disposal of investment properties	3,769	-
Changes in fair value of financial assets at fair value through profit or loss	161	39
Estate management expenses, net	(7,722)	(5,217)
Others	5,756	5,355
	15,327	10,904

10 Profit Before Income Tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this balance includes the following charges:

	Group 2012 S$'000	Group 2011 S$'000
Audit fees paid/payable to:		
Auditors of the Company	244	243
Auditors of the subsidiaries	226	235
Non-audit fees paid/payable to:		
Auditors of the Company	-	-
Auditors of the subsidiaries	-	-
Cost of inventories recognised as an expense (included in cost of sales)	4,146	3,844

11 Income Tax

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Tax expense is made up of:		
Current income tax		
- current year	36,106	26,810
- under/(over)-provision in respect of prior years	334	(265)
	36,440	26,545
Deferred income tax	(60)	197
	36,380	26,742

Substantially all the Group's operations are located in Indonesia. Accordingly, the Indonesia statutory tax rate of 25% (2011: 25%) is used in the reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate.

The income tax expense on the results for the financial year varies from the amount of income tax determined by applying the Indonesian statutory rate of income tax to profit before income tax due to the following factors:

	Group	
		(Restated)
	2012	2011
	S$'000	S$'000
Profit before income tax	268,877	193,425
Less: Share of results of associated companies, net of tax	(40,568)	(13,496)
Less: Share of results of joint ventures, net of tax	(5,267)	(4,558)
	223,042	175,371
Tax calculated at a tax rate of 25%	55,761	43,843
Non-taxable items	(19,276)	(12,036)
Non-deductible items	7,467	7,025
Effect of different tax rate categories	(14,689)	(20,027)
Utilisation of previously unrecognised tax losses	(299)	(735)
Unrecognised deferred tax assets	7,268	9,161
Under/(Over)-provision in prior years' income tax	334	(265)
Others	(186)	(224)
	36,380	26,742

At the end of the reporting period, unrecognised tax losses and capital allowances available for offsetting against future taxable profits are as follows:

	Group	
	2012	2011
	S$'000	S$'000
Unutilised tax losses	278,334	282,495
Unabsorbed capital allowances	73,018	72,407
	351,352	354,902

11 Income Tax (cont'd)

The availability of the unrecognised tax losses and capital allowances for set-off against future taxable profits is subject to the tax regulations of the respective countries in which the Group companies are incorporated. As at 31 December 2012, the deferred tax benefit arising from unrecognised tax losses and unabsorbed capital allowances of $351,352,000 (2011: $354,902,000) has not been recognised in the financial statements.

Deferred tax liabilities of $56,447,000 (2011: $50,014,000) have not been recognised for taxes that would be payable on the remittance to Singapore of unremitted retained earnings of $332,043,000 (2011: $294,199,000) of certain subsidiaries as the timing of the reversal of the temporary differences arising from such amounts can be controlled and such temporary differences are not expected to reverse in the foreseeable future.

12 Earnings Per Share and Net Asset Value Per Share

(a) Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2012	2011
Net profit attributable to owners of the Company (S$'000)	112,664	88,841
Weighted average number of ordinary shares ('000)	3,041,959	3,041,959
Basic earnings per share (cents per share):	3.70	2.92

(b) Diluted Earnings Per Share

Diluted earnings per share is calculated by dividing net profit attributable to the owners of the Company by the weighted average number of ordinary shares during the year after adjustment for the effect of all diluted potential ordinary shares.

	Group	
	2012	2011
Net profit attributable to owners of the Company (S$'000)	112,664	88,841
Weighted average number of ordinary shares ('000)	3,041,959	3,041,959
Adjustment for warrants ('000)	1,013,986	1,005,393
	4,055,945	4,047,352
Diluted earnings per share (cents per share)	2.78	2.20

(c) Net Asset Value Per Share

As at 31 December 2012, the net asset value per ordinary share based on the total equity attributable to the owners of the Company and the existing issued share capital of 3,041,959,437 (2011: 3,041,959,437) ordinary shares is $0.49 (2011: $0.48).

13 Staff Costs and Retirement Benefit Obligations

	Group	
	2012	2011
	S$'000	S$'000
Staff costs:		
Wages and salary	39,929	35,445
Employer's contribution to defined contribution plans	477	397
Retirement benefit expenses	4,138	3,253
	44,544	39,095

Retirement Benefit Obligations

Certain subsidiaries in Indonesia recorded liabilities for unfunded defined benefit retirement plans in order to meet the minimum benefits required to be paid to qualified employees as required under the Indonesian Labor Law 13/2003. The amount of such obligations was determined based on actuarial valuations prepared by independent actuaries, PT Padma Radya Aktuaria and PT Kis Aktuaria. The principal actuarial assumptions used by the actuaries were as follows:

	Group	
	2012	2011
	%	%
Discount rate	5.5 – 5.8	6.8
Salary growth rate	7.0 – 10.0	7.0 – 8.0

The amount of such retirement benefits obligations recognised in the statement of financial position is determined as follows:

	Group	
	2012	2011
	S$'000	S$'000
Present value of unfunded defined benefits obligations	23,792	20,494
Unrecognised actuarial gains	-	393
Retirement benefits obligations	23,792	20,887
Current	653	700
Non-current	23,139	20,187
	23,792	20,887

The component of the retirement benefit expenses recognised in the consolidated income statement is as follows:

	Group	
	2012	2011
	S$'000	S$'000
Current service costs	2,841	1,694
Net amortisation and deferral	18	-
Past service costs	23	(14)
Interest costs	1,372	1,573
Curtailment and settlement	(116)	-
Retirement benefit expenses	4,138	3,253

13 Staff Costs and Retirement Benefit Obligations (cont'd)

Movements in the above retirement benefits obligations are as follows:

	Group	
	2012	2011
	S$'000	S$'000
At the beginning of the year	20,887	18,836
Retirement benefit expenses for the year	4,138	3,253
Acquisition of subsidiaries	1,135	-
Effect of employees transferred in/(out), net	130	(507)
Payments made during the year	(919)	(683)
Currency realignment	(1,579)	(12)
At the end of the year	23,792	20,887

14 Cash and Cash Equivalents

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Cash on hand	1,041	976	1	1
Cash in banks	70,697	73,478	6,022	4,478
Time deposits	581,870	554,722	-	-
	653,608	629,176	6,023	4,479

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	520,866	502,597	-	-
United States Dollar	108,996	112,221	5,764	3,583
Chinese Renminbi	20,393	10,499	-	-
Singapore Dollar	2,625	2,684	259	896
Malaysian Ringgit	728	1,172	-	-
Others	-	3	-	-
	653,608	629,176	6,023	4,479

The above time deposits earn interest at the following rates per annum:

	Group		Company	
	2012	2011	2012	2011
	%	%	%	%
Indonesian Rupiah	5.0 – 8.8	5.3 – 9.0	-	-
United States Dollar	0.2 – 2.8	1.3 – 1.8	-	-
Singapore Dollar	0.3 – 0.7	0.03 – 0.4	-	-
Malaysian Ringgit	3.0 – 3.2	2.7 – 3.0	-	-

Cash and cash equivalents include balances with a related party of $9,566,000 (2011: $21,362,000) (Note 38(a)).

14 Cash and Cash Equivalents (cont'd)

For the purpose of the consolidated statement of cash flows, the cash and cash equivalents comprise the following:

	2012	(Restated) 2011
	S$'000	S$'000
Cash and cash equivalents (as above)	653,608	629,176
Less: Time deposits pledged as security for credit facilities granted to the subsidiaries (Note 33)	(1,529)	(1,500)
	652,079	627,676

15 Short-Term Investments

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Financial assets at fair value through profit or loss :				
Mutual funds, denominated in Indonesian Rupiah	1,231	1,442	-	-

16 Trade Receivables

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Third parties	25,070	26,793	-	-
Related parties (Note 38(a))	1,267	530	-	-
	26,337	27,323	-	-
Less: Allowance for impairment	(15,011)	(14,968)	-	-
	11,326	12,355	-	-

Movements in the allowance for impairment during the financial year are as follows:

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	14,968	15,032	-	-
Impairment loss included as general and administrative expenses during the year	203	-	-	-
Written off against allowance	(45)	(37)	-	-
Currency realignment	(115)	(27)	-	-
At the end of the year	15,011	14,968	-	-

As at 31 December 2012, 43% (2011: 36%) and 12% (2011: 17%) of the Group's trade receivables which are not impaired, are past due for less than 3 months and more than 3 months respectively. The above allowance for impairment on trade receivables mainly related to certain receivables that are past due for more than 3 months and the recovery of these amounts is remote.

16 Trade Receivables (cont'd)

Trade receivables are denominated in the following currencies:

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	9,520	10,664	-	-
Malaysian Ringgit	1,014	1,088	-	-
Singapore Dollar	443	16	-	-
United States Dollar	239	471	-	-
Chinese Renminbi	110	116	-	-
	11,326	12,355	-	-

17 Other Current Assets

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Receivable from:				
Subsidiaries	-	-	535,322	526,842
Related parties (Note 38(a))	44	51	-	-
Associated companies	3,222	3,420	-	-
Third parties	3,977	2,952	527	340
Interest receivable from:				
Associated companies	58	63	-	-
Third parties	1	48	-	-
	7,302	6,534	535,849	527,182
Prepayments	42,904	32,648	11	21
Purchase advances	97,794	44,140	-	-
Others – net	916	887	43	43
	148,916	84,209	535,903	527,246

Other current assets are denominated in the following currencies:

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	140,936	77,840	-	-
United States Dollar	3,304	3,652	11,962	526,989
Singapore Dollar	1,826	1,486	523,606	257
Chinese Renminbi	1,961	666	-	-
Malaysian Ringgit	793	502	23	-
Others	96	63	312	-
	148,916	84,209	535,903	527,246

The unsecured amounts receivable from subsidiaries include $347,533,000 (2011: $402,713,000) which bear interest at a rate of 3% (2011: 3%) per annum and are repayable on demand.

The amounts receivable from related parties and associated companies are advances in nature which are unsecured, interest-free and repayable on demand.

17 Other Current Assets (cont'd)

The above receivables shown was net of allowance for impairment of $30,808,000. There was no movement in the allowance account during the current financial year. The allowance for impairment on other receivables mainly related to certain receivables that are past due and the recovery of these amounts is remote.

18 Subsidiaries

	Company	
	2012	2011
	S$'000	S$'000
Unquoted equity shares, at cost	1,269,610	1,273,927
Loans receivable	251,728	254,690
	1,521,338	1,528,617
Less: Impairment loss	(100,000)	(100,000)
	1,421,338	1,428,617

The Company recognised an accumulated loss of $100,000,000 to write down the carrying amount of one of the subsidiaries to its recoverable amount. The recoverable amount of the subsidiary is based on fair value less cost to sell which is principally determined by the current market value of non-financial assets held by the subsidiary. Particulars of the subsidiaries are disclosed in Note 43 to the financial statements. The loans receivable from subsidiaries are unsecured, interest-free and not expected to be repaid within the next 12 months.

19 Associated Companies

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Quoted equity shares, at cost	132,388	64,253	-	-
Unquoted equity shares, at cost	434,171	486,272	-	-
	566,559	550,525	-	-
Currency realignment	(107,848)	(111,986)	-	-
Capital reserve on acquisition	(12,636)	(12,636)	-	-
Share of post-acquisition accumulated profit, net of dividend received	85,701	25,793	-	-
	531,776	451,696	-	-
Market value:				
Quoted equity shares	194,333	135,743	-	-

19 Associated Companies (cont'd)

Particulars of the associated companies are disclosed in Note 44 to the financial statements. Summarised financial information in respect of the Group's associated companies is set out below:

	2012 S$'000	(Restated) 2011 S$'000
Assets and liabilities		
Total assets	1,432,410	2,148,799
Total liabilities	(298,934)	(992,094)
Net assets	1,133,476	1,156,705
Revenue	457,389	232,246
Profit for the year	128,056	64,119

As at 31 December 2012, there are no losses which are in excess of the Group's interest in associated companies (2011: $1,536,000).

20 Joint Ventures

	Group		Company	
	2012 S$'000	(Restated) 2011 S$'000	2012 S$'000	2011 S$'000
Unquoted equity shares, at cost	44,102	11,965	-	-
Share of post-acquisition accumulated profit	12,299	7,032	-	-
Currency realignment	(2,233)	(133)	-	-
	54,168	18,864	-	-

The details of the Group's joint ventures are as follows:

Name of company and country of incorporation	Principal activities	The Group Cost of investment		Effective percentage of equity held by the Group	
		2012 S$'000	(Restated) 2011 S$'000	2012 %	2011 %
Badan Kerja Sama, Pasar Pagi – ITC Mangga Dua Indonesia	Manage and operate shopping centre	56	56	17.66	17.02
BKS Binamaju Multikarsa Indonesia	Housing development	230	3,905	42.24	41.97
PT Indonesia International Expo Indonesia	Property development	43,153	8,004	24.43	24.43
PT Bumi Parama Wisesa Indonesia	Real estate development	663	-	25.43	-
		44,102	11,965		

20 Joint Ventures (cont'd)

Summarised financial information in respect of the Group's joint ventures is set out below:

	2012 S$'000	(Restated) 2011 S$'000
Current assets	121,478	45,798
Non-current assets	18,066	7,998
Total assets	139,544	53,796
Current and total liabilities	(36,342)	(22,335)
Net assets	103,202	31,461
Revenue	14,891	13,110
Expenses	(7,257)	(6,573)
Profit before tax	7,634	6,537
Income tax	(156)	(121)
Profit after tax	7,478	6,416

21 Long-Term Investments

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Available-for-sale financial assets:				
Unquoted investments	9	9	-	-
Unquoted equity shares	4,013	4,305	-	-
Quoted bonds in a related party (Note 38(a))	-	7,870	-	-
	4,022	12,184	-	-

The available-for-sale financial assets are denominated in the following currencies:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Indonesian Rupiah	2,829	10,917	-	-
United States Dollar	1,184	1,258	-	-
Singapore Dollar	9	9	-	-
	4,022	12,184	-	-

22 Properties Under Development for Sale

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Properties under development:				
Land cost	31,722	45,806	-	-
Development cost incurred to-date	65,786	59,518	-	-
	97,508	105,324	-	-
Land held for development	949,231	634,876	-	-
	1,046,739	740,200	-	-

As at 31 December 2012, properties under development for sale of the Group amounting to $13,682,000 (2011: $43,908,000) have been pledged as security for bonds issued by a subsidiary and bank credit facilities granted to the subsidiaries (Notes 31 and 33).

23 Investment Properties

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Cost:				
At the beginning of the year	274,206	251,785	-	-
Additions	7,140	22,196	-	-
Disposals	(23,570)	-	-	-
Transfer from property, plant and equipment (Note 24)	3,503	-	-	-
Currency realignment	(12,441)	225	-	-
At the end of the year	248,838	274,206	-	-
Accumulated depreciation:				
At the beginning of the year	86,789	80,115	-	-
Depreciation	6,395	6,518	-	-
Currency realignment	(4,251)	156	-	-
At the end of the year	88,933	86,789	-	-
Net carrying amount	159,905	187,417	-	-

As at 31 December 2012, certain investment properties of the Group amounting to $69,149,000 (2011: $63,389,000) were pledged to a bank to secure credit facilities for a subsidiary (Note 33).

23 **Investment Properties** (cont'd)

The fair value of the Group's investment properties are as follows:

	Group	
	2012	2011
	S$'000	S$'000
Investment properties located in:		
Indonesia	323,857	295,338
Singapore	186,230	152,844
China	4,983	6,386
	515,070	454,568

As at 31 December 2012, the aggregate fair values of investment properties located at Indonesia of $323,857,000 was based on external valuation reports prepared by the independent appraiser, PT Heburinas Nusantara KJPP Rengganis, Hamid and Partners in 2012 based on market data approach and income approach. The aggregate fair values of investment properties located at Singapore of $186,230,000 was based on external valuation reports prepared by the independent professional valuer, Chesterton Suntec International Pte Ltd in 2012 based on open market value approach. The fair value of investment properties located in China was based on management's value in use calculation using discounted cash flow method.

Investment properties are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's income statement:

	Group	
	2012	2011
	S$'000	S$'000
Rental income	44,367	45,295
Direct operating expenses arising from investment properties that generated rental income	11,038	14,434
Property tax and other operating expenses arising from an investment property that did not generate rental income	569	1,379

24 Property, Plant and Equipment

Group	Freehold land	Freehold buildings	Leasehold land and buildings	Plant, machinery and equipment	Motor vehicles, furniture and fixtures	Construction in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Cost:							
At 1.1.2012	39,142	78,833	90,303	11,185	55,897	27,998	303,358
Effects of change in accounting policy	-	-	(3,018)	-	(78)	-	(3,096)
At 1.1.2012 as restated	39,142	78,833	87,285	11,185	55,819	27,998	300,262
Additions	-	186	17	690	1,932	10,191	13,016
Disposals	-	-	-	-	(325)	-	(325)
Reclassification	-	24,633	429	4,117	88	(29,267)	-
Arising from acquisition of subsidiaries (Note 41(b))	-	-	-	-	215	-	215
Transfer to investment properties (Note 23)	-	-	-	-	-	(3,503)	(3,503)
Write off	-	-	-	-	(43)	-	(43)
Currency realignment	(1,829)	(4,320)	(4,659)	(421)	(3,296)	(1,966)	(16,491)
At 31.12.2012	37,313	99,332	83,072	15,571	54,390	3,453	293,131
Accumulated depreciation:							
At 1.1.2012	-	38,715	51,807	10,004	44,770	-	145,296
Effects of change in accounting policy	-	-	(505)	-	(70)	-	(575)
At 1.1.2012 as restated	-	38,715	51,302	10,004	44,700	-	144,721
Depreciation	-	4,705	2,018	474	3,757	-	10,954
Disposals	-	-	-	-	(315)	-	(315)
Write off	-	-	-	-	(43)	-	(43)
Currency realignment	-	(2,503)	(2,525)	(391)	(2,617)	-	(8,036)
At 31.12.2012	-	40,917	50,795	10,087	45,482	-	147,281
Net book value:							
At 31.12.2012	37,313	58,415	32,277	5,484	8,908	3,453	145,850

24 Property, Plant and Equipment (cont'd)

Group	Freehold land	Freehold buildings	Leasehold land and buildings	Plant, machinery and equipment	Motor vehicles, furniture and fixtures	Construction in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Cost:							
At 1.1.2011 as previously reported	39,794	79,093	94,348	11,689	54,992	2,379	282,295
Effects of change in accounting policy	-	-	(3,018)	-	(87)	-	(3,105)
At 1.1.2011 as restated	39,794	79,093	91,330	11,689	54,905	2,379	279,190
Additions	-	177	17	356	1,926	25,524	28,000
Disposals	-	(36)	-	(1)	(659)	-	(696)
Reclassification	-	(17)	1,013	(911)	(178)	93	-
Transfer to property under development for sale	-	-	(5,632)	-	-	-	(5,632)
Write off	-	-	-	(10)	(192)	-	(202)
Currency realignment	(652)	(384)	557	62	17	2	(398)
At 31.12.2011 as restated	39,142	78,833	87,285	11,185	55,819	27,998	300,262
Accumulated depreciation:							
At 1.1.2011 as previously reported	-	35,145	50,720	10,389	41,286	-	137,540
Effects of change in accounting policy	-	-	(379)	-	(78)	-	(457)
At 1.1.2011 as restated	-	35,145	50,341	10,389	41,208	-	137,083
Depreciation	-	3,525	2,079	328	4,558	-	10,490
Disposals	-	(36)	-	(1)	(642)	-	(679)
Reclassification	-	110	861	(762)	(209)	-	-
Transfer to property under development for sale	-	-	(2,314)	-	-	-	(2,314)
Write off	-	-	-	(10)	(192)	-	(202)
Currency realignment	-	(29)	335	60	(23)	-	343
At 31.12.2011 as restated	-	38,715	51,302	10,004	44,700	-	144,721
Net book value:							
At 31.12.2011 as restated	39,142	40,118	35,983	1,181	11,119	27,998	155,541

As at 31 December 2012, certain property, plant and equipment of the Group amounting to $55,590,000 (2011: $65,953,000) have been pledged as security for bonds issued by a subsidiary and for credit facilities granted to the subsidiaries (Notes 31 and 33).

24 Property, Plant and Equipment (cont'd)

Company	Leasehold improvements S$'000	Plant and equipment S$'000	Motor vehicles, furniture and fixtures S$'000	Total S$'000
Cost:				
At 1 January 2012	144	469	1,185	1,798
Additions	-	-	213	213
Disposals	-	-	(101)	(101)
At 31 December 2012	144	469	1,297	1,910
Accumulated depreciation:				
At 1 January 2012	144	464	1,124	1,732
Depreciation	-	4	63	67
Disposals	-	-	(101)	(101)
At 31 December 2012	144	468	1,086	1,698
Net book value:				
At 31 December 2012	-	1	211	212
Cost:				
At 1 January 2011	144	468	1,621	2,233
Additions	-	1	-	1
Disposals	-	-	(436)	(436)
At 31 December 2011	144	469	1,185	1,798
Accumulated depreciation:				
At 1 January 2011	144	456	1,364	1,964
Depreciation	-	8	196	204
Disposals	-	-	(436)	(436)
At 31 December 2011	144	464	1,124	1,732
Net book value:				
At 31 December 2011	-	5	61	66

25 Long-Term Receivables

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Loan receivable from associated companies, denominated in Japanese Yen	185,323	218,460	-	-

The unsecured loan receivable from associated companies bear interest at 0.6% (2011: 0.6%) per annum and is repayable by 2016.

26 Deferred Charges

	Group 2012 S$'000	Group 2011 S$'000	Company 2012 S$'000	Company 2011 S$'000
Cost:				
At the beginning of the year	696	359	-	-
Currency realignment	(41)	-	-	-
Additions	-	337	-	-
At the end of the year	655	696	-	-
Accumulated amortisation:				
At the beginning of the year	340	183	-	-
Currency realignment	(40)	(2)	-	-
Amortisation during the year	355	159	-	-
At the end of the year	655	340	-	-
Net carrying amount	-	356	-	-

27 Deferred Income Tax

Group	Accelerated tax depreciation S$'000	Retirement benefit obligations S$'000	Others/ Valuation allowance S$'000	Total S$'000
Deferred tax assets/(liabilities)				
At 1 January 2012	(23)	188	(21)	144
(Charged)/Credited to income statement	(33)	86	7	60
Currency realignment	2	(16)	3	(11)
At 31 December 2012	(54)	258	(11)	193
At 1 January 2011	(39)	179	203	343
Credited/(Charged) to income statement	18	9	(224)	(197)
Currency realignment	(2)	-	-	(2)
At 31 December 2011	(23)	188	(21)	144

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on different entities which intend to settle on a net basis, or realise the assets and liabilities simultaneously in the future. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group 2012 S$'000	Group 2011 S$'000	Company 2012 S$'000	Company 2011 S$'000
Deferred tax assets	204	165	-	-
Deferred tax liabilities	(11)	(21)	-	-
Net	193	144	-	-

Realisation of deferred tax assets is dependent on the generation of sufficient taxable income prior to expiration of the tax losses carry-forward. Although realisation is not assured, the directors of the Company believe it is more likely than not that the deferred tax assets, net of the valuation allowance, will be realised. The amount of the deferred tax assets considered realisable could be reduced or increased if estimates of future taxable income during the carry-forward period are reduced or increased.

28 Goodwill

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
At the beginning and end of the year	1,784	1,784	-	-

29 Trade Payables

Trade payables to third parties are denominated in the following currencies:

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	23,706	9,464	-	-
Chinese Renminbi	6,292	7,220	-	-
Singapore Dollar	1,983	1,564	-	-
Malaysian Ringgit	1,493	1,585	-	-
United States Dollar	-	272	-	-
	33,474	20,105	-	-

30 Other Payables

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Payables to:				
Third parties	15,025	9,115	-	-
Related parties (Note 38(a))	23	23	23	23
Subsidiaries	-	-	32,066	34,341
Interest payable	3,003	2,117	-	-
Other taxes payable	3,791	4,404	-	-
	21,842	15,659	32,089	34,364
Advances and deposits received on:				
Development properties	269,835	261,461	-	-
Rental	4,096	3,718	-	-
Provision for claims and liabilities for project expenses	17,671	22,747	-	-
Accruals	16,891	9,965	748	566
Deferred income	6,183	8,147	-	-
Retirement benefit obligations	653	700	-	-
Others	1,479	1,450	54	97
	338,650	323,847	32,891	35,027

The non-trade payable to related parties and subsidiaries are unsecured, interest-free and repayable on demand.

30 Other Payables (cont'd)

Other payables are denominated in the following currencies:

	Group		Company	
		(Restated)		
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	305,358	302,330	-	-
Chinese Renminbi	20,574	11,655	-	-
Singapore Dollar	7,590	4,568	825	690
Malaysian Ringgit	2,784	2,811	-	-
United States Dollar	2,335	2,476	29,549	31,676
Others	9	7	2,517	2,661
	338,650	323,847	32,891	35,027

31 Bonds Payables

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Interest-bearing Bonds:				
Secured:				
BSD Bonds due 2015/2017/2019 (a)	130,000	-	-	-
DUTI Bonds V due 2012 (b)	-	70,000	-	-
Unsecured:				
PAM Bonds due 2015 (c)	20,800	-	-	-
Unsecured Zero Percent Convertible Bonds:				
PAM Bonds due 2013 (d)	29,081	31,318	-	-
Less: Unamortised discount	(1,294)	(4,181)	-	-
	27,787	27,137	-	-
PAP Bonds due 2014 (e)	5,741	8,135	-	-
Less: Unamortised discount	(1,036)	(2,202)	-	-
	4,705	5,933	-	-
PAM Bonds due 2015 (f)	7,410	7,980	-	-
Less: Unamortised discount	(1,539)	(2,368)	-	-
	5,871	5,612	-	-
BMS Bonds due 2013 (g)	-	3,500	-	-
Less: Unamortised discount	-	(338)	-	-
	-	3,162	-	-
PAP Bonds due 2014 (h)	-	1,301	-	-
Less: Unamortised discount	-	(281)	-	-
	-	1,020	-	-
	189,163	112,864	-	-
Less: Deferred bond charges	(1,268)	(140)	-	-
	187,895	112,724	-	-
Less: Current portion classified as current liabilities	(27,787)	(69,860)	-	-
Non-current portion	160,108	42,864	-	-

31 Bonds Payables (cont'd)

Movements in unamortised discount on bonds are as follows:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
At the beginning of the year	9,370	14,817	-	-
Repayment	(1,024)	(2,003)	-	-
Amortisation during the year	(4,091)	(3,604)	-	-
Currency realignment	(386)	160	-	-
At the end of the year	3,869	9,370	-	-

Movements in deferred bond charges are as follows:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
At the beginning of the year	140	708	-	-
Additions	1,366	-	-	-
Amortisation during the year	(236)	(572)	-	-
Currency realignment	(2)	4	-	-
At the end of the year	1,268	140	-	-

As at end of the financial year, there is no breach of bond covenants.

(a) In June 2012, PT Bumi Serpong Damai Tbk ("BSD") has established a fixed rate IDR Bond Program ("Bond Program"). Under the Bond Program, BSD may issue bonds of up to IDR3 trillion in several phases. On 4 July 2012, BSD has issued the Phase 1 of the Bond Program amounting to IDR1 trillion (equivalent to $130 million), which consist of 3-year A series bonds of IDR85 million (equivalent to $11,050,000) due in July 2015, 5-year B series bonds of IDR479 million (equivalent to $62,270,000) due in July 2017 and 7-year C series bonds of IDR436 million (equivalent to $56,680,000) due in July 2019 with fixed annual interest rate of 8%, 9.25% and 9.5% respectively, payable quarterly. All Phase 1 bonds were issued at face value and listed on the Indonesia Stock Exchange.

The bonds were secured by properties under development for sale (Note 22).

(b) In July 2007, PT Duta Pertiwi Tbk ("DUTI") issued bonds amounting to IDR500,000 million (equivalent to $70 million) which are listed on the Indonesia Stock Exchange. Interest on the bonds were accrued at a fixed rate of 12.85% per annum and is payable on a quarterly basis. The bonds were secured by certain properties under development for sale and property, plant and equipment (Notes 22 and 24). The bonds were due and fully redeemed in July 2012.

(c) In June 2012, PT Paraga Artamida ("PAM") issued unsecured bearer bonds due June 2015 amounting to IDR270,000 million (equivalent to $35.1 million). Interest on the bonds accrues at a fixed rate of 10% per annum and is payable on a quarterly basis. During the current financial year, the bondholders partially redeemed IDR110,000 million (equivalent to $14.3 million). As at 31 December 2012, the outstanding bearer bonds amounted to IDR160,000 million (equivalent to $20.8 million).

31 Bonds Payables (cont'd)

(d) In June 1998, PAM issued Zero Percent Convertible Bonds due 2003 amounting to US$138.5 million to its shareholders or their assignees. In January 2002, the unredeemed bonds of US$137.6 million were converted into IDR1,431,441 million. The bonds were renewed for another 5 years from June 2003 to June 2008 in 2003 and were further renewed for another 5 years from June 2008 to June 2013 in 2008. The renewed bonds are convertible at the option of the bondholders from 54 months after the date of the renewal to 10 business days prior to the fifth anniversary of the date of the renewal into new ordinary shares of PAM at an exercise price based on 70% of the net tangible asset value of PAM at the exercise date.

As at 31 December 2012, the bonds held by other subsidiaries in the Group and related parties amounted to IDR1,207,737 million (2012: equivalent to $157 million; 2011: equivalent to $169.1 million) and IDR223,704 million (2012: equivalent to $29.1 million; 2011: equivalent to $31.3 million) respectively.

(e) In December 2004, PT Putra Alvita Pratama ("PAP") issued Zero Percent Convertible Bonds due December 2009 amounting to IDR58,105 million (equivalent to $7.5 million). The bonds were renewed for another 5 years from December 2009 to December 2014. The renewed bonds are unsecured, convertible at the option of the bondholders from 54 months after the date of renewal to 10 business days prior to the fifth anniversary of the date of renewal into new ordinary shares of PAP at an exercise price based on 70% of the net tangible asset value of PAP at the exercise date. As at 31 December 2012 and 2011, the outstanding PAP bonds amounted to IDR44,160 million (equivalent to $5.7 million) and IDR58,105 million (equivalent to $8.1 million) respectively.

(f) In May 2005, PAM issued Zero Percent Convertible Bonds due May 2010 amounting to IDR57,000 million (equivalent to $7.4 million) to a related party. The bonds were renewed for another 5 years from May 2010 to May 2015. The renewed bond is convertible at the option of the bondholders from 54 months after the date of the renewal to 10 business days prior to the fifth anniversary of the date of the renewal into new ordinary shares of PAM at an exercise price based on 70% of the net tangible asset value of PAM at the exercise date.

(g) In January 2008, PT Binamaju Mitra Sejati ("BMS") issued Zero Percent Convertible Bond due January 2013 (the "BMS Bond") amounting to IDR90,000 million (equivalent to $12.6 million). The BMS Bond was convertible at the option of the bondholder from 54 months after the issuance date to 10 business days prior to the fifth anniversary of the issuance date into new ordinary shares of BMS at an exercise price based on 70% of the net tangible asset value of BMS at the exercise date. During the current financial year, the outstanding BMS bond amounted to IDR25,000 million (equivalent to $3.5 million) was fully redeemed.

(h) In April 2009, PAP issued Zero Percent Convertible Bond due April 2014 amounting to IDR9,296 million (equivalent to $1.3 million). The bond is convertible at the option of the bondholders from 54 months after the issuance date to 10 business days prior to the fifth anniversary of the issuance date into new ordinary shares of PAP at an exercise price based on 70% of the net tangible asset value of PAP at the exercise date. The bond was fully redeemed during the current financial year.

32 Obligations Under Finance Leases

	Minimum lease payments		Present value of minimum lease payments	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Group				
Amounts payable under finance leases:				
Within one year	112	112	91	91
Between one year to five years	118	231	95	185
	230	343	186	276
Less: Future finance charges	(44)	(67)	-	-
Present value of lease obligations	186	276	186	276
Less: Amount due for settlement within 12 months			(91)	(91)
Amount due for settlement after 12 months			95	185
Net book value of assets under finance leases			43	100
Interest rate per annum for finance leases			2.5% – 3.5%	2.5% – 3.5%

	Minimum lease payments		Present value of minimum lease payments	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Company				
Amounts payable under finance leases:				
Within one year	105	105	85	85
Between one year to five years	108	213	86	170
	213	318	171	255
Less: Future finance charges	(42)	(63)	-	-
Present value of lease obligations	171	255	171	255
Less: Amount due for settlement within 12 months			(85)	(85)
Amount due for settlement after 12 months			86	170
Net book value of assets under finance leases			12	61
Interest rate per annum for finance leases			2.5% – 3.5%	2.5% – 3.5%

The obligations under finance leases of the Company and the Group are secured by the lessor's charge over the leased assets. The obligations under finance leases are denominated in Singapore dollar.

33 Borrowings

	Group 2012 S$'000	Group 2011 S$'000	Company 2012 S$'000	Company 2011 S$'000
Secured borrowings denominated in:				
Singapore Dollar	62,000	62,000	-	-
Malaysian Ringgit	46,760	53,947	-	-
	108,760	115,947	-	-
Less: Current portion classified as current liabilities	(2,000)	(6,135)	-	-
Non-current portion	106,760	109,812	-	-

The interest rates per annum for the above borrowings are as follows:

	Group 2012 %	Group 2011 %	Company 2012 %	Company 2011 %
Singapore Dollar	2.1 – 2.4	2.2 – 2.6	-	-
Malaysian Ringgit	6.6 – 7.9	6.3 – 6.6	-	-

The scheduled maturities of the Group's borrowings are as follows:

As at 31 December 2012 Year	Original Loan Currency		Singapore Dollar Equivalent
Borrowings repayable in:	S$'000	RM'000	$'000
2013	-	5,000	2,000
2014	-	60,000	24,000
2015	-	10,000	4,000
2016	62,000	41,900	78,760
Total	62,000	116,900	108,760
Current portion	-	(5,000)	(2,000)
Non-current portion	62,000	111,900	106,760

As at 31 December 2011 Year	Original Loan Currency		Singapore Dollar Equivalent
Borrowings repayable in:	S$'000	RM'000	$'000
2012	-	15,000	6,135
2013	-	5,000	2,045
2014	-	10,000	4,090
2015	-	60,000	24,540
2016	62,000	41,900	79,137
Total	62,000	131,900	115,947
Current portion	-	(15,000)	(6,135)
Non-current portion	62,000	116,900	109,812

33 Borrowings (cont'd)

Certain of the Group's time deposits, properties under development for sale, investment properties and property, plant and equipment have been pledged to banks to obtain the above secured borrowings (Notes 14, 22, 23 and 24).

The bank loan agreements generally include covenants that require the maintenance of certain financial ratios, limit or require written notification of the amount of additional borrowings that may be incurred, and limit the transfer or disposal of pledged assets and acting as guarantor to other parties. Any non-compliance with these covenants will result in these loans becoming repayable immediately upon service of a notice of default by the lenders. In addition, the bank loan agreements contain cross default clauses whereby non-compliance with covenants for other financial indebtedness would result in acceleration of repayment of the outstanding loan balances. As at end of the financial year, there is no breach of loan covenants.

34 Long-Term Liabilities

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Advances and deposits received on development properties	370,360	249,560	-	-
Retirement benefit obligations	23,139	20,187	-	-
Security deposits	13,800	13,351	-	-
Others	155	193	-	-
	407,454	283,291	-	-

Long-term liabilities are denominated in the following currencies:

	Group		Company	
	2012	2011	2012	2011
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	399,571	277,808	-	-
United States Dollar	7,645	5,190	-	-
Singapore Dollar	238	293	-	-
	407,454	283,291	-	-

35 Issued Capital

	Group and Company			
	2012		2011	
	Number of shares	Share Capital	Number of shares	Share Capital
		S$'000		S$'000
Balance at beginning and end of the year	3,041,959,437	1,907,108	3,041,959,437	1,907,108

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. All shares rank equally with regards to the Company's residual assets.

35 Issued Capital (cont'd)

On 19 November 2010, the Company issued 1,520,978,744 warrants pursuant to a bonus issue on the basis of one warrant for every two existing ordinary shares held in the capital of the Company. Each warrant carries the right to subscribe for one new ordinary share of the Company at the exercise price of $0.10 each. As at 31 December 2012, the number of outstanding warrants was 1,520,978,744 (2011: 1,520,978,744) and may only be exercised on the fifth (5^{th}) anniversary of the date of issuance (i.e. 18 November 2015). Assuming all the warrants are fully exercised, the number of new ordinary shares to be issued would be 1,520,978,744.

36 Dividends

	Company	
	2012	2011
	S$'000	S$'000
Final dividends paid in respect of the previous year of $0.0029 (2011: $Nil) per share	8,822	-

At the AGM to be held on 25 April 2013, a first and final tax-exempted (one-tier) dividend of $0.0038 per share, amounting to $11,559,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2013.

37 Holding Company

The directors regard Flambo International Limited, a company incorporated in the British Virgin Islands as the ultimate holding company. The controlling shareholders of the Company comprise certain members of the Widjaja family.

38 Related Party Transactions

(a) A related party is a person or entity that is related to the reporting entity. A person is considered to be related if that person has the ability to control or jointly control the reporting entity, exercise significant influence over the reporting entity in making financial and operating decisions, or is a member of the key management personnel of the reporting entity or its parent. An entity is related to the reporting entity if they are members of the same group, an associate or a joint venture. An entity is also considered to be related if it is controlled or jointly controlled by the same person who has significant influence over the reporting entity or is a member of the key management personnel of the reporting entity.

38 Related Party Transactions (cont'd)

(b) In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties, on terms agreed between parties, were as follows:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
i) Interest expense to a related party	364	496	-	-
ii) Interest income from:				
Subsidiaries	-	-	10,557	11,752
Associated companies	1,240	1,240	-	-
Related parties	1,756	4,428	-	-
iii) Sale of goods and services				
Management fee from a subsidiary	-	-	2,134	2,134
Technical fees from associated companies	435	-	-	-
Rental income from:				
Associated companies	40	40	-	-
Related parties	16,735	13,948	17	9
iv) Purchase of goods and services				
Purchase of land from a related party	-	18,990	-	-
Insurance premium expense to a related party	1,488	1,073	-	-
Rental expense to:				
Subsidiaries	-	-	141	141
Related parties	243	243	243	243

(c) The remuneration of key management personnel who are also directors are as follows:

	Group	
	2012 S$'000	2011 S$'000
Directors' remuneration:		
Directors of the Company	5,339	3,415
Directors of subsidiaries	4,300	4,536

Included in the above remuneration are post-employment benefits of $1,160,458 (2011: $327,819).

39 Commitments

(a) Operating lease commitments - Group as lessee

At the end of the reporting period, the commitments in respect of non-cancellable operating leases for the rental of office premises and properties are as follows:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Future minimum lease payments payable:				
Within one year	700	2,129	294	294
Between one year to five years	756	6,299	12	258
Minimum lease payments paid under operating leases	1,177	2,219	388	399

The leases have varying terms, escalation clauses and renewal rights.

(b) Operating lease commitments - Group as lessor

At the end of the reporting period, committed rental income in respect of operating leases for the rental of properties are as follows:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Future minimum lease receivable:				
Within one year	23,874	17,387	-	-
Between one year to five years	25,275	14,648	-	-

The leases have varying terms, escalation clauses and renewal rights.

(c) Expenditure commitments

Estimated expenditure committed but not provided for in the financial statements are as follows:

	Group		Company	
	2012 S$'000	2011 S$'000	2012 S$'000	2011 S$'000
Property development	84,002	70,875	-	-
Capital expenditure	63,668	22,703	-	-

40 Financial Instruments

Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year, which include cash and cash equivalents, short-term investments, trade and other receivables, trade and other payables, and short-term borrowings are assumed to approximate their fair values due to their short-term maturities.

The fair values of long-term receivables and long-term interest-bearing borrowings (which include obligation under finance leases, bonds payables and bank borrowings) are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the end of the reporting period. As at 31 December 2012 and 2011, the carrying amounts of the long-term receivables and long-term interest-bearing borrowings approximate their fair values.

Fair Value Hierarchy

The table below presents financial assets carried at fair value and classified by level of the following fair value measurement hierarchy:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
At 31 December 2012	S$'000	S$'000	S$'000	S$'000
Financial assets at fair value through profit or loss	1,231	-	-	1,231
Available-for-sale financial assets	-	-	4,022	4,022
Total	1,231	-	4,022	5,253
At 31 December 2011				
Financial assets at fair value through profit or loss	1,442	-	-	1,442
Available-for-sale financial assets	7,870	-	4,314	12,184
Total	9,312	-	4,314	13,626

Movements in available-for-sale financial assets in Level 3 are as follows:

	2012	2011
	S$'000	S$'000
At the beginning of the year	4,314	4,301
Total foreign exchange (loss)/gain recognised in other comprehensive (loss)/income	(292)	13
At the end of the year	4,022	4,314

41 Business Combinations

(a) During the financial year 2011, the Group increased its effective interest in PT Binasarana Muliajaya from 66.67% to 99.97% following the purchase of 9,990 shares of par value of IDR1 million each for a total consideration of IDR9,990 million (equivalent to $1,498,000). The Group recognised an increase in other reserves of $39,000 and a decrease in non-controlling interests of $1,537,000.

(b) In January 2012, the Group through its subsidiary, DUTI completed its acquisition of the remaining 71% shareholding in its associated companies, namely PT Anekagriya Buminusa, PT Kanaka Grahaasri, PT Mekanusa Cipta, PT Putra Prabukarya and PT Prima Sehati for a total consideration of IDR34.1 billion (equivalent to $4,771,000). Following the transaction, the Group's effective ownership in these companies increased from 12.34% to 42.54% and these companies become subsidiaries of the Group.

The fair value of the identifiable assets and liabilities of these companies acquired amounted to $56,860,000 after taking into account the fair value adjustments of $66,013,000.

The acquired companies contributed revenue of $50,729,000 and profit of $20,778,000 to the Group's profit before income tax for the period between the date of acquisition and the end of the reporting period.

The identifiable assets and liabilities acquired in the above transactions are as follows:

Net assets acquired:	Previous carrying amount S$'000	Fair value adjustments S$'000	Fair value recognised on acquisition S$'000
Cash and cash equivalents	39,068	-	39,068
Other current assets	1,814	-	1,814
Property held for sale	62,898	-	62,898
Property, plant and equipment	215	-	215
Property under development for sale	64,372	66,013	130,385
Other payables	(35,307)	-	(35,307)
Non-controlling interests	(142,213)	-	(142,213)
	(9,153)	66,013	56,860
Less: Transfer from investment in associated companies			(29,910)
Less: Gain on equity interest			(20,953)
Less: Negative goodwill			(1,226)
Total purchase consideration			4,771
Less: Cash and cash equivalents acquired			(39,068)
Net cash inflow on acquisition of subsidiaries			(34,297)

41 Business Combinations (cont'd)

(c) During the financial year 2012, the Group through its subsidiary, acquired 50% shareholding in PT Mustika Candraguna ("MCG") for a total consideration of IDR53.1 billion (equivalent to $7,439,000). Following the transaction, the Group's effective shareholding interest in MCG was 30.92%.

The fair value of the identifiable assets and liabilities of this company acquired amounted to $14,878,000 after taking into account the fair value adjustments of $14,862,000.

Since MCG has not commence business since incorporation, there was no revenue and profit contribution by MCG to the Group for the financial year 2012.

The identifiable assets and liabilities acquired in the above transaction are as follows:

Net assets acquired:	Previous carrying amount	Fair value adjustments	Fair value recognised on acquisition
	S$'000	S$'000	S$'000
Cash and cash equivalents	2	-	2
Other current assets	1	-	1
Property under development for sale	1,236	14,862	16,098
Other payables	(1,223)	-	(1,223)
Total identifiable net assets	16	14,862	14,878
Less: Non-controlling interests at fair value			(7,439)
Total purchase consideration			7,439
Less: Cash and cash equivalents acquired			(2)
Net cash outflow on acquisition of subsidiary			7,437

(d) During the financial year 2012, the Group has further increased its effective shareholding interest in MCG from 30.92% to 37.10% following the purchase of 12 shares of par value of IDR1 million each for a total consideration of IDR6 billion (equivalent to $756,000). The Group recognised an increase in other reserves of $386,000 and a decrease in non-controlling interests $1,142,000 respectively.

(e) During the financial year 2012, the Group has through its subsidiary, increased its effective shareholding interest in DUTI from 42.54% to 44.16% following the purchase of 60,100,000 shares of par value of IDR500 each by open market purchase for a total consideration of IDR181,802,500,000 (equivalent to $23,652,000). The Group recognised decreases in other reserves and non-controlling interests of $4,486,000 and $19,166,000 respectively.

42 Operating Segments Information

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different marketing strategies. Set out below are the Group's reportable segment:

Indonesia Property - investment and development of commercial, industrial and residential properties and ownership and management of hotels and resorts in Indonesia.

Other Property - investment and development of commercial and residential properties and ownership and management of hotels and resorts in Malaysia and selected mixed development in China.

42 Operating Segments Information (cont'd)

Group	Indonesia Property	Other Property	Others	Total
	S$'000	S$'000	S$'000	S$'000
2012				
Revenue				
Total revenue	558,980	72,431	-	631,411
Inter-segment revenue	-	(141)	-	(141)
Revenue from external customers	558,980	72,290	-	631,270
EBITDA	269,250	10,843	(5,273)	274,820
Other Information				
Capital expenditures on investment properties and property, plant and equipment	19,531	412	213	20,156
Depreciation and amortisation expenses	13,505	4,132	67	17,704
Interest income	30,832	58	35	30,925
Interest expenses	14,850	9,074	(4,042)	19,882
Exceptional gain, net	22,179	-	-	22,179
Gain on disposal of property, plant and equipment	152	-	24	176
Gain on disposal of investment properties	3,769	-	-	3,769
Share of results of associated companies, net of tax	40,568	-	-	40,568
Share of results of joint ventures, net of tax	5,267	-	-	5,267
Assets				
Segment assets	3,634,831 *	212,998	1,467,069	5,314,898
Liabilities				
Segment liabilities	1,931,255	285,742	838,544	3,055,541

* Segment assets in Indonesia Property include investment in associated companies and joint ventures of $531,776,000 and $54,168,000 respectively.

Group	Indonesia Property	Other Property	Others	Total
	S$'000	S$'000	S$'000	S$'000
2011 (Restated)				
Revenue				
Total revenue	451,888	82,604	-	534,492
Inter-segment revenue	-	(141)	-	(141)
Revenue from external customers	451,888	82,463	-	534,351
EBITDA	209,628	7,872	(581)	216,919

42 Operating Segments Information (cont'd)

Group	Indonesia Property	Other Property	Others	Total
	S$'000	S$'000	S$'000	S$'000
2011 (Restated)				
Other Information				
Capital expenditures on investment properties and property, plant and equipment	49,498	697	1	50,196
Depreciation and amortisation expenses	12,815	4,148	204	17,167
Interest income	37,142	334	29	37,505
Interest expenses	24,012	8,733	(3,679)	29,066
Gain/(Loss) on disposal of property, plant and equipment	54	(6)	154	202
Share of results of associated companies, net of tax	13,496	-	-	13,496
Share of results of joint ventures, net of tax	4,558	-	-	4,558
Assets				
Segment assets	3,258,946 *	264,669	1,504,716	5,028,331
Liabilities				
Segment liabilities	1,832,933	279,723	864,735	2,977,391

* Segment assets in Indonesia Property include investment in associated companies and joint ventures of $451,696,000 and $18,864,000 respectively.

A reconciliation of total adjusted EBITDA to total profit before income tax is as follows:

	2012	(Restated) 2011
	S$'000	S$'000
EBITDA for reportable segments	280,093	217,500
Other EBITDA	(5,273)	(581)
Depreciation and amortisation	(17,704)	(17,167)
Foreign exchange (loss)/gain, net	(36,371)	4,685
Interest expenses	(19,882)	(29,066)
Exceptional items, net	22,179	-
Share of results of associated companies, net of tax	40,568	13,496
Share of results of joint ventures, net of tax	5,267	4,558
Profit before income tax	268,877	193,425

A reconciliation of total assets for reportable segments to total assets is as follows:

	2012	(Restated) 2011
	S$'000	S$'000
Total assets for reportable segments	3,847,829	3,523,615
Other assets	1,467,069	1,504,716
Elimination of inter-segment receivables	(1,919,086)	(2,078,345)
Total assets	3,395,812	2,949,986

42 Operating Segments Information (cont'd)

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

	2012 S$'000	(Restated) 2011 S$'000
Total liabilities for reportable segments	2,216,997	2,112,656
Other liabilities	838,544	864,735
Elimination of inter-segment payables	(1,978,270)	(2,121,047)
Total liabilities	1,077,271	856,344

The Group's property business is located in Indonesia, China, Malaysia and Singapore. The following table provides an analysis of the Group's revenue from business by geographical market, irrespective of the origin of the goods/services.

	2012 S$'000	(Restated) 2011 S$'000
Indonesia	562,007	454,712
China	47,679	58,038
Malaysia	17,475	16,305
Singapore	4,109	5,296
Consolidated revenue	631,270	534,351

The following tables present analysis of the carrying amount of non-current non-financial assets and capital expenditures on investment properties and property, plant and equipment, analysed by the geographical area in which the assets are located:

	2012 S$'000	(Restated) 2011 S$'000
Indonesia	1,182,550	913,188
Singapore	65,192	56,774
Malaysia	57,339	59,446
China	49,197	55,890
Total non-current non-financial assets	1,354,278	1,085,298
Indonesia	19,766	49,615
Singapore	213	5
Malaysia	166	556
China	11	20
Total capital expenditures	20,156	50,196

43 Subsidiaries

The details of the subsidiaries are as follows:

Name of company and country of incorporation	Principal activities	The Company Cost of investment		Effective percentage of equity held by the Group	
		2012	2011	2012	2011
		S$'000	S$'000	%	%
AFP International Finance Ltd (1) Mauritius	Provision of management and consultancy services	-*	-*	100.00	100.00
AFP International Finance (2) Ltd (1) Mauritius	Financing activities	-*	-*	100.00	100.00
AFP International Finance (3) Ltd (2) British Virgin Islands	Investment holding	14	14	100.00	100.00
Asia Management Services Ltd (1) Mauritius	Provision of management and consultancy services	-*	-*	100.00	100.00
Alluvium Finance B.V. (2) The Netherlands	Treasury management	37	4,354	100.00	100.00
Ever Forward Asia Limited (1) Hong Kong	Dormant	-*	-*	100.00	100.00
Golden Ray Development Pte. Ltd. (7) Singapore	Dormant	-*	-	100.00	-
Indonesia Property Division					
ACF Finance Ltd (2) British Virgin Islands	Treasury management	-	-	100.00	100.00
ACF Solutions Holding Ltd (1) Mauritius	Investment holding	-	-	100.00	100.00
AFP International Capital Pte. Ltd. Singapore	Investment holding	-*	-*	100.00	100.00
Jermina Limited (5f) Hong Kong	Investment holding	-	-	100.00	100.00
Linsville Limited (2) Cayman Islands	Investment holding	-	-	100.00	100.00
PT Anekagriya Buminusa (1),(Note 41b, Note 41e) Indonesia	Real estate development	-	-	44.16 [6]	12.34
PT Aneka Karya Amarta (1) Indonesia	Investment holding	-	-	84.37	84.37

43 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2012 S$'000	The Company Cost of investment 2011 S$'000	Effective percentage of equity held by the Group 2012 %	Effective percentage of equity held by the Group 2011 %
PT Bhineka Karya Pratama (1) Indonesia	Investment holding	-	-	72.12	72.12
PT Binamaju Grahamitra (1) Indonesia	Real estate development	-	-	84.35	84.35
PT Binamaju Mitra Sejati (1) Indonesia	Real estate development	-	-	56.33	55.96
PT Binasarana Muliajaya (4),(Note 41a) Indonesia	Provision of management and consultancy services	-	-	99.97	99.97
PT Bumi Karawang Damai (1),(7) Indonesia	Real estate development	-	-	50.49	-
PT Bumi Serpong Damai Tbk (1) Indonesia	Investment holding, construction and development of houses and buildings	-	-	49.87 [6]	49.87 [6]
PT Bumi Paramudita Mas (1) Indonesia	Real estate development	-	-	49.87 [6]	49.87 [6]
PT Bumi Samarinda Damai (4),(7) Indonesia	Real estate development	-	-	42.50 [6]	-
PT Duta Dharma Sinarmas (1),(7) Indonesia	Real estate development	-	-	25.43 [6]	-
PT Duta Pertiwi Tbk (1) (Note 41e) Indonesia	Property development, general trading and investment holding	-	-	44.16 [6]	42.54 [6]
PT Duta Semesta Mas (1) Indonesia	Property development	-	-	44.16 [6]	42.54 [6]
PT Duta Virtual Dotkom (4) Indonesia	E-commerce	-	-	43.57 [6]	41.99 [6]
PT Ekacentra Usahamaju (1) Indonesia	Investment holding	-	-	84.36	84.36
PT Grahadipta Wisesa (1) Indonesia	Real estate development	-	-	65.39	65.39
PT Indowisata Makmur (1) Indonesia	Property development	-	-	84.42	84.42
PT Inter Sarana Prabawa (1),(7) Indonesia	Real estate development	-	-	84.37	-

43 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2012 S$'000	The Company Cost of investment 2011 S$'000	Effective percentage of equity held by the Group 2012 %	Effective percentage of equity held by the Group 2011 %
PT Inti Tekno Sukses Bersama (4) Indonesia	Provision of management and consultancy services	-	-	99.97	99.97
PT Kanaka Grahaasri (1), (Note 41b, Note 41e) Indonesia	Real estate development	-	-	44.16 [6]	12.34
PT Karawang Bukit Golf (1) Indonesia	Residential estate and country club and golf club development	47,995	47,995	98.12	98.12
PT Karawang Tatabina Industrial Estate (1) Indonesia	Industrial estate development	41,708	41,708	48.77 [6]	48.77 [6]
PT Kembangan Permai Development (5a) Indonesia	Real estate development	-	-	35.33 [6]	34.03 [6]
PT Karya Dutamas Cemerlang (1) Indonesia	Industrial estate development	-	-	65.39	65.39
PT Kurnia Subur Permai (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]
PT Masagi Propertindo (1) Indonesia	Property development	-	-	84.14	84.14
PT Mekanusa Cipta (1), (Note 41b, Note 41e) Indonesia	Real estate development	-	-	44.16 [6]	12.34
PT Metropolitan Transcities Indonesia (1) Indonesia	Investment holding	-	-	84.37	84.37
PT Misaya Properindo (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]
PT Mitrakarya Multiguna (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]
PT Mustika Candraguna (1), (Note 41c, Note 41d) Indonesia	Property development	-	-	37.10 [6]	-
PT Mustika Karya Sejati (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]
PT Pangeran Plaza Utama (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]

43 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2012 S$'000	The Company Cost of investment 2011 S$'000	Effective percentage of equity held by the Group 2012 %	Effective percentage of equity held by the Group 2011 %
PT Paraga Artamida (1) Indonesia	Investment holding and provision of consultancy services	720,727	720,727	84.37	84.37
PT Perwita Margasakti (1) Indonesia	Property development	-	-	44.16 [6]	42.54 [6]
PT Praba Selaras Pratama (4),(7) Indonesia	Real estate development and investment holding	-	-	49.87 [6]	-
PT Prestasi Mahkota Utama (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]
PT Prima Sehati (1), (Note 41b, Note 41e) Indonesia	Real estate development	-	-	44.16 [6]	12.34
PT Putra Alvita Pratama (5a) Indonesia	Real estate development	-	-	23.63 [6]	22.77 [6]
PT Putra Prabukarya (1), (Note 41b, Note 41e) Indonesia	Real estate development	-	-	44.16 [6]	12.34
PT Royal Oriental (1) Indonesia	Property development	-	-	54.57	53.37
PT Saranapapan Ekasejati (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]
PT Sentra Talenta Utama (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Simas Tunggal Centre (1) Indonesia	Investment holding	-	-	81.84	81.84
PT Sinar Mas Teladan (1) Indonesia	Property development	-	-	61.83	61.83
PT Sinar Mas Wisesa (1) Indonesia	Real estate development	-	-	65.39	65.39
PT Sinar Usaha Mahitala (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Sinar Usaha Marga (1),(7) Indonesia	Real estate development	-	-	72.98	-
PT Sinarwijaya Ekapratista (1) Indonesia	Real estate development	-	-	44.16 [6]	42.54 [6]

43 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2012 S$'000	2011 S$'000	Effective percentage of equity held by the Group 2012 %	2011 %
PT Sinarwisata Lestari (1) Indonesia	Hotel	-	-	44.16 [6]	42.54 [6]
PT Surya Inter Wisesa (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Sinarwisata Permai (1) Indonesia	Hotel	-	-	44.16 [6]	42.54 [6]
PT Sumber Arusmulia (5e) Indonesia	Investment holding	-	-	53.13	53.13
Sittingham Assets Limited (2) British Virgin Islands	Investment holding	1,460	1,460	100.00	100.00
Sinarmas Land (HK) Limited (5g) Hong Kong	Investment holding	-*	-*	59.89	59.89
Sinarmas Sentul Land Limited (5g) Hong Kong	Trading, management service and investment holding	-*	-*	59.89	59.89
China Property Division					
AFP China Ltd (1) Mauritius	Investment holding	-*	-*	100.00	100.00
AFP (Shanghai) Co., Ltd (5d) People's Republic of China	Provision of management services	918	918	100.00	100.00
Integrated Investments Ltd (1) Mauritius	Investment holding	-*	-*	100.00	100.00
Shining Gold Real Estate (Chengdu) Co., Ltd (5d) People's Republic of China	Property investment and development	-	-	100.00	100.00
Shining Gold Real Estate (Shenyang) Co., Ltd (5d) People's Republic of China	Property investment and development	-	-	100.00	100.00
Solid Growth Investments Ltd (1) Mauritius	Investment holding	-*	-*	100.00	100.00
Zhuhai Huafeng Film Co., Ltd (5d) People's Republic of China	Dormant	-	-	85.00	85.00
Zhuhai Huafeng Packaging Co., Ltd (5d) People's Republic of China	Investment holding	-	-	100.00	100.00

43 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2012 S$'000	The Company Cost of investment 2011 S$'000	Effective percentage of equity held by the Group 2012 %	Effective percentage of equity held by the Group 2011 %
Zhuhai Huafeng Printing Co., Ltd (5d) People's Republic of China	Dormant	-	-	85.00	85.00
AFP Land Division:					
AFP Gardens (Tanjong Rhu) Pte Ltd Singapore	Property investment and development	-	-	100.00	100.00
AFP Hillview Pte Ltd Singapore	Property development	-	-	100.00	100.00
AFP Land (Malaysia) Sdn Bhd ("AFPLM") (1),(8) Malaysia	Investment holding	-	-	51.00	51.00
AFP Land Limited Singapore	Investment holding and provision of management services	456,751	456,751	100.00	100.00
AFP Resort Development Pte Ltd Singapore	Resort property development and investment holding	-	-	100.00	100.00
AFP Resort Marketing Services Pte Ltd Singapore	Marketing services to resort establishments	-	-	89.50	89.50
Amcol (China) Investments Pte Ltd Singapore	Investment holding	-	-	100.00	100.00
Amcol Construction Sdn Bhd (3) Malaysia	In liquidation	-	-	51.00	51.00
Anak Bukit Resorts Sdn Bhd (1) Malaysia	Resort property development	-	-	51.00	51.00
Golden Bay Realty (Private) Limited Singapore	Property investment	-	-	100.00	100.00
Goldmount Holdings Pte Ltd (5b) Singapore	Investment holding	-	-	100.00	100.00
Jurong Golf & Sports Complex Pte Ltd (5b) Singapore	Golf club and to establish, maintain and provide golf courses and recreational facilities	-	-	40.15 [6]	40.15 [6]
PT AFP Dwilestari (5c) Indonesia	Resort development and operation	-	-	65.00	65.00

43 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2012 S$'000	The Company Cost of investment 2011 S$'000	Effective percentage of equity held by the Group 2012 %	Effective percentage of equity held by the Group 2011 %
Palm Resort Berhad ("PRB") (1),(8) Malaysia	Golf club and to establish, maintain and provide golf course and recreational facilities and to act as hotelier and hotel marketing agent	-	-	40.15 [6]	40.15 [6]
Palm Resort Management Pte Ltd Singapore	Dormant	-	-	40.15 [6]	40.15 [6]
Palm Villa Sdn Bhd (1) Malaysia	Dormant	-	-	40.15 [6]	40.15 [6]
Sankei Pte Ltd Singapore	Dormant	-	-	100.00	100.00
		1,269,610	1,273,927		

* The cost of investment is below $1,000.

Notes:
The above subsidiaries are audited by Moore Stephens LLP, Singapore except for subsidiaries that are indicated below.

(1) Audited by member firms of Moore Stephens International Limited of which Moore Stephens LLP, Singapore is a member.

(2) No statutory audit is required by law in its country of incorporation.

(3) No statutory audit is required as the subsidiary was or is in the process of liquidation.

(4) No statutory audit is required as the subsidiary is newly incorporated/inactive.

(5) Audited by other firms of accountants as follows:
- (a) KAP Doli Bambang Sulistiyanto Dadang & Ali and KAP Arman Dhani & Rekan for financial year 2012 and 2011 respectively.
- (b) YM Kew & Co
- (c) BDO Tanubrata Sutanto Fahmi & Rekan
- (d) Shanghai Zhonghua Certified Public Accountants
- (e) Hendrawinata Eddy & Siddharta
- (f) Leung Siu Wo & Co
- (g) TCL & Company, Certified Public Accountants (Practising)

(6) These subsidiaries are held by non-wholly owned intermediate holding companies. The intermediate holding companies have the power to govern the financial and operating policies of these companies.

43 Subsidiaries (cont'd)

(7) During the financial year 2012, the following subsidiaries have been incorporated:

Subsidiaries	Initial issued and paid up capital
Golden Ray Development Pte. Ltd.	10 shares of S$1 each
PT Bumi Karawang Damai	25 shares of IDR1 million each
PT Bumi Samarinda Damai	5,000 shares of IDR1 million each
PT Duta Dharma Sinarmas	250,000 shares of IDR1,000 each
PT Inter Sarana Prabawa	12,500 shares of IDR1,000 each
PT Praba Selaras Pratama	12,500 shares of IDR1,000 each
PT Sentra Talenta Utama	12,500 shares of IDR1,000 each
PT Sinar Usaha Mahitala	12,500 shares of IDR1,000 each
PT Sinar Usaha Marga	12,500 shares of IDR1,000 each
PT Surya Inter Wisesa	12,500 shares of IDR1,000 each

(8) Subsequent to the year end, AFPLM became a wholly-owned subsidiary of the Group following a transfer of the remaining 49% of the shareholding in AFPLM comprising 490,000 shares of RM1 each at par value. Following this transaction, and the allotment and issue to the Group of 49,192,581 additional shares of RM1 each credited as fully paid in PRB by the capitalisation of shareholders' advances, the Group's effective shareholding interest in PRB has increased from 40.15% to 99.22%.

44 Associated Companies

Name of company and country of incorporation	Principal activities	The Group Cost of investment		Effective percentage of equity held by the Group	
		2012 S$'000	(Restated) 2011 S$'000	2012 %	2011 %
PT AMSL Indonesia ("AMSL") (3),(6) Indonesia	Property development	24,723	-	16.46 [4]	-
PT Anekagriya Buminusa (1), (Note 41b) Indonesia	Real estate development	-	10,909	-	12.34 [4]
PT Citraagung Tirtajatim (1) Indonesia	Property development	3,206	3,206	17.66 [4]	17.02 [4]
PT Duta Karya Propertindo (3) Indonesia	Property management	47	47	22.08	21.27
PT Harapan Anang Bakri & Sons (1) Indonesia	Industrial estate development	879	879	37.12	37.12
PT Kanaka Grahaasri (1), (Note 41b) Indonesia	Real estate development	-	4,222	-	12.34 [4]
PT Maligi Permata Industrial Estate (1) Indonesia	Industrial estate development	4,809	4,809	42.19	42.19
PT Matra Olahcipta (1) Indonesia	Property development	3,340	3,340	22.08	21.27

44 Associated Companies (cont'd)

Name of company and country of incorporation	Principal activities	The Group Cost of investment 2012 S$'000	The Group Cost of investment (Restated) 2011 S$'000	Effective percentage of equity held by the Group 2012 %	Effective percentage of equity held by the Group 2011 %
PT Mekanusa Cipta (1), (Note 41b) Indonesia	Real estate development	-	41,264	-	12.34 [4]
PT Pembangunan Deltamas (2a) Indonesia	Property and real estate development	196,266	196,266	49.40	49.40
PT Phinisindo Zamrud Nusantara (1) Indonesia	Property development	434	434	22.08	21.27
PT Plaza Indonesia Realty Tbk ("PIR") (2b),(5) Indonesia	Property development and hotel owner	132,388	64,253	21.93	14.87 [4]
PT Prima Sehati (1), (Note 41b) Indonesia	Real estate development	-	18,486	-	12.34 [4]
PT Puradelta Lestari (2a) Indonesia	Property and real estate development	196,265	196,265	49.40	49.40
PT Putra Prabukarya (1), (Note 41b) Indonesia	Real estate development	-	1,943	-	12.34 [4]
PT Serasi Niaga Sakti (1) Indonesia	Real estate development	4,202	4,202	42.19	42.19
		566,559	550,525		

Notes:

(1) Audited by member firms of Moore Stephens International Limited of which Moore Stephens LLP, Singapore is a member.

(2) Audited by other firms of accountants as follows:
- (a) Hendrawinata Eddy dan Siddharta and Eddy Prakarsa Permana & Siddharta for financial year 2012 and 2011 respectively.
- (b) Osman Bing Satrio & Rekan

(3) No statutory audit is required as the company is inactive/newly incorporated.

(4) This company is deemed to be an associated company as the Group is able to exercise significant influence on its financial and operating policies.

(5) During the financial year 2012, the Group through its subsidiary, acquired 297,215,000 shares of par value IDR200 each representing 8.37% of the shareholding in PIR for a total cash consideration of IDR485.9 billion (equivalent to $68,135,000). Following the acquisition, the Group's effective shareholding interest in PIR increased from 14.87% to 21.93%.

(6) During the financial year 2012, the Group through its subsidiary, subscribed for 198,000 shares of IDR962,800 each fully paid, representing 33% of the shareholding in AMSL. Total investment amounted to IDR190.2 billion (equivalent to $24,723,000).

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF SINARMAS LAND LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The information in this Appendix III has been extracted and reproduced from the audited financial statements of the Group for the financial year ended 31 December 2013 and has not been specifically prepared for inclusion in this Information Memorandum. Investors should read the consolidated financial data in conjunction with the related notes.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

We have audited the accompanying financial statements of Sinarmas Land Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 74 to 141, which comprise the statements of financial position of the Company and of the Group as at 31 December 2013, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the statement of financial position of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2013, and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SINARMAS LAND LIMITED
Company Registration No. 199400619R
(Incorporated in Singapore)

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

MOORE STEPHENS LLP
Public Accountants and
Chartered Accountants

Singapore

17 March 2014

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 S$'000	2012 S$'000
Revenue	6	985,036	631,270
Cost of sales		(293,322)	(261,117)
Gross profit		691,714	370,153
Operating expenses			
Selling expenses		(49,363)	(43,727)
General and administrative expenses		(139,831)	(115,562)
Total operating expenses		(189,194)	(159,289)
Operating profit		502,520	210,864
Other income/(expenses)			
Finance income	7	29,705	30,925
Finance costs	8	(21,917)	(19,882)
Foreign exchange gain/(loss), net		37,002	(36,371)
Share of results of associated companies, net of tax		45,627	40,568
Share of results of joint ventures, net of tax		(87,955)	5,267
Other operating income	9	7,381	15,327
Other income, net		9,843	35,834
Exceptional items			
Negative goodwill	40(a)	11,906	1,226
Gain on equity interest	40(a)	-	20,953
Exceptional items, net		11,906	22,179
Profit before income tax	10	524,269	268,877
Income tax	11	(59,255)	(36,380)
Total profit for the year		465,014	232,497
Attributable to:			
Owners of the Company		252,481	112,664
Non-controlling interests		212,533	119,833
		465,014	232,497
Earnings per share (cents)			
Basic	12	8.30	3.70
Diluted	12	5.91	2.78

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	S$'000	S$'000
Total profit for the year	465,014	232,497
Other comprehensive loss:		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences on consolidation	(462,445)	(118,123)
Equity portion of bonds	(14,934)	(1,669)
Changes in fair value of available-for-sale financial assets	(148)	-
Other comprehensive loss, net of tax	(477,527)	(119,792)
Total comprehensive (loss)/income for the year	(12,513)	112,705
Total comprehensive (loss)/income attributable to:		
Owners of the Company	3,828	50,945
Non-controlling interests	(16,341)	61,760
	(12,513)	112,705

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	Group 2013 S$'000	Group 2012 S$'000	Company 2013 S$'000	Company 2012 S$'000
Assets					
Current Assets					
Cash and cash equivalents	14	687,733	653,608	11,338	6,023
Short-term investments	15	1,007	1,231	-	-
Trade receivables	16	12,219	11,326	-	-
Other current assets	17	228,664	148,916	546,737	535,903
Inventories, at cost		949	1,074	-	-
Properties held for sale		369,188	449,886	-	-
		1,299,760	1,266,041	558,075	541,926
Non-Current Assets					
Subsidiaries	18	-	-	1,428,804	1,421,338
Associated companies	19	592,138	531,776	-	-
Joint ventures	20	65,512	54,168	-	-
Long-term investments	21	7,152	4,022	-	-
Properties under development for sale	22	859,365	1,046,739	-	-
Investment properties	23	535,367	159,905	-	-
Property, plant and equipment	24	124,327	145,850	156	212
Long-term receivables	25	73,732	185,323	-	-
Deferred tax assets	26	162	204	-	-
Goodwill	27	1,784	1,784	-	-
		2,259,539	2,129,771	1,428,960	1,421,550
Total Assets		3,559,299	3,395,812	1,987,035	1,963,476

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Note	Group 2013 S$'000	Group 2012 S$'000	Company 2013 S$'000	Company 2012 S$'000
Liabilities and Equity					
Current Liabilities					
Trade payables	28	18,815	33,474	-	-
Other payables and liabilities	29	374,868	338,650	49,040	32,891
Bonds payables	30	-	27,787	-	-
Obligations under finance leases	31	32	91	32	85
Borrowings	32	135,697	2,000	-	-
Income taxes payable		5,550	841	-	-
		534,962	402,843	49,072	32,976
Non-Current Liabilities					
Bonds payables	30	308,788	160,108	-	-
Obligations under finance leases	31	44	95	44	86
Borrowings	32	194,290	106,760	-	-
Long-term liabilities	33	201,448	407,454	-	-
Deferred tax liabilities	26	12	11	-	-
		704,582	674,428	44	86
Total Liabilities		1,239,544	1,077,271	49,116	33,062
Equity attributable to owners of the Company					
Issued capital	34	1,907,108	1,907,108	1,907,108	1,907,108
Foreign currency translation deficit		(1,183,977)	(950,323)	-	-
Goodwill on consolidation		(62,122)	(62,122)	-	-
Option reserve		-	14,934	-	-
Asset revaluation reserve		9,758	9,758	-	-
Other reserves		8,730	13,203	-	-
Fair value reserve		(65)	-	-	-
Retained earnings		803,337	562,415	30,811	23,306
		1,482,769	1,494,973	1,937,919	1,930,414
Non-controlling interests		836,986	823,568	-	-
Total Equity		2,319,755	2,318,541	1,937,919	1,930,414
Total Liabilities and Equity		3,559,299	3,395,812	1,987,035	1,963,476

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2013

	← Attributable to Owners of the Company →										
	Issued capital	Foreign currency translation deficit	Goodwill on consolidation	Option reserve	Asset revaluation reserve	Other reserves	Fair value reserve	Retained earnings	Total	**Non-Controlling Interests**	**Total Equity**
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 1.1.2013	1,907,108	(950,323)	(62,122)	14,934	9,758	13,203	-	562,415	1,494,973	823,568	2,318,541
Profit for the year	-	-	-	-	-	-	-	252,481	252,481	212,533	465,014
Other comprehensive loss	-	(233,654)	-	(14,934)	-	-	(65)	-	(248,653)	(228,874)	(477,527)
Total comprehensive (loss)/income for the year	-	(233,654)	-	(14,934)	-	-	(65)	252,481	3,828	(16,341)	(12,513)
Dividends (Note 35)	-	-	-	-	-	-	-	(11,559)	(11,559)	-	(11,559)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(27,703)	(27,703)
Acquisition of subsidiaries (Note 40(a))	-	-	-	-	-	-	-	-	-	46,477	46,477
Capital subscribed by non-controlling shareholders, net	-	-	-	-	-	-	-	-	-	6,512	6,512
Change in interest in subsidiaries (Note 40(b))	-	-	-	-	-	(4,473)	-	-	(4,473)	4,473	-
Balance at 31.12.2013	1,907,108	(1,183,977)	(62,122)	-	9,758	8,730	(65)	803,337	1,482,769	836,986	2,319,755

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2013

	Attributable to Owners of the Company									
	Issued capital	Foreign currency translation deficit	Goodwill on consolidation	Option reserve	Asset revaluation reserve	Other reserves	Retained earnings	Total	**Non-Controlling Interests**	**Total Equity**
Group	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Balance at 1.1.2012	1,907,108	(890,273)	(62,122)	16,603	9,758	17,303	458,573	1,456,950	636,692	2,093,642
Profit for the year	-	-	-	-	-	-	112,664	112,664	119,833	232,497
Other comprehensive loss	-	(60,050)	-	(1,669)	-	-	-	(61,719)	(58,073)	(119,792)
Total comprehensive (loss)/income for the year	-	(60,050)	-	(1,669)	-	-	112,664	50,945	61,760	112,705
Dividends (Note 35)	-	-	-	-	-	-	(8,822)	(8,822)	-	(8,822)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(15,612)	(15,612)
Acquisition of subsidiaries (Note 40(a))	-	-	-	-	-	-	-	-	149,652	149,652
Capital subscription by non-controlling shareholders	-	-	-	-	-	-	-	-	11,384	11,384
Change in interest in subsidiaries (Note 40(b))	-	-	-	-	-	(4,100)	-	(4,100)	(20,308)	(24,408)
Balance at 31.12.2012	1,907,108	(950,323)	(62,122)	14,934	9,758	13,203	562,415	1,494,973	823,568	2,318,541

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 S$'000	2012 S$'000
Cash flows from operating activities			
Profit before income tax		524,269	268,877
Adjustments for:			
Depreciation of investment properties	23	7,063	6,395
Depreciation of property, plant and equipment	24	10,145	10,954
Amortisation expense		-	355
Interest expense		21,917	19,882
Gain on disposal of:			
− Property, plant and equipment	9	(146)	(176)
− Investment properties	9	-	(3,769)
Property, plant and equipment written off	10	10	-
Negative goodwill	40(a)	(11,906)	(1,226)
Gain on equity interest	40(a)	-	(20,953)
Share of results of associated companies, net of tax		(45,627)	(40,568)
Share of results of joint ventures, net of tax		87,955	(5,267)
Allowance for/(Write-back of) impairment loss on:			
− Available-for-sale financial assets	9	-	(1,190)
− Trade receivables	16	412	203
Changes in fair value of financial assets at fair value through profit or loss	9	34	(161)
Unrealised foreign exchange (gain)/loss, net		(24,759)	72,346
Interest income		(29,705)	(30,925)
Operating cash flows before working capital changes		539,662	274,777
Changes in working capital:			
Short-term investments		-	372
Trade receivables		(353)	826
Other current assets and receivables		(98,263)	(50,139)
Inventories		130	59
Trade payables		(14,659)	13,369
Other payables and liabilities		(37,972)	102,948
Cash generated from operations		388,545	342,212
Interest paid		(31,023)	(16,519)
Interest received		29,712	30,977
Tax paid		(49,522)	(47,712)
Net cash generated from operating activities		337,712	308,958

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	2013 S$'000	2012 S$'000
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	40(a)	(215,406)	26,860
Acquisition of an associated company	43(6),(7)	(10,417)	(24,723)
Acquisition of additional interest in an associated company	43(5)	(66,788)	(68,135)
Additional investments in joint ventures		(137,787)	(35,812)
Investments in available-for-sale financial assets		(890)	-
Proceeds from capital reduction in associated companies		1,320	-
Proceeds from capital reduction in joint ventures		83	3,675
Proceeds from disposal of investment properties		-	27,339
Proceeds from disposal of property, plant and equipment		304	186
Proceeds from disposal of available-for-sale financial assets		-	9,756
Capital expenditure on investment properties	23	(132,963)	(7,140)
Capital expenditure on property, plant and equipment	24	(9,417)	(13,016)
Capital expenditure on properties under development and held for sale		(61,427)	(209,803)
Proceeds from repayment of long-term receivables		88,986	-
Dividends from associated companies and joint ventures		17,686	11,490
Net cash used in investing activities		(526,716)	(279,323)
Cash flows from financing activities			
Acquisition of additional interests in subsidiaries	40(b)	-	(24,408)
Proceeds from/(Repayment of) borrowings, net		222,795	(6,150)
Proceeds from issuance of bonds, net		169,300	78,163
Increase in time deposits pledged		(53,034)	(29)
Payment of dividends		(39,262)	(24,434)
Payments of obligations under finance leases		(110)	(90)
Capital subscribed by non-controlling shareholders, net		6,512	11,384
Net cash generated from financing activities		306,201	34,436
Net increase in cash and cash equivalents		117,197	64,071
Cash and cash equivalents at the beginning of the year		652,079	627,676
Effect of exchange rate changes on cash and cash equivalents		(136,106)	(39,668)
Cash and cash equivalents at the end of the year	14	633,170	652,079

The accompanying notes form an integral part of the financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements:

1 General

Sinarmas Land Limited (the "Company") is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The Company's registered office and principal place of business is at 108 Pasir Panjang Road, #06-00 Golden Agri Plaza, Singapore 118535.

The Company is principally an investment holding company. The Company and its subsidiaries (collectively, the "Group") are involved in the property business, through its investments in Indonesia, China, Malaysia, Singapore and United Kingdom.

The subsidiaries, associated companies and joint ventures, including their principal activities, countries of incorporation, and the extent of the Company's equity interests in those subsidiaries, associated companies and joint ventures are set out in Notes 42, 43 and 20 to the financial statements respectively.

The statement of financial position of the Company and the consolidated financial statements of the Group as at and for the year ended 31 December 2013 were authorised for issue by the Board of Directors on 17 March 2014.

2 New and Revised Financial Reporting Standards ("FRSs")

(I) Adoption of New and Revised FRSs and Interpretations of FRSs ("INT FRSs")

The Group has adopted the following revised and amended FRSs that are relevant to its operations and effective for annual periods beginning on 1 January 2013. The adoption of these FRSs has had no material financial impact on the financial statements of the Group and the Company. They did however give rise to additional disclosures including, in some cases, revision to accounting policies.

(i) Amendment to FRS 1, Presentation of Items of Other Comprehensive Income

The amendment to FRS 1 requires entities to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to the income statement, when specific conditions are met and to present separately from items that will never be reclassified subsequently to the income statement.

(ii) FRS 19 (Revised), Employee Benefits

For defined benefit plans, the FRS 19 (Revised) requires all actuarial gains and losses to be recognised in other comprehensive income and unvested past service costs previously recognised over the average vesting period to be recognised immediately in income statements when incurred.

FRS 19 (Revised) also replaces the interest cost and expected return on plan assets with the concept of net interest on defined benefit liability or asset which is calculated by multiplying the net defined benefit liability or asset by the discount rate used to measure the employee benefit obligation, each as at the beginning of the annual period.

Prior to the adoption of FRS 19 (Revised), past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised over the average period until the benefits become vested. Actuarial gains or losses are amortised over the expected average remaining working lives. Upon adoption of FRS 19 (Revised), the Group has changed its accounting policy to recognise actuarial gain and losses in other comprehensive income and all past service costs in the income statements in the period when incurred. The adoption of FRS 19 (Revised) has had no material financial impact on the financial statements of the Group.

2 New and Revised Financial Reporting Standards ("FRSs") (cont'd)

(I) Adoption of New and Revised FRSs and Interpretations of FRSs ("INT FRSs") (cont'd)

(iii) FRS 113, Fair Value Measurements

FRS 113 establishes a single source of guidance under FRSs for all fair value measurements of both financial and non-financial items. It does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRSs when fair value is required or permitted.

(iv) Annual Improvements to FRSs (2012)

- *Amendment to FRS 1, Presentation of Financial Statements*

The amendment clarifies the disclosure requirements for comparative information when an entity provides a third balance sheet either as required by FRS 8, *Accounting Policies, Changes in Accounting Estimates and Errors* or voluntarily.

- *Amendment to FRS 16, Property, Plant and Equipment*

The amendment clarifies that spare parts and servicing equipment are classified as property, plant and equipment rather than inventory when they meet the definition of property, plant and equipment.

- *Amendments to FRS 32, Financial Instruments: Presentation*

The amendments clarify that the treatment of income tax relating to distributions to equity holders are accounted for in accordance with FRS 12, *Income Taxes*.

(II) New and Amended FRSs issued but not yet effective

As at the date of these financial statements, the Group has not adopted the following new and amended FRSs that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
FRS 27, Separate Financial Statements	*1 January 2014*
FRS 28, Investments in Associates and Joint Ventures	*1 January 2014*
FRS 110, Consolidated Financial Statements	*1 January 2014*
FRS 111, Joint Arrangements	*1 January 2014*
FRS 112, Disclosure of Interests in Other Entities	*1 January 2014*
Amendments to FRS 32, Offsetting of Financial Assets and Financial Liabilities	*1 January 2014*
Amendments to FRS 36, Recoverable Amount Disclosure for Non-Financial Assets	*1 January 2014*
Amendments to FRS 110, 112 and 27, Investments Entities	*1 January 2014*

Except as disclosed below, the directors of the Company expect that the adoption of the new and amended FRSs above, will have no material financial impact on the financial statements in the period of initial application.

2 New and Revised Financial Reporting Standards ("FRSs") (cont'd)

(II) New and Amended FRSs issued but not yet effective (cont'd)

FRS 110 changes the definition of control and applies it to all investees to determine the scope of consolidation. The requirements under FRS 110 will apply to all type of potential subsidiaries. It requires an investor to reassess the decision whether to consolidate an investee when events indicate that there may be a change to one of the three elements of control, i.e. power, variable returns and the ability to use power to affect returns. As at end of the reporting period, the Group is in the process of reassessing the control conclusion for all its investees to determine the financial impact on the initial application of FRS 110.

3 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements, which are expressed in Singapore dollar, are prepared in accordance with the historical cost convention, except as discussed in the accounting policies below. The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and FRSs.

As part of the Restructuring Exercise in 1997 whereby the Company acquired from the Sinar Mas Group its subsidiaries and associated companies ("Restructuring Exercise 1997"), certain property, plant and equipment, investment properties and properties held for development and sale have been revalued by independent professional valuers as at 30 September 1996. Accordingly, the revalued amount is deemed to be the cost to the Group.

The preparation of financial statements requires the use of accounting estimates and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as the disclosures of contingent assets and contingent liabilities. Although these estimates are based on management's best knowledge of current events and actions, actual results may actually differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity, are disclosed in Note 5 to the financial statements.

(b) Functional and Presentation Currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Singapore dollar, which is the Company's functional and presentation currency that reflects the primary economic environment in which the Company operates. The financial statements are presented in Singapore dollar and all values are rounded to the nearest thousand ($'000) except when otherwise indicated.

3 Summary of Significant Accounting Policies (cont'd)

(c) Foreign Currency Transactions and Translation

Foreign currency transactions are translated into the respective functional currencies of the entities in the Group using the exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and arising from the translation of foreign currency denominated monetary assets and liabilities at the exchange rates prevailing at the end of the reporting period are recognised in the income statement.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates prevailing at the date of transactions. Non-monetary items that are measured at fair value in foreign currency are translated using the exchange rate at the date that the fair value was determined.

Currency translation differences on financial assets at fair value through profit or loss are recognised as part of the fair value gain or loss in the income statement while the translation differences on available-for-sale financial assets are recognised in other comprehensive income.

In the preparation of the consolidated financial statements, the financial statements of those subsidiaries whose functional currency is not Singapore dollar (i.e. foreign entities) are translated into Singapore dollar, the presentation currency of the Company, as follows:

(i) assets and liabilities are translated at the closing rate at the end of the reporting period;
(ii) share capital and reserves are translated at historical exchange rates; and
(iii) revenue and expenses are translated at average exchange rates for the period which approximate the exchange rates prevailing on the transactions dates (unless the average rate is not a reasonable approximation of the cumulative effect of rates prevailing on the transactions dates, in which case, revenue and expenses are translated using the exchange rate at the dates of the transactions).

Exchange differences arising from the above translations are recognised in other comprehensive income and these are accumulated in foreign currency translation reserve. On consolidation, exchange differences arising from the translation of net investments in foreign entities (including monetary items that in substance form part of the net investment in foreign entities) are recognised in other comprehensive income. On disposal, the accumulated translation differences are reclassified to the income statement as part of the gain or loss on disposal in the period in which the foreign entity is disposed of.

(d) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries made up to 31 December, after elimination of material balances, transactions and any unrealised profit or loss on transactions between the Group entities. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control ceases. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. The consideration transferred in a business combination is measured at fair value at the date of acquisition, which is the sum of the fair values of the assets transferred, the liabilities incurred by the acquirer to former owners of the acquiree, and the equity interests issued by the acquirer. Acquisition related costs are to be expensed through the income statement as incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured at their fair values. Any non-controlling interest at the date of acquisition in the acquiree is measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

3 Summary of Significant Accounting Policies (cont'd)

(d) Basis of Consolidation (cont'd)

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's consolidated statement of comprehensive income, statement of financial position and consolidated statement of changes in equity. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination.

Changes in the Group's interest in a subsidiary that do not result in loss of control are accounted for as transactions with equity owners of the Company. Any difference between the change in carrying amounts of the non-controlling interest and the value of consideration paid or received is recognised in other reserves, within equity attributable to the owners of the Company.

(e) Subsidiaries

Subsidiaries are entities in which the Company, directly or indirectly, holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors, or is able to govern the financial and operating policies so as to obtain benefits from its activities.

Investment in subsidiaries in the financial statements of the Company are stated at cost, less any impairment losses.

Intercompany loan to subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future and are in substance, a part of the Company's net investment in those subsidiaries are stated at cost less any accumulated impairment loss. Such balances are eliminated in full in the consolidated financial statements.

(f) Joint Venture

Joint ventures are entities over which the Group has contractual arrangements to jointly share the control over the economic activity of the entities with one or more parties.

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint venture over the Group's share of the fair value of the identifiable net assets of the joint venture and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Group's share of its joint ventures' post-acquisition profit or losses are recognised in the income statement and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an joint venture equals to or exceeds its interest in the joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments to behalf of the joint venture.

Unrealised gain on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

3 Summary of Significant Accounting Policies (cont'd)

(g) Associated Companies

Associated companies are entities in which the Group, directly or indirectly, holds not less than 20% but not more than 50% of the issued equity voting capital held as a long-term investment or over which the Group is in a position to exercise a significant influence on the financial and operating policy decisions.

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profit or losses are recognised in the income statement and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments to behalf of the associated company.

Unrealised gain on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

Investments in associated companies are derecognised when the Group loses significant influence. Any retained equity interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost and its fair value is recgonised in the income statement. Gains and losses arising from partial disposals or dilutions in investments in associated companies in which significant influence is retained are recognised in the income statement.

(h) Goodwill

The excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value at the date of acquisition of any previous equity interest in the acquiree, over the fair value of the net identifiable assets acquired is initially recognised as "Goodwill" in the consolidated financial statements. Subsequently, goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or when circumstances change, indicating that goodwill might be impaired. If the Group's interest in the net fair value of the identifiable assets and liabilities exceeds the consideration transferred and the non-controlling interest in the acquiree, the Group will reassess whether it has correctly identified all of the assets acquired and liabilities assumed, and any excess thereafter is recognised as an income immediately.

Goodwill on acquisition arising prior to 1 January 2001 has been charged in full to equity; such goodwill has not been retrospectively capitalised and amortised, as allowed under revised SAS 22, *Business Combinations (revised 2003)*. Goodwill arising from business combinations occurring between 1 January 2001 and 1 July 2004 has been carried at net carrying value and subjected to an impairment test, while negative goodwill arising from business combinations occurring between 1 January 2001 and 1 July 2004 has been credited to retained earnings.

3 Summary of Significant Accounting Policies (cont'd)

(h) Goodwill (cont'd)

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units. If the recoverable amount of a cash-generating unit is estimated to be less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

(i) Deferred Charges

Deferred charges comprise certain expenditures, whose benefits extend over a period of more than one year, are initially recognised at cost are subsequently carried at cost less accumulated amortisation and any impairment loss. These costs are amortised to the income statement over the periods benefited using the straight-line method.

(j) Property, Plant and Equipment

Property, plant and equipment are carried at cost, less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Depreciation is charged so as to write off the depreciable amount of assets, other than freehold land which is not depreciated, using the straight-line method, over the following estimated useful lives:

		No. of years
Freehold buildings	-	20 to 50
Leasehold land, buildings and improvements	-	5 to 50
Plant, machinery and equipment	-	5 to 10
Motor vehicles, furniture and fixtures	-	3 to 10

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the term of the relevant leases.

The residual values and estimated useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at the end of each reporting period.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The cost of maintenance and repairs is charged to the income statement as incurred; significant renewals and improvements are capitalised. When assets are retired or otherwise disposed of, their carrying amounts are derecognised and any resulting gains or losses are recognised in the income statement.

The cost of construction in progress represents all costs (including borrowing costs on such borrowings) attributable to bringing the constructed asset to its working condition and getting it ready for its intended use. The accumulated costs will be reclassified to the appropriate asset class when the construction is completed. No depreciation charge is provided for construction in progress until the assets are transferred and used in operations.

3 Summary of Significant Accounting Policies (cont'd)

(k) Investment Properties

Investment properties are properties held either to earn rental income or for long-term capital appreciation or for currently indeterminate use. Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment losses where the recoverable amount of the asset is estimated to be lower than its carrying amount. Depreciation is charged so as to write off the depreciable amount of assets, other than freehold land which is not depreciated, using the straight-line method to allocate the depreciable amounts over the estimated useful lives of 20 to 60 years.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

The residual values and useful lives of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period.

(l) Properties under Development for Sale and Held for Sale

Properties under development for sale consisting of land and properties which are held with the intention of development and sale in the ordinary course of business. They are stated at cost less any impairment losses when the recoverable amount of the property is estimated to be lower than its carrying amount.

Land held for development consists of land acquired which will be developed over more than one year. Upon commencement of development, the cost of land held for development will be transferred to properties under development.

Each property under development is accounted for as a separate project. The cost of properties under development include land cost, direct development and construction costs, capitalised interest and other indirect costs incurred during the period of development. The cost is determined and/or allocated using the specific identification method. Allowances are recognised in the income statement for any foreseeable losses. Cost estimated and allocation are reviewed and adjusted as appropriate, at the end of each reporting period. On the completion of the development, the accumulated cost will be reclassified as properties held for sale under current assets whereas properties held for investment purposes will be reclassified as investment properties under non-current assets.

Properties held for sale are stated at the lower of cost and/or net realisable value. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

3 Summary of Significant Accounting Policies (cont'd)

(m) Financial Assets

The Group classifies its non-derivative financial assets in the following categories: loans and receivables, fair value through profit or loss and available-for-sale. The classification depends on the purpose for which the financial assets are acquired. Management determines the classification of its financial assets at initial recognition. The Group initially recognises loans and receivables, advances and deposits on the date they are originated. All other financial assets are recognised initially on the trade date which is the date that the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when, and only when, the contractual rights to the cash flows from the financial assets have expired, or have been transferred and transferred substantially all the risks and rewards of ownership of the financial assets to another entity.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. The Group's loans and receivables comprise trade and other receivables. Loans and receivables are recognised initially at fair value which is normally the original invoiced amount plus, any directly attributable transaction costs, and subsequently carried at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired.

Financial assets at fair value through profit or loss are financial assets held for trading. Financial assets at fair value through profit or loss are initially recognised at fair value with subsequent changes in fair value recognised in the income statement.

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any other category. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs, and subsequently carried at fair value with gains and losses being recognised in other comprehensive income until the investment is derecognised or until the investment is determined to be impaired at which time the previous gain or loss that has been recognised in other comprehensive income is reclassified from equity to the income statement. Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period subsequent to initial recognition. Impairment losses recognised in the income statement for investments in equity instruments classified as available-for-sale are not subsequently reversed through the income statement.

(n) Cash and Cash Equivalents

Cash and cash equivalents classified under current assets comprise cash on hand, cash in banks and time deposits which are short-term, highly liquid assets that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of time deposits pledged as security.

3 Summary of Significant Accounting Policies (cont'd)

(o) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Consumables are stated at cost using the FIFO (first-in first-out) method.

(p) Impairment of Non-Financial Assets excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets excluding goodwill to determine whether there is any indication that those assets have suffered an impairment loss or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An asset's recoverable amount is calculated as the higher of the asset's value in use and its fair value less cost to sell.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that it does not restate the asset to a carrying amount in excess of what would have been determined (net of any depreciation) had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(q) Financial Liabilities and Equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Debt instruments issued which carry a right to convert to equity that is dependent on the outcome of uncertainties beyond the control of both the Group and the holder are classified as liabilities.

Significant financial liabilities include finance lease obligations, interest-bearing borrowings, bonds payables and trade and other payables. The accounting policies adopted for finance lease obligations and convertible bonds are outlined in Note 3(r) and Note 3(s) respectively.

Interest-bearing borrowings and bonds payables are recorded at the proceeds received, net of direct issue costs. Direct issue costs are amortised over the period of the bonds. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Interest-bearing borrowings and bonds payables are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Financial liabilities are derecognised when, and only when, the obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and consideration paid and payable is recognised in the income statements.

3 Summary of Significant Accounting Policies (cont'd)

(q) Financial Liabilities and Equity (cont'd)

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing trade and other payables are recognised initially at cost less attributable transaction costs and subsequently stated at amortised cost using the effective interest method.

Ordinary shares are classified as equity. Equity is recorded at the proceeds received, net of direct issue costs.

(r) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases and the related lease obligations are recorded in the statement of financial position at the fair value of the leased assets at the inception of the leases. The excess of the lease payments over the recorded lease obligations is treated as a finance charge which is amortised over each lease term to give a constant rate of charge on the remaining balance of the obligation.

Rental costs under operating leases are charged to the income statement in equal annual amounts over the period of the leases.

(s) Convertible Financial Instruments

Convertible financial instruments are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible financial instruments and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in capital reserves (equity) if the option is converted into a fixed number of equity shares or as a financial liability if the option is converted into a variable number of equity shares based on an exercise price of a prescribed percentage of the net tangible assets at the exercise date. Correspondingly, a discount on the financial instruments is recorded and amortised over the period of the financial instruments. Gains and losses arising from changes in fair value of the embedded option (financial liability) are included in the income statement.

(t) Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

(u) Borrowing Costs

Interest expense and similar charges are expensed in the income statement in the period in which they are incurred, except to the extent they are capitalised as being directly attributable to the acquisition and construction of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3 Summary of Significant Accounting Policies (cont'd)

(v) Income Tax

Current income tax for current and prior years is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the end of each reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is recognised in the income statement, except when it relates to items recognised in other comprehensive income or directly to equity, in which case the deferred income tax is also dealt with in other comprehensive income or directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority. The amount of deferred income tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of each reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(w) Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved for payment.

(x) Post-Employment Benefits

Certain subsidiaries have unfunded defined benefit retirement plans covering substantially all of their eligible permanent employees in accordance with the Indonesian Labor Law No. 13/2003 dated 25 March 2003 (Law 13/2003). The obligation for Law 13/2003 has been accounted for using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Current service costs, interest costs and effects of curtailments and settlements (if any) are recognised directly in the current year's income statement. Actuarial gains or losses is reflected immediately in the statement of financial position with a charge or credit recognised immediately in other comprehensive income in the period in which they occur and past service costs are recognised immediately in the income statements when incurred.

The retirement plan obligations recognised in the statement of financial position represents the present value of the defined benefit obligation. Any asset resulting from this calculation is limited the present value of available refunds and reductions in the future contributions to the plan.

Fixed contributions paid to state-managed post-employment benefits schemes, such as the Central Provident Fund, on a mandatory, contractual or voluntary basis are recognised as an expense in the income statement in the period in which services are rendered by employees. The Group has no further payment obligation once the contributions have been paid.

3 **Summary of Significant Accounting Policies** (cont'd)

(y) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised in the income statement as follows:

(i) Revenue from the sale of completed development properties held for sale is recognised using the completed contract method when the Group's significant risks and rewards of ownership in the real estate have been transferred to the customers and the Group does not have a substantial continuing involvement with the properties.

(ii) Revenue from rental of investment properties under operating leases is recognised on a straight-line basis over the terms of the lease contracts.

(iii) Hotel room revenue is recognised based on room occupancy while other hotel revenues are recognised when the goods are delivered or the services are rendered to the customers.

(iv) Interest income is accrued on a time-proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

(v) Dividend income from investments is recognised on the date the dividends are declared payable by the investees.

(vi) Revenue arising from sales of goods is recognised when the products are delivered to the customers and collectability of the related receivables is probable.

(vii) Club membership revenue is recognised over the term of the membership period.

(z) Segment Reporting

The chief operating decision maker has been identified as the Executive Committee of the Group, which consists of the Executive Chairman, the Chief Executive Officer and Executive Directors. This committee reviews the Group's internal reporting in order to assess performance and allocate resources. Operating segments are reported in a manner consistent with the internal reporting.

The Executive Committee assesses the performance of the operating segments based on a measure of adjusted earnings before income tax, non-controlling interests, interest on borrowings, foreign exchange gain/(loss), depreciation and amortisation expenses, exceptional items, share of results of associated companies and joint ventures ("EBITDA"). All inter segment sales and transfers are accounted for as if the sales or transfers were to a third party, i.e. at current market prices.

4 **Financial Risk Management**

(a) Capital Risk Management

The Group manages its capital to safeguard the Group's ability to continue as a going concern in order to maximise return to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group's overall strategy remains unchanged since 2012.

The capital structure of the Group consists of total equity, comprising issued capital and other components within equity and net cash, which includes the cash and cash equivalents net of total borrowings. Total borrowings include bank borrowings, bonds payables and obligations under finance leases.

4 Financial Risk Management (cont'd)

(a) Capital Risk Management (cont'd)

Neither the Group nor the Company is subject to any externally imposed capital requirements.

The net cash and total equity as at 31 December 2013 and 2012 are as follows:

	2013 S$'000	2012 S$'000
Total cash and cash equivalents	687,733	653,608
Total borrowings	(638,851)	(296,841)
Net cash	48,882	356,767
Total equity	2,319,755	2,318,541

The directors of the Company review the capital structure on a semi-annual basis. As a part of the review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Accordingly, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-back as well as the issue of new debt or the redemption of existing debt.

(b) Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risks (including interest rate risk, foreign currency risk and price risk), credit risk, liquidity risk and cash flow risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group may use relevant financial instruments to manage certain risks. Such financial instruments are not held for trade or speculative purposes.

(i) Interest Rate Risk

The Group is exposed to interest rate risk primarily on its existing interest-bearing financial instruments. Financial instruments issued at variable rates expose the Group to cash flow interest rate risk. Financial instruments issued at fixed rates expose the Group to fair value interest rate risk. The interest rate that the Group will be able to obtain on its financial instruments will depend on market conditions at that time, and may differ from the rates the Group has secured currently.

At 31 December 2013, if interest rates on all net financial assets at variable rate had been 0.5% lower/higher with all other variables held constant, profit before income tax for the year and total equity would have been $2,361,000 (2012: $2,681,000) and $1,624,000 (2012: $1,986,000) lower/higher respectively, mainly as a result of lower/higher interest income on net financial assets at variable rate net of applicable income taxes. This analysis is prepared assuming the amount of net financial assets outstanding at the end of the reporting period was outstanding for the whole year.

4 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(i) Interest Rate Risk (cont'd)

The interest rates and repayment terms of interest-bearing financial instruments are disclosed in the respective notes to the financial statements. The interest rate profile of the Group's financial instruments as at the end of the reporting period was as follows:

	2013	2012
	S$'000	S$'000
Financial assets		
Fixed rate	73,732	185,323
Variable rate	665,927	644,985
Non-interest bearing	49,559	32,504
	789,218	862,812
Financial liabilities		
Fixed rate	425,370	149,718
Variable rate	193,720	108,760
Non-interest bearing	62,726	93,679
	681,816	352,157

(ii) Foreign Currency Risk

The Group operates in several countries. Entities within the Group may transact in currencies other than their respective functional currency ("foreign currency") such as the United States Dollar ("USD"), the Indonesian Rupiah ("IDR"), the Japanese Yen ("JPY"), the Malaysian Ringgit ("RM"), the British Pound ("GBP") and the Singapore Dollar ("SGD") which is also the Company's presentation currency.

The Group faces foreign exchange risk as its borrowings and cost of certain key purchases are either denominated in foreign currencies or whose price is influenced by their benchmark price movements in foreign currencies (especially USD) as quoted on international markets.

The Group does not have any formal hedging policy for its foreign exchange exposure and did not actively engage in activities to hedge its foreign currency exposures during the financial year. The Group seeks to manage the foreign currency risk by constructing natural hedges where it matches revenue and expenses in any single currency.

The Group is also exposed to currency translation risks arising from its net investments in foreign operations. These net investments are not hedged as currency positions in these foreign operations are considered long-term in nature.

4 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(ii) Foreign Currency Risk (cont'd)

The entities within the Group have different functional currencies depending on the currency of their primary economic environment. A 5% strengthening of the functional currency of these entities against the following currencies at the reporting date would increase/(decrease) the Group's profit before income tax by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant:

	Group	
	2013	2012
	S$'000	S$'000
SGD against functional currency of USD	28,237	34,794
IDR against functional currencies of SGD and USD	(6,362)	(8,480)
USD against functional currencies of SGD, RM and IDR	1,072	(210)
JPY against functional currencies of SGD and USD	(3,060)	(10,393)

(iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices. The Group is exposed to equity securities price risk arising from its investments held that are classified as available-for-sale and fair value through profit or loss. The Group monitors the market closely to ensure that the risk exposure to the volatility of the investments is kept to a minimum. As at the end of the reporting period, the Group has no significant exposure to price risk.

(iv) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash and cash equivalents.

Trade debtors comprise mainly the Group's customers who bought properties and tenants of investment properties. The tenants of investment properties and purchasers of development properties may default on their obligations to pay the amount owing to the Group. The Group manages credit risks by requiring the customers/tenants to furnish cash deposits, and/or bankers' guarantees. The Group also performs regular credit evaluations of its customers' financial conditions and only entered into contracts with customers with an appropriate credit history.

For sales of development properties, the Group generally has certain recourse, which include forfeiture of deposit and/or installments paid and re-sale of the re-possessed properties.

Cash and cash equivalents mainly comprise deposits with banks and financial institutions which are regulated.

Concentrations of credit risk exist when changes in economic, industry or geographical factors similarly affect counter-parties whose aggregate credit exposure is significant in relation to the Group's total credit exposure. The Group has no significant concentration of credit risks with exposure spread over a large number of counter-parties and customers.

4 Financial Risk Management (cont'd)

(b) Financial Risk Management (cont'd)

(v) Liquidity Risk

To manage liquidity risk, the Group maintains a level of cash and cash equivalents and funding facilities deemed adequate by management to finance its operations. In assessing the adequacy of the facilities, management reviews its working capital requirements.

The table below analyses the maturity profile of the Group's financial liabilities based on the contractual undiscounted cash flows.

	Less than 1 year	1 to 5 years	Over 5 years	Total
	S$'000	S$'000	S$'000	S$'000
At 31 December 2013				
Borrowings	176,420	566,429	45,671	788,520
Other financial liabilities	42,965	-	-	42,965
Total financial liabilities	219,385	566,429	45,671	831,485
At 31 December 2012				
Borrowings	50,207	267,499	64,757	382,463
Other financial liabilities	55,316	-	-	55,316
Total financial liabilities	105,523	267,499	64,757	437,779

5 Critical Accounting Estimates, Assumptions and Judgements

The Group makes estimates and assumptions concerning the future. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical Judgement in Applying Accounting Policy

Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the capital allowances, deductibility of certain expenses and taxability of certain income during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax expense and income tax payable in the period in which such determination is made. As at 31 December 2013, the Group's income tax payable and income tax expense amounted to $5,550,000 (2012: $841,000) and $59,255,000 (2012: $36,380,000) (Note 11) respectively.

5 Critical Accounting Estimates, Assumptions and Judgements (cont'd)

(b) Critical Accounting Estimates and Assumptions

Estimated Useful Lives of Investment Properties and Property, Plant and Equipment

The Group estimates the useful lives of investment properties and property, plant and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of investment properties and property, plant and equipment are reviewed at the end of each reporting period and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of investment properties and property, plant and equipment are based on the collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the investment properties and property, plant and equipment would increase the recorded expenses and decrease the non-current assets.

There is no change in the estimated useful lives of investment properties and property, plant and equipment during the financial year. The carrying amount of investment properties and property, plant and equipment as at 31 December 2013 amounted to $535,367,000 (2012: $159,905,000) and $124,327,000 (2012: $145,850,000) respectively (Notes 23 and 24).

6 Revenue

	Group	
	2013	2012
	S$'000	S$'000
Sale of development properties	849,379	497,125
Rental income	72,352	58,559
Hotel revenue	14,557	17,323
Golf and resort operations	23,115	24,288
Others	25,633	33,975
	985,036	631,270

7 Finance Income

	Group	
	2013	2012
	S$'000	S$'000
Interest income from:		
Cash and cash equivalents	28,278	28,925
Available-for-sale financial assets	135	760
Loan receivables	1,292	1,240
	29,705	30,925

8 Finance Costs

	Note	Group 2013 S$'000	Group 2012 S$'000
Interest expense on:			
Obligations under finance leases		24	21
Bank borrowings		9,367	5,378
Bonds payables			
- bond interest		22,743	10,479
- amortisation of discount on bonds	30	3,020	4,091
- amortisation of deferred bond charges	30	344	236
Write back of option reserve		(13,581)	(323)
		21,917	19,882

9 Other Operating Income

	Group 2013 S$'000	Group 2012 S$'000
Property and estate management income, net	1,778	3,640
Cancellation fees	1,598	1,047
Management and lease co-ordination fees	1,937	1,045
Gain on sale of other material	474	-
Gain on disposal of property, plant and equipment	146	176
Gain on disposal of investment properties	-	3,769
Write back of impairment loss on available-for-sale financial assets	-	1,190
Changes in fair value of financial assets at fair value through profit or loss	(34)	161
Others	1,482	4,299
	7,381	15,327

10 Profit Before Income Tax

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this balance includes the following charges:

	Group 2013 S$'000	Group 2012 S$'000
Audit fees paid/payable to:		
Auditors of the Company	251	244
Auditors of the subsidiaries	230	226
Non-audit fees paid/payable to:		
Auditors of the Company	-	-
Auditors of the subsidiaries	-	-
Property, plant and equipment written off	10	-
Cost of inventories recognised as an expense (included in cost of sales)	3,619	4,146

11 Income Tax

	Group 2013 S$'000	Group 2012 S$'000
Tax expense is made up of:		
Current income tax		
- current year	59,297	36,106
- (over)/under-provision in respect of prior years	(36)	334
	59,261	36,440
Deferred income tax	(6)	(60)
	59,255	36,380

Substantially all the Group's operations are located in Indonesia. Accordingly, the Indonesia statutory tax rate of 25% (2012: 25%) is used in the reconciliation of the tax expense and the product of accounting profit multiplied by the applicable tax rate.

The income tax expense on the results for the financial year varies from the amount of income tax determined by applying the Indonesian statutory rate of income tax to profit before income tax due to the following factors:

	Group 2013 S$'000	Group 2012 S$'000
Profit before income tax	524,269	268,877
Less: Share of results of associated companies, net of tax	(45,627)	(40,568)
Less: Share of results of joint ventures, net of tax	87,955	(5,267)
	566,597	223,042
Tax calculated at a tax rate of 25%	141,649	55,761
Non-deductible items	5,201	7,467
Non-taxable items	(21,395)	(19,276)
Effect of different tax rate categories	(78,922)	(14,689)
Utilisation of previously unrecognised tax losses	(242)	(299)
Unrecognised deferred tax assets	12,885	7,268
(Over)/Under-provision in prior years' income tax	(36)	334
Others	115	(186)
	59,255	36,380

At the end of the reporting period, unrecognised tax losses and capital allowances available for offsetting against future taxable profits are as follows:

	Group 2013 S$'000	Group 2012 S$'000
Unutilised tax losses	248,466	278,334
Unabsorbed capital allowances	75,256	73,018
	323,722	351,352

11 Income Tax (cont'd)

The availability of the unrecognised tax losses and capital allowances for set-off against future taxable profits is subject to the tax regulations of the respective countries in which the Group companies are incorporated. In Indonesia, the unutilised tax losses are available for set off against taxable profit immediately within a period of 5 years after such tax losses were incurred. As at 31 December 2013, the deferred tax benefit arising from unrecognised tax losses and unabsorbed capital allowances of $323,722,000 (2012: $351,352,000) has not been recognised in the financial statements.

Deferred tax liabilities of $46,573,000 (2012: $41,080,000) have not been recognised for taxes that would be payable on the remittance to Singapore of unremitted retained earnings of $465,732,000 (2012: $410,799,000) of certain subsidiaries, associated companies and joint ventures as the timing of the reversal of the temporary differences arising from such amounts can be controlled and such temporary differences are not expected to reverse in the foreseeable future.

12 Earnings Per Share and Net Asset Value Per Share

(a) Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2013	2012
Net profit attributable to owners of the Company (S$'000)	252,481	112,664
Weighted average number of ordinary shares ('000)	3,041,959	3,041,959
Basic earnings per share (cents per share)	8.30	3.70

(b) Diluted Earnings Per Share

Diluted earnings per share is calculated by dividing net profit attributable to the owners of the Company by the weighted average number of ordinary shares during the year after adjustment for the effect of all diluted potential ordinary shares.

	Group	
	2013	2012
Net profit attributable to owners of the Company (S$'000)	252,481	112,664
Weighted average number of ordinary shares ('000)	3,041,959	3,041,959
Adjustment for warrants ('000)	1,231,819	1,013,986
	4,273,778	4,055,945
Diluted earnings per share (cents per share)	5.91	2.78

(c) Net Asset Value Per Share

As at 31 December 2013, the net asset value per ordinary share based on the total equity attributable to the owners of the Company and the existing issued share capital of 3,041,959,437 (2012: 3,041,959,437) ordinary shares is $0.49 (2012: $0.49).

13 Staff Costs and Retirement Benefit Obligations

	Group 2013 S$'000	Group 2012 S$'000
Staff costs:		
Wages and salary	45,855	39,929
Employer's contribution to defined contribution plans	448	477
Retirement benefit expenses	4,833	4,138
	51,136	44,544

Retirement Benefit Obligations

Certain subsidiaries in Indonesia recorded liabilities for unfunded defined benefit retirement plans in order to meet the minimum benefits required to be paid to qualified employees as required under the Indonesian Labor Law 13/2003. The amount of such obligations was determined based on actuarial valuations prepared by independent actuaries, PT Padma Radya Aktuaria and PT Kis Aktuaria. The principal actuarial assumptions used by the actuaries were as follows:

	Group 2013 %	Group 2012 %
Discount rate	7.5 – 9.0	5.5 – 5.8
Salary growth rate	7.0 – 10.0	7.0 – 10.0

The component of the retirement benefit expenses recognised in the consolidated income statement is as follows:

	Group 2013 S$'000	Group 2012 S$'000
Current service costs	2,827	2,841
Past service costs	(263)	(75)
Interest costs	2,269	1,372
Retirement benefit expenses	4,833	4,138

Movements in the retirement benefits obligations are as follows:

	Group 2013 S$'000	Group 2012 S$'000
At the beginning of the year	23,792	20,887
Retirement benefit expenses for the year	4,833	4,138
Acquisition of subsidiaries	-	1,135
Effect of employees transferred in, net	195	130
Payments made during the year	(1,207)	(919)
Currency realignment	(6,133)	(1,579)
At the end of the year	21,480	23,792
Less: Current portion classified as current liabilities	(559)	(653)
Non-current portion	20,921	23,139

14 Cash and Cash Equivalents

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Cash on hand	659	1,041	1	1
Cash in banks	89,694	70,697	11,337	6,022
Time deposits	597,380	581,870	-	-
Total cash and cash equivalents in the statements of financial position	687,733	653,608	11,338	6,023
Time deposits pledged as security for credit facilities granted to the subsidiaries (Note 32)	(54,563)	(1,529)	-	-
Cash and cash equivalents in the statement of cash flows	633,170	652,079	11,338	6,023

Cash and cash equivalents are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	461,941	520,866	-	-
United States Dollar	172,868	108,996	10,734	5,764
Chinese Renminbi	40,992	20,393	-	-
British Pound	8,067	-	2	-
Singapore Dollar	2,925	2,625	602	259
Malaysian Ringgit	940	728	-	-
	687,733	653,608	11,338	6,023

The above time deposits earn interest at the following rates per annum:

	Group		Company	
	2013	2012	2013	2012
	%	%	%	%
Indonesian Rupiah	2.5 – 9.0	5.0 – 8.8	-	-
United States Dollar	0.2 – 3.9	0.2 – 2.8	-	-
Singapore Dollar	0.3 – 0.4	0.3 – 0.7	-	-
Malaysian Ringgit	3.0 – 3.2	3.0 – 3.2	-	-

Cash and cash equivalents include balances with a related party of $2,690,000 (2012: $9,566,000) (Note 37(a)).

15 Short-Term Investments

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Financial assets at fair value through profit or loss:				
Mutual funds, denominated in Indonesian Rupiah	1,007	1,231	-	-

16 Trade Receivables

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Third parties	24,061	25,070	-	-
Related parties (Note 37(a))	3,407	1,267	-	-
	27,468	26,337	-	-
Less: Allowance for impairment	(15,249)	(15,011)	-	-
	12,219	11,326	-	-

	Gross 2013 S$'000	Impairment loss 2013 S$'000	Gross 2012 S$'000	Impairment loss 2012 S$'000
Group				
Not past due	4,003	-	5,091	-
Past due 0 – 3 months	5,051	-	4,905	-
Past due more than 3 months	18,414	15,249	16,341	15,011
	27,468	15,249	26,337	15,011

Allowance for impairment was made on certain trade receivables that are past due for more than 3 months as the recovery is remote. Movements in the allowance for impairment loss during the financial year are as follows:

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
At the beginning of the year	15,011	14,968	-	-
Impairment loss included as general and administrative expenses during the year	412	203	-	-
Written off against allowance	(11)	(45)	-	-
Currency realignment	(163)	(115)	-	-
At the end of the year	15,249	15,011	-	-

Trade receivables are denominated in the following currencies:

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Indonesian Rupiah	8,734	9,520	-	-
United States Dollar	2,209	239	-	-
Malaysian Ringgit	566	1,014	-	-
Singapore Dollar	437	443	-	-
Chinese Renminbi	118	110	-	-
British Pound	155	-	-	-
	12,219	11,326	-	-

17 Other Current Assets

	Group 2013 S$'000	Group 2012 S$'000	Company 2013 S$'000	Company 2012 S$'000
Receivable from:				
Subsidiaries	-	-	546,448	535,322
Related parties (Note 37(a))	51	44	-	-
Associated companies	3,335	3,222	-	-
Third parties	3,937	3,977	236	527
Interest receivable from:				
Associated companies	52	58	-	-
Third parties	-	1	-	-
	7,375	7,302	546,684	535,849
Prepayments	46,393	42,904	10	11
Purchase advances	173,782	97,794	-	-
Others, net	1,114	916	43	43
	228,664	148,916	546,737	535,903

Other current assets are denominated in the following currencies:

	Group 2013 S$'000	Group 2012 S$'000	Company 2013 S$'000	Company 2012 S$'000
Indonesian Rupiah	219,485	140,936	-	-
Chinese Renminbi	3,702	1,961	-	-
United States Dollar	3,550	3,304	107	11,962
Singapore Dollar	1,539	1,826	454,655	523,606
Malaysian Ringgit	287	793	22	23
British Pound	42	-	91,953	-
Others	59	96	-	312
	228,664	148,916	546,737	535,903

The unsecured amounts receivable from subsidiaries included $312,187,000 (2012: $347,533,000) which bear interest at rate ranging from 3% to 3.4% (2012: 3%) per annum and are repayable on demand.

The amounts receivable from related parties and associated companies are advances in nature which are unsecured, interest-free and repayable on demand.

The above receivables shown was net of allowance for impairment of $173,000 (2012: $30,808,000) as the recovery of certain receivables is remote. Movements in the allowance for impairment loss during the financial year are as follows:

	Group 2013 S$'000	Group 2012 S$'000	Company 2013 S$'000	Company 2012 S$'000
At the beginning of the year	30,808	30,807	-	-
Written off against allowance	(30,634)	-	-	-
Currency realignment	(1)	1	-	-
At the end of the year	173	30,808	-	-

18 Subsidiaries

	Company 2013 S$'000	Company 2012 S$'000
Unquoted equity shares, at cost	1,286,322	1,269,610
Loans receivable	242,482	251,728
	1,528,804	1,521,338
Less: Impairment loss	(100,000)	(100,000)
	1,428,804	1,421,338

Particulars of the subsidiaries are disclosed in Note 42 to the financial statements. The Company recognised an accumulated loss of $100,000,000 to write down the carrying amount of one of the subsidiaries to its recoverable amount. The recoverable amount of the subsidiary is based on fair value less cost to sell which is principally determined by the current market value of non-financial assets held by the subsidiary. The loans receivable from subsidiaries are unsecured, interest-free and not expected to be repaid within the next 12 months.

19 Associated Companies

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Quoted equity shares, at cost	199,176	132,388	-	-
Unquoted equity shares, at cost	443,268	434,171	-	-
	642,444	566,559	-	-
Currency realignment	(162,285)	(107,848)	-	-
Capital reserve on acquisition	(12,636)	(12,636)	-	-
Share of post-acquisition accumulated profit, net of dividend received	124,615	85,701	-	-
	592,138	531,776	-	-
Fair value:				
Quoted equity shares	233,250	194,333	-	-

Particulars of the associated companies are disclosed in Note 43 to the financial statements. Summarised aggregated financial information in respect of the Group's associated companies, which is not adjusted for the percentage of ownership held by the Group, is set out below:

	2013 S$'000	2012 S$'000
Total assets	1,190,260	1,432,410
Total liabilities	(441,647)	(540,777)
Revenue	430,754	457,389
Profit for the year	159,839	128,056

20 Joint Ventures

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Unquoted equity shares, at cost	181,806	44,102	-	-
Share of post-acquisition accumulated (loss)/profit, net of unrealised profit and dividend received	(86,629)	12,299	-	-
Currency realignment	(29,665)	(2,233)	-	-
	65,512	54,168	-	-

The details of the Group's joint ventures are as follows:

Name of company and country of incorporation	Principal activities	The Group's cost of investment		Effective percentage of equity held by the Group	
		2013	2012	2013	2012
		S$'000	S$'000	%	%
Badan Kerja Sama, Pasar Pagi – ITC Mangga Dua Indonesia	Manage and operate shopping centre	56	56	17.66	17.66
BKS Binamaju Multikarsa Indonesia	Housing development	147	230	41.34	42.24
PT Indonesia International Expo Indonesia	Property development	62,263	43,153	24.43	24.43
PT Bumi Parama Wisesa Indonesia	Real estate development	119,340	663	25.43	25.43
		181,806	44,102		

Summarised aggregated financial information in respect of the Group's joint ventures, which is not adjusted for the percentage of ownership held by the Group, is set out below:

	2013	2012
	S$'000	S$'000
Current assets	76,195	121,478
Non-current assets	279,455	18,066
Current and total liabilities	(70,970)	(36,342)
Net assets	284,680	103,202
Revenue	21,563	14,891
Expenses	(10,863)	(7,257)
Income tax expenses	(148)	(156)
Profit for the year	10,552	7,478

21 Long-Term Investments

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Available-for-sale financial assets:				
Unquoted investments	9	9	-	-
Unquoted equity shares	4,291	4,013	-	-
Quoted bonds in a related party (Note 37(a))	2,852	-	-	-
	7,152	4,022	-	-

The available-for-sale financial assets are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	5,918	2,829	-	-
United States Dollar	1,225	1,184	-	-
Singapore Dollar	9	9	-	-
	7,152	4,022	-	-

22 Properties Under Development for Sale

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Properties under development:				
Land cost	21,455	31,722	-	-
Development cost incurred to-date	36,812	65,786	-	-
	58,267	97,508	-	-
Land held for development	801,098	949,231	-	-
	859,365	1,046,739	-	-

As at 31 December 2013, properties under development for sale of the Group amounting to $21,399,000 (2012: $13,682,000) have been pledged as security for bonds issued by a subsidiary and credit facilities granted by banks to the subsidiaries (Notes 30 and 32).

23 Investment Properties

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Cost:				
At the beginning of the year	248,838	274,206	-	-
Additions	132,963	7,140	-	-
Acquisition of subsidiaries (Note 40(a))	271,225	-	-	-
Transfer from properties held for sale	1,326	-	-	-
Transfer from property, plant and equipment (Note 24)	-	3,503	-	-
Disposals	-	(23,570)	-	-
Currency realignment	(36,354)	(12,441)	-	-
At the end of the year	617,998	248,838	-	-
Accumulated depreciation:				
At the beginning of the year	88,933	86,789	-	-
Depreciation	7,063	6,395	-	-
Currency realignment	(13,365)	(4,251)	-	-
At the end of the year	82,631	88,933	-	-
Net carrying amount	535,367	159,905	-	-

As at 31 December 2013, certain investment properties of the Group amounting to $241,139,000 (2012: $69,149,000) were pledged to banks to secure credit facilities for subsidiaries (Note 32).

	Group	
	2013	2012
	S$'000	S$'000
Fair value of investment properties located in:		
Indonesia	511,102	323,857
Singapore	212,810	186,230
United Kingdom	176,554	-
China	6,572	4,983
Fair value classified under Level 2 of Fair Value Hierarchy (Note 39)	907,038	515,070

As at 31 December 2013, the aggregate fair values of investment properties located in Indonesia was based on external valuation reports prepared by the independent appraiser, PT Heburinas Nusantara KJPP Rengganis, Hamid and Rekan in 2013 based on market data approach and income approach. The fair values of investment properties located in Singapore and United Kingdom were based on external valuation reports prepared by the independent professional valuers, Colliers International Consultancy & Valuation (Singapore) Pte Ltd and Savills (UK) Ltd respectively in 2013 based on open market value approach. The fair value of investment properties located in China was based on management's value in use calculation using discounted cash flow method.

23 Investment Properties (cont'd)

Investment properties are held mainly for use by tenants under operating leases. The following amounts are recognised in the Group's income statement:

	Group 2013 S$'000	Group 2012 S$'000
Rental income	55,846	44,367
Direct operating expenses arising from investment properties that generated rental income	18,444	11,038
Property tax and other operating expenses arising from investment properties that did not generate rental income	1,115	569

24 Property, Plant and Equipment

Group	Freehold land	Freehold buildings	Leasehold land and buildings	Plant, machinery and equipment	Motor vehicles, furniture and fixtures	Construction in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Cost:							
At 1.1.2013	37,313	99,332	83,072	15,571	54,390	3,453	293,131
Additions	-	762	-	1,282	2,864	4,509	9,417
Disposals	-	-	-	(13)	(1,260)	-	(1,273)
Reclassification	-	-	94	-	-	(94)	-
Acquisition of subsidiaries (Note 40(a))	-	12	-	-	12	-	24
Write off	-	-	-	(90)	(458)	-	(548)
Currency realignment	(4,429)	(18,066)	(5,660)	(1,524)	(9,087)	(774)	(39,540)
At 31.12.2013	32,884	82,040	77,506	15,226	46,461	7,094	261,211
Accumulated depreciation:							
At 1.1.2013	-	40,917	50,795	10,087	45,482	-	147,281
Depreciation	-	4,126	1,910	838	3,271	-	10,145
Disposals	-	-	-	(13)	(1,102)	-	(1,115)
Write off	-	-	-	(80)	(458)	-	(538)
Currency realignment	-	(8,593)	(2,124)	(447)	(7,725)	-	(18,889)
At 31.12.2013	-	36,450	50,581	10,385	39,468	-	136,884
Net book value:							
At 31.12.2013	32,884	45,590	26,925	4,841	6,993	7,094	124,327

24 Property, Plant and Equipment (cont'd)

Group	Freehold land	Freehold buildings	Leasehold land and buildings	Plant, machinery and equipment	Motor vehicles, furniture and fixtures	Construction in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Cost:							
At 1.1.2012	39,142	78,833	87,285	11,185	55,819	27,998	300,262
Additions	-	186	17	690	1,932	10,191	13,016
Disposals	-	-	-	-	(325)	-	(325)
Reclassification	-	24,633	429	4,117	88	(29,267)	-
Acquisition of subsidiaries (Note 40(a))	-	-	-	-	215	-	215
Transfer to investment properties (Note 23)	-	-	-	-	-	(3,503)	(3,503)
Write off	-	-	-	-	(43)	-	(43)
Currency realignment	(1,829)	(4,320)	(4,659)	(421)	(3,296)	(1,966)	(16,491)
At 31.12.2012	37,313	99,332	83,072	15,571	54,390	3,453	293,131
Accumulated depreciation:							
At 1.1.2012	-	38,715	51,302	10,004	44,700	-	144,721
Depreciation	-	4,705	2,018	474	3,757	-	10,954
Disposals	-	-	-	-	(315)	-	(315)
Write off	-	-	-	-	(43)	-	(43)
Currency realignment	-	(2,503)	(2,525)	(391)	(2,617)	-	(8,036)
At 31.12.2012	-	40,917	50,795	10,087	45,482	-	147,281
Net book value:							
At 31.12.2012	37,313	58,415	32,277	5,484	8,908	3,453	145,850

As at 31 December 2013, certain property, plant and equipment of the Group amounting to $61,780,000 (2012: $55,590,000) has been pledged as security for credit facilities granted by banks to the subsidiaries (Note 32).

24 Property, Plant and Equipment (cont'd)

Company	Leasehold improvements	Plant and equipment	Motor vehicles, furniture and fixtures	Total
	S$'000	S$'000	S$'000	S$'000
Cost:				
At 1 January 2013	144	469	1,297	1,910
Disposals	-	-	(67)	(67)
At 31 December 2013	144	469	1,230	1,843
Accumulated depreciation:				
At 1 January 2013	144	468	1,086	1,698
Depreciation	-	1	53	54
Disposals	-	-	(65)	(65)
At 31 December 2013	144	469	1,074	1,687
Net book value:				
At 31 December 2013	-	-	156	156
Cost:				
At 1 January 2012	144	469	1,185	1,798
Additions	-	-	213	213
Disposals	-	-	(101)	(101)
At 31 December 2012	144	469	1,297	1,910
Accumulated depreciation:				
At 1 January 2012	144	464	1,124	1,732
Depreciation	-	4	63	67
Disposals	-	-	(101)	(101)
At 31 December 2012	144	468	1,086	1,698
Net book value:				
At 31 December 2012	-	1	211	212

25 Long-Term Receivables

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Loan receivable from associated companies, denominated in Japanese Yen	73,732	185,323	-	-

The unsecured loan receivable from associated companies bear interest at 1.98% (2012: 0.6%) per annum and is repayable by 2016.

26 Deferred Income Tax

Group	Accelerated tax depreciation S$'000	Retirement benefit obligations S$'000	Others/ Valuation allowance S$'000	Total S$'000
Deferred tax assets/(liabilities)				
At 1 January 2013	(54)	258	(11)	193
(Charged)/Credited to income statement	(27)	33	-	6
Currency realignment	17	(65)	(1)	(49)
At 31 December 2013	(64)	226	(12)	150
At 1 January 2012	(23)	188	(21)	144
(Charged)/Credited to income statement	(33)	86	7	60
Currency realignment	2	(16)	3	(11)
At 31 December 2012	(54)	258	(11)	193

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on different entities which intend to settle on a net basis, or realise the assets and liabilities simultaneously in the future. The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Deferred tax assets	162	204	-	-
Deferred tax liabilities	(12)	(11)	-	-
Net	150	193	-	-

Realisation of deferred tax assets is dependent on the generation of sufficient taxable income prior to expiration of the tax losses carry-forward. Although realisation is not assured, the directors of the Company believe it is more likely than not that the deferred tax assets, net of the valuation allowance, will be realised. The amount of the deferred tax assets considered realisable could be reduced or increased if estimates of future taxable income during the carry-forward period are reduced or increased.

27 Goodwill

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
At the beginning and end of the year	1,784	1,784	-	-

28 Trade Payables

Trade payables to third parties are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	10,037	23,706	-	-
Chinese Renminbi	5,344	6,292	-	-
Singapore Dollar	1,973	1,983	-	-
Malaysian Ringgit	1,461	1,493	-	-
	18,815	33,474	-	-

29 Other Payables and Liabilities

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Payables to:				
Third parties	16,942	15,025	-	-
Related parties (Note 37(a))	24	23	24	23
Subsidiaries	-	-	48,225	32,066
Interest payable	4,114	3,003	-	-
Other taxes payable	3,070	3,791	-	-
	24,150	21,842	48,249	32,089
Advances and deposits received on:				
Development properties	294,175	269,835	-	-
Rental	6,629	4,096	-	-
Estimated liabilities for future improvements	19,988	17,671	-	-
Accruals	14,182	16,891	737	748
Derivative payables	13,863	6,183	-	-
Retirement benefit obligations	559	653	-	-
Others	1,322	1,479	54	54
	374,868	338,650	49,040	32,891

The non-trade payables to related parties and subsidiaries are unsecured, interest-free and repayable on demand.

The derivative payables relate to the fair value of the embedded option to convert the zero percent convertible bonds issued by certain subsidiaries into their equity (Note 30).

The advances received and deposits on development properties include advances from a related party of $4,458,000 (2012: $Nil) (Note 37(a)).

29 Other Payables and Liabilities (cont'd)

Other payables are denominated in the following currencies:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	350,212	305,358	-	-
Singapore Dollar	10,457	7,590	819	825
British Pound	5,733	-	-	-
Chinese Renminbi	5,050	20,574	13,906	-
Malaysian Ringgit	2,162	2,784	-	-
United States Dollar	1,243	2,335	31,718	29,549
Others	11	9	2,597	2,517
	374,868	338,650	49,040	32,891

30 Bonds Payables

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Interest-bearing Bonds:				
Secured:				
BSD I Bonds due 2015/2017/2019 (a)	100,000	130,000	-	-
BSD II Bonds due 2018 (a)	175,000	-	-	-
Unsecured:				
PAM Bonds due 2015 (b)	16,000	20,800	-	-
Unsecured Zero Percent Convertible Bonds:				
PAM Bonds due 2018/2013 (c)	22,370	29,081	-	-
Less: Unamortised discount	(7,632)	(1,294)	-	-
	14,738	27,787	-	-
PAP Bonds due 2014 (d)	-	5,741	-	-
Less: Unamortised discount	-	(1,036)	-	-
	-	4,705	-	-
PAM Bonds due 2015 (e)	5,700	7,410	-	-
Less: Unamortised discount	(677)	(1,539)	-	-
	5,023	5,871	-	-
	310,761	189,163	-	-
Less: Deferred bond charges	(1,973)	(1,268)	-	-
	308,788	187,895	-	-
Less: Current portion classified as current liabilities	-	(27,787)	-	-
Non-current portion	308,788	160,108	-	-

30 Bonds Payables (cont'd)

Movements in unamortised discount on bonds are as follows:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	3,869	9,370	-	-
Additions	8,480	-	-	-
Repayment	(3,345)	(1,024)	-	-
Amortisation during the year	(3,020)	(4,091)	-	-
Currency realignment	2,325	(386)	-	-
At the end of the year	8,309	3,869	-	-

Movements in deferred bond charges are as follows:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
At the beginning of the year	1,268	140	-	-
Additions	1,284	1,366	-	-
Amortisation during the year	(344)	(236)	-	-
Currency realignment	(235)	(2)	-	-
At the end of the year	1,973	1,268	-	-

As at end of the financial year, there is no breach of bond covenants.

(a) In June 2012, PT Bumi Serpong Damai Tbk ("BSD") has established a fixed rate IDR Bond Program ("Bond Program"). Under the Bond Program, BSD may issue bonds of up to IDR3 trillion in several phases. On 4 July 2012, BSD has issued the Phase 1 of the Bond Program amounting to IDR1 trillion (equivalent to $100 million), which consist of 3-year A series bonds of IDR85 billion due in July 2015, 5-year B series bonds of IDR479 billion due in July 2017 and 7-year C series bonds of IDR436 billion due in July 2019 with fixed annual interest rate of 8%, 9.25% and 9.5% respectively, payable quarterly. All Phase 1 bonds were issued at face value and listed on the Indonesia Stock Exchange.

In June 2013, BSD has issued the Phase 2 of the Bond Program amounting to IDR1.75 trillion (equivalent to $175 million) due in June 2018 with fixed annual interest rate of 8.375%, payable quarterly. All Phase 2 bonds were issued at face value and listed on the Indonesia Stock Exchange.

The bonds were secured by certain properties under development for sale of the Group (Note 22).

(b) In June 2012, PT Paraga Artamida ("PAM") issued unsecured bearer bonds due June 2015 amounting to IDR270 billion. Interest on the bonds accrues at a fixed rate of 10% per annum and is payable on a quarterly basis. As at 31 December 2013 and 2012, the outstanding bearer bonds amounting to IDR160 billion (2013: equivalent to $16.0 million, 2012: equivalent to $20.8 million).

30 Bonds Payables (cont'd)

(c) In June 1998, PAM issued Zero Percent Convertible Bonds due 2003 amounting to US$138.5 million to its shareholders or their assignees. In January 2002, the unredeemed bonds of US$137.6 million were converted into IDR1,431,441 million. The bonds were renewed for another 5 years from June 2003 to June 2008 in 2003, June 2008 to June 2013 in 2008 and were further renewed for another 5 years from June 2013 to June 2018 in 2013. The renewed bonds are convertible at the option of the bondholders from 54 months after the date of the renewal to 10 business days prior to the fifth anniversary of the date of the renewal into new ordinary shares of PAM at an exercise price based on 70% of the net tangible asset value of PAM at the exercise date.

As at 31 December 2013 and 2012, the bonds held by other subsidiaries in the Group and related parties amounted to IDR1,207,737 million (2013: equivalent to $120,774,000; 2012: equivalent to $157,004,000) and IDR223,704 million (2013: equivalent to $22,370,000; 2012: equivalent to $29,081,000) respectively.

(d) In December 2004, PT Putra Alvita Pratama ("PAP") issued Zero Percent Convertible Bonds due December 2009 amounting to IDR58,105 million. The bonds were renewed for another 5 years from December 2009 to December 2014. The renewed bonds are unsecured, convertible at the option of the bondholders from 54 months after the date of renewal to 10 business days prior to the fifth anniversary of the date of renewal into new ordinary shares of PAP at an exercise price based on 70% of the net tangible asset value of PAP at the exercise date. During the financial year 2013, the outstanding PAP bonds amounting to IDR44,160 million were fully redeemed.

(e) In May 2005, PAM issued Zero Percent Convertible Bonds due May 2010 amounting to IDR57 billion (2013: equivalent to $5,700,000; 2012: equivalent to $7,410,000) to a related party. The bonds were renewed for another 5 years from May 2010 to May 2015. The renewed bond is convertible at the option of the bondholders from 54 months after the date of the renewal to 10 business days prior to the fifth anniversary of the date of the renewal into new ordinary shares of PAM at an exercise price based on 70% of the net tangible asset value of PAM at the exercise date.

31 Obligations Under Finance Leases

	Minimum lease payments		Present value of minimum lease payments	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Group				
Amounts payable under finance leases:				
Within one year	52	112	32	91
Between one year to five years	44	118	44	95
	96	230	76	186
Less: Future finance charges	(20)	(44)	-	-
Present value of lease obligations	76	186	76	186
Less: Amount due for settlement within 12 months			(32)	(91)
Amount due for settlement after 12 months			44	95
Net book value of assets under finance leases			-	43
Interest rate per annum for finance leases			2.5% – 3.5%	2.5% – 3.5%

31 Obligations Under Finance Leases (cont'd)

	Minimum lease payments		Present value of minimum lease payments	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Company				
Amounts payable under finance leases:				
Within one year	52	105	32	85
Between one year to five years	44	108	44	86
	96	213	76	171
Less: Future finance charges	(20)	(42)	-	-
Present value of lease obligations	76	171	76	171
Less: Amount due for settlement within 12 months			(32)	(85)
Amount due for settlement after 12 months			44	86
Net book value of assets under finance leases			-	12
Interest rate per annum for finance leases			2.5% – 3.5%	2.5% – 3.5%

The obligations under finance leases of the Group and the Company are secured by the lessor's charge over the leased assets. The obligations under finance leases are denominated in Singapore dollar.

32 Borrowings

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Secured bank borrowings denominated in:				
Indonesian Rupiah	136,267	-	-	-
Singapore Dollar	92,000	62,000	-	-
Malaysian Ringgit	13,857	46,760	-	-
British Pound	87,863	-	-	-
	329,987	108,760	-	-
Less: Current portion classified as current liabilities	(135,697)	(2,000)	-	-
Non-current portion	194,290	106,760	-	-

The interest rates per annum for the above borrowings are as follows:

	Group		Company	
	2013	2012	2013	2012
	%	%	%	%
Indonesia Rupiah	8.5 – 10.0	-	-	-
Singapore Dollar	2.1 – 2.3	2.1 – 2.4	-	-
Malaysian Ringgit	7.9	6.6 – 7.9	-	-
British Pound	3.2	-	-	-

32 Borrowings (cont'd)

The scheduled maturities of the Group's borrowings are as follows:

As at 31 December 2013 Year	Original Loan Currency				Singapore Dollar Equivalent
Borrowings repayable in:	IDR'000	GBP'000	S$'000	RM'000	$'000
2014	1,330,000,000	1,290	-	-	135,697
2015	-	1,160	-	-	2,426
2016	-	1,160	62,000	35,900	78,283
2017	-	1,160	-	-	2,426
2018	32,668,511	37,250	30,000	-	111,155
Total	1,362,668,511	42,020	92,000	35,900	329,987
Current portion	(1,330,000,000)	(1,290)	-	-	(135,697)
Non-current portion	32,668,511	40,730	92,000	35,900	194,290

As at 31 December 2012 Year	Original Loan Currency		Singapore Dollar Equivalent
Borrowings repayable in:	S$'000	RM'000	$'000
2013	-	5,000	2,000
2014	-	60,000	24,000
2015	-	10,000	4,000
2016	62,000	41,900	78,760
Total	62,000	116,900	108,760
Current portion	-	(5,000)	(2,000)
Non-current portion	62,000	111,900	106,760

Certain of the Group's time deposits, properties under development for sale, investment properties and property, plant and equipment have been pledged to banks to obtain the above secured borrowings (Notes 14, 22, 23 and 24).

The bank loan agreements generally include covenants that require the maintenance of certain financial ratios, limit or require written notification of the amount of additional borrowings that may be incurred, and limit the transfer or disposal of pledged assets and acting as guarantor to other parties. Any non-compliance with these covenants will result in these loans becoming repayable immediately upon service of a notice of default by the lenders. In addition, the bank loan agreements contain cross default clauses whereby non-compliance with covenants for other financial indebtedness would result in acceleration of repayment of the outstanding loan balances. As at end of the financial year, there is no breach of loan covenants.

33 Long-Term Liabilities

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Advances and deposits received on development properties	166,881	370,360	-	-
Retirement benefit obligations	20,921	23,139	-	-
Security deposits	13,529	13,800	-	-
Others	117	155	-	-
	201,448	407,454	-	-

33 Long-Term Liabilities (cont'd)

Long-term liabilities are denominated in the following currencies:

	Group 2013	Group 2012	Company 2013	Company 2012
	S$'000	S$'000	S$'000	S$'000
Indonesian Rupiah	194,319	399,571	-	-
United States Dollar	6,946	7,645	-	-
Singapore Dollar	183	238	-	-
	201,448	407,454	-	-

34 Issued Capital

	Group and Company 2013 Number of shares	2013 Share Capital	2012 Number of shares	2012 Share Capital
		S$'000		S$'000
Balance at beginning and end of the year	3,041,959,437	1,907,108	3,041,959,437	1,907,108

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. All shares rank equally with regards to the Company's residual assets.

On 19 November 2010, the Company issued 1,520,978,744 warrants pursuant to a bonus issue on the basis of one warrant for every two existing ordinary shares held in the capital of the Company. Each warrant carries the right to subscribe for one new ordinary share of the Company at the exercise price of $0.10 each and may only be exercised on the fifth (5th) anniversary of the date of issuance (i.e. 18 November 2015). As at 31 December 2013 and 2012, the number of outstanding warrants was 1,520,978,744. Assuming all the warrants are fully exercised, the number of new ordinary shares to be issued would be 1,520,978,744.

35 Dividends

	Group and Company 2013	Group and Company 2012
	S$'000	S$'000
Final dividends paid in respect of the previous year of $0.0038 (2012: $0.0029) per share	11,559	8,822

At the annual general meeting to be held on 25 April 2014, a first and final tax-exempted (one-tier) dividend of $0.005 per share, amounting to $15,209,797.19 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained earnings for the financial year ending 31 December 2014.

36 Holding Company

The directors of the Company regard Flambo International Limited, a company incorporated in the British Virgin Islands as the ultimate holding company. The controlling shareholders of the Company comprise certain members of the Widjaja family.

37 Related Party Transactions

(a) A related party is a person or entity that is related to the reporting entity. A person is considered to be related if that person has the ability to control or jointly control the reporting entity, exercise significant influence over the reporting entity in making financial and operating decisions, or is a member of the key management personnel of the reporting entity or its parent. An entity is related to the reporting entity if they are members of the same group, an associate or a joint venture. An entity is also considered to be related if it is controlled or jointly controlled by the same person who has significant influence over the reporting entity or is a member of the key management personnel of the reporting entity.

(b) In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties, on terms agreed between parties, were as follows:

		Group		Company	
		2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
i)	Interest expense to:				
	Related party	57	364	-	-
	Subsidiary	-	-	359	-
ii)	Interest income from:				
	Subsidiaries	-	-	8,933	10,557
	Associated companies	1,292	1,240	-	-
	Related parties	769	1,756	-	-
iii)	Dividend income from:				
	Subsidiaries	-	-	7,256	-
	Associated companies	6,713	11,490	-	-
	Joint ventures	10,973	-	-	-
iv)	Sales of goods and services				
	Management fee from a subsidiary	-	-	2,134	2,134
	Technical fees from associated companies	1,066	435	-	-
	Sales of land parcels to:				
	An associated company	58,188	-	-	-
	Joint ventures	244,031	-	-	-
	Rental income from:				
	Associated companies	42	40	-	-
	Related parties	20,605	16,735	17	17
v)	Purchase of goods and services				
	Insurance premium to a related party	1,110	1,488	-	-
	Rental expense to:				
	Subsidiaries	-	-	141	141
	Related parties	243	243	243	243

37 Related Party Transactions (cont'd)

(c) The remuneration of key management personnel who are also directors are as follows:

	Group	
	2013	2012
	S$'000	S$'000
Directors' remuneration:		
Directors of the Company	12,551	5,339
Directors of subsidiaries	6,234	4,300

Included in the above remuneration are post-employment benefits of $1,361,618 (2012: $1,160,458).

38 Commitments

(a) Operating lease commitments - Group as lessee

At the end of the reporting period, the commitments in respect of non-cancellable operating leases for the rental of office premises and properties are as follows:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Future minimum lease payments payable:				
Within one year	746	700	294	294
Between one year to five years	380	756	251	12
Minimum lease payments paid under operating leases	805	1,177	388	388

The leases have varying terms, escalation clauses and renewal rights.

(b) Operating lease commitments - Group as lessor

At the end of the reporting period, committed rental income in respect of operating leases for the rental of properties are as follows:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Future minimum lease receivable:				
Within one year	32,735	23,874	-	-
Between one year to five years	62,622	25,275	-	-
After five years	71,822	-	-	-

The leases have varying terms, escalation clauses and renewal rights.

38 Commitments (cont'd)

(c) Expenditure commitments

Estimated expenditure committed but not provided for in the financial statements are as follows:

	Group		Company	
	2013	2012	2013	2012
	S$'000	S$'000	S$'000	S$'000
Property development	115,836	84,002	-	-
Capital expenditure	15,772	63,668	-	-

39 Financial Instruments

Fair Value of Financial Instruments

The carrying amounts of financial assets and liabilities with a maturity of less than one year, which include cash and cash equivalents, short-term investments, trade and other receivables, trade and other payables, and short-term borrowings are assumed to approximate their fair values due to their short-term maturities.

The fair values of long-term receivables and long-term borrowings (which include obligation under finance leases, bonds payables and bank borrowings) are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the end of the reporting period. As at 31 December 2013 and 2012, the carrying amounts of the long-term receivables and long-term borrowings approximate their fair values.

Fair Value Hierarchy

The table below presents financial assets carried at fair value and classified by level of the following fair value measurement hierarchy:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is as prices) or indirectly (i.e. derived from prices); and
(c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
At 31 December 2013	S$'000	S$'000	S$'000	S$'000
Financial assets at fair value through profit or loss	1,007	-	-	1,007
Available-for-sale financial assets	2,852	-	4,300	7,152
Total	3,859	-	4,300	8,159
At 31 December 2012				
Financial assets at fair value through profit or loss	1,231	-	-	1,231
Available-for-sale financial assets	-	-	4,022	4,022
Total	1,231	-	4,022	5,253

39 Financial Instruments (cont'd)

Movements in available-for-sale financial assets in Level 3 are as follows:

	2013 S$'000	2012 S$'000
At the beginning of the year	4,022	4,314
Investments made during the year	890	-
Foreign exchange loss recognised in other comprehensive loss	(612)	(292)
At the end of the year	4,300	4,022

40 Business Combinations

(a) Acquisition of subsidiaries

During the financial year 2013, there were the following acquisitions of subsidiaries:

(i) On 5 April 2013, the Group through its subsidiary, acquired 55% equity interests in PT Kusumasentral Kencana ("KSK") for a total consideration of IDR228.3 billion (equivalent to $29,681,000). Following this acquisition, the Group's effective equity interest in KSK was 46.40%.

The fair value of the identifiable assets and liabilities acquired amounted to $53,966,000 after taking into account the fair value adjustments of $39,691,000. From 5 April 2013 to 31 December 2013, it contributed revenue of $Nil and loss of $477,000 to the Group's results. If the acquisition had occurred on 1 January 2013, management estimated there would have been no significant changes to the Group's revenue and profit before income tax.

(ii) On 12 June 2013, the Group through its wholly-owned subsidiaries, acquired 100% of the units issued in Holbrook House Unit Trust for a total consideration of GBP84,046,910 (equivalent to $161,686,000). Holbrook House Unit Trust is the beneficial owner of New Brook Buildings, an office building consisting of a 12-storey tower connected to a 9-storey wing, with a net of lettable area of approximately 99,911 square feet in London, United Kingdom, with the CLOF (Holbrook House) Jersey Nominee A Limited and CLOF (Holbrook House) Jersey Nominee B Limited being the legal owners of this property.

The fair value of the identifiable assets and liabilities acquired amounted to $161,686,000. From 12 June 2013 to 31 December 2013, it contributed revenue of $6,477,000 and loss of $1,189,000 to the Group's results. If the acquisition had occurred on 1 January 2013, management estimated the Group's revenue and profit before income tax for the year would have been $990,262,000 and $524,598,000 respectively.

(iii) On 23 September 2013, the Group through its subsidiary, acquired 64.25% equity interest in PT Wijaya Pratama Raya ("WPR") for a total consideration of IDR268 billion (equivalent to $29,480,000). Following this acquisition, the Group's effective equity interest in WPR was 28.37%.

The fair value of the identifiable assets and liabilities acquired amounted to $63,578,000 after taking into account the fair value adjustments of $40,348,000. From 23 September 2013 to 31 December 2013, WPR contributed revenue of $2,427,000 and profit of $522,000 to the Group's results. If the acquisition had occurred on 1 January 2013, management estimated the Group's revenue and profit before income tax for the year would have been $986,412,000 and $525,000,000 respectively.

40 Business Combinations (cont'd)

(a) Acquisition of subsidiaries (cont'd)

The following summarises the major classes of consideration transferred, and the recognised amounts of identifiable assets acquired and liabilities assumed at the acquisition dates.

Net assets acquired:	Previous carrying amount S$'000	Fair value adjustments S$'000	Fair value recognised on acquisition S$'000
Cash and cash equivalents	5,441	-	5,441
Trade receivables	952	-	952
Other current assets	218	-	218
Long-term investment	3,390	-	3,390
Inventories	5	-	5
Property, plant and equipment	24	-	24
Investment properties	192,698	78,527	271,225
Other payables	(1,483)	-	(1,483)
Income taxes payables	(118)	-	(118)
Long term payables	(1,936)	-	(1,936)
Foreign currency reserve	-	1,512	1,512
Total identifiable net assets	199,191	80,039	279,230
Less: Non-controlling interests' proportionate shares of net assets			(46,477)
Less: Negative goodwill			(11,906)
Total purchase consideration			220,847
Less: Cash and cash equivalents acquired			(5,441)
Net cash outflow on acquisition of subsidiaries			215,406

During the financial year 2012, there were the following acquisitions of subsidiaries:

(iv) In January 2012, the Group through its subsidiary, completed its acquisition of the remaining 71% shareholding in its associated companies, namely PT Anekagriya Buminusa, PT Kanaka Grahaasri, PT Mekanusa Cipta, PT Putra Prabukarya and PT Prima Sehati for a total consideration of IDR34.1 billion (equivalent to $4,771,000). Following the transaction, the Group's effective equity interest in these companies increased from 12.34% to 42.54% and these companies become subsidiaries of the Group.

The fair value of the identifiable assets and liabilities of these companies acquired amounted to $199,073,000 after taking into account the fair value adjustments of $66,013,000. From the date of acquisition to 31 December 2012, the acquired companies contributed revenue of $50,729,000 and profit of $20,778,000 to the Group's results.

(v) On 28 September 2012, the Group through its subsidiary, acquired a 50% shareholding in PT Mustika Candraguna ("MCG") for a total consideration of IDR53.1 billion (equivalent to $7,439,000). Following the transaction, the Group's effective equity interest in MCG was 30.92%.

The fair value of the identifiable assets and liabilities of this company acquired amounted to $14,878,000 after taking into account the fair value adjustments of $14,862,000. Since MCG has not commence business since incorporation, there was no revenue and profit contribution by MCG to the Group for the financial year 2012.

40 Business Combinations (cont'd)

(a) Acquisition of subsidiaries (cont'd)

The following summarises the major classes of consideration transferred, and the recognised amounts of identifiable assets acquired and liabilities assumed at the acquisition dates.

Net assets acquired:	Previous carrying amount	Fair value adjustments	Fair value recognised on acquisition
	S$'000	S$'000	S$'000
Cash and cash equivalents	39,070	-	39,070
Other current assets	1,815	-	1,815
Property held for sale	62,898	-	62,898
Property under development for sale	65,608	80,875	146,483
Property, plant and equipment	215	-	215
Other payables	(36,530)	-	(36,530)
	133,076	80,875	213,951
Less: Transfer from investment in associated companies			(29,910)
Less: Non-controlling interests' proportionate share of net assets			(149,652)
Less: Gain on equity interest			(20,953)
Less: Negative goodwill			(1,226)
Total purchase consideration			12,210
Less: Cash and cash equivalents acquired			(39,070)
Net cash inflow on acquisition of subsidiaries			(26,860)

(b) Acquisition or disposal of non-controlling interests

(i) On 20 February 2013, AFP Land (Malaysia) Sdn Bhd ("AFPLM") became a wholly-owned subsidiary of the Group following a transfer of the remaining 49% equity interest in AFPLM comprising 490,000 shares of RM1 each at par value. Following this transaction, and the allotment and issue to the Group of 49,192,581 additional shares of RM1 each credited as fully paid in Palm Resort Berhad ("PRB") by the capitalisation of shareholders' advances, the Group's effective equity interest in PRB has increased from 40.15% to 99.22%. The Group recognised a decrease in other reserves and an increase in non-controlling interests of $8,288,000.

(ii) On 8 April 2013, PT Binamaju Grahamitra disposed its 3% equity interest in PT Binamaju Mitra Sejati ("BMS") to PT Sinarwisata Permai for a total consideration of IDR1.1 billion. As a result of this restructuring exercise, the Group's effective equity interest in BMS decreased from 56.33% to 55.12%. The Group recognised a decrease in other reserves and an increase in non-controlling interests of $170,000.

(iii) On 27 August 2013, the Group via its subsidiary, PT Bumi Serpong Damai Tbk, injected additional capital of IDR800 billion (equivalent to $88,000,000) into PT Sinar Mas Teladan ("SMT"). Following this capital injection, the Group's effective interest in SMT decreased from 61.83% to 58.17%. The Group recognised an increase in other reserves and a decrease in non-controlling interests of $3,985,000.

(iv) On 6 August 2012, the Group through its subsidiary, increased its effective equity interest in PT Duta Pertiwi Tbk ("DUTI") from 42.54% to 44.16% following the purchase of 60,100,000 shares of par value of IDR500 each by open market purchase for a total consideration of IDR181,802,500,000 (equivalent to $23,652,000). The Group recognised decreases in other reserves and non-controlling interests of $4,486,000 and $19,166,000 respectively.

40 Business Combinations (cont'd)

(b) Acquisition or disposal of non-controlling interests (cont'd)

(v) On 28 September 2012, the Group further increased its effective equity interest in MCG from 30.92% to 37.10% following the purchase of 12 shares of par value of IDR1 million each for a total consideration of IDR6 billion (equivalent to $756,000). The Group recognised an increase in other reserves of $386,000 and a decrease in non-controlling interests $1,142,000 respectively.

41 Segments Information

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different marketing strategies. Set out below are the Group's reportable segment:

Indonesia Property - investment and development of commercial, industrial and residential properties and ownership and management of hotels and resorts in Indonesia.

International Property - investment and development of commercial and residential properties and ownership and management of hotels and resorts in Malaysia, select mixed development in China and ownership and leasing of investment property in United Kingdom.

Group	Indonesia Property	International Property	Others	Total
	S$'000	S$'000	S$'000	S$'000
2013				
Revenue				
Total revenue	890,387	94,790	-	985,177
Inter-segment revenue	-	(141)	-	(141)
Revenue from external customers	890,387	94,649	-	985,036
EBITDA	541,014	20,248	(4,448)	556,814
Other Information				
Capital expenditures on investment properties and property, plant and equipment	140,751	1,629	-	142,380
Depreciation and amortisation expenses	12,398	4,756	54	17,208
Interest income	29,343	428	(66)	29,705
Interest expenses	15,102	10,955	(4,140)	21,917
Exceptional gain, net	11,906	-	-	11,906
Gain/(loss) on disposal of property, plant and equipment	189	(42)	(1)	146
Share of results of associated companies, net of tax	45,627	-	-	45,627
Share of results of joint ventures, net of tax	(87,955)	-	-	(87,955)
Assets				
Segment assets	3,441,424 *	466,892	1,325,092	5,233,408
Liabilities				
Segment liabilities	1,716,768	454,853	776,368	2,947,989

* Segment assets in Indonesia Property include investment in associated companies and joint ventures of $592,138,000 and $65,512,000 respectively.

41 Segments Information (cont'd)

Group	Indonesia Property	International Property	Others	Total
	S$'000	S$'000	S$'000	S$'000
2012				
Revenue				
Total revenue	558,980	72,431	-	631,411
Inter-segment revenue	-	(141)	-	(141)
Revenue from external customers	558,980	72,290	-	631,270
EBITDA	269,250	10,843	(5,273)	274,820
Other Information				
Capital expenditures on investment properties and property, plant and equipment	19,531	412	213	20,156
Depreciation and amortisation expenses	13,505	4,132	67	17,704
Interest income	30,832	58	35	30,925
Interest expenses	14,850	9,074	(4,042)	19,882
Exceptional gain, net	22,179	-	-	22,179
Gain on disposal of property, plant and equipment	152	-	24	176
Gain on disposal of investment properties	3,769	-	-	3,769
Share of results of associated companies, net of tax	40,568	-	-	40,568
Share of results of joint ventures, net of tax	5,267	-	-	5,267
Assets				
Segment assets	3,634,831 *	212,998	1,467,069	5,314,898
Liabilities				
Segment liabilities	1,931,255	285,742	838,544	3,055,541

* Segment assets in Indonesia Property include investment in associated companies and joint ventures of $531,776,000 and $54,168,000 respectively.

A reconciliation of total adjusted EBITDA to total profit before income tax is as follows:

	2013	2012
	S$'000	S$'000
EBITDA for reportable segments	561,262	280,093
Other EBITDA	(4,448)	(5,273)
Depreciation and amortisation	(17,208)	(17,704)
Foreign exchange gain/(loss), net	37,002	(36,371)
Interest expenses	(21,917)	(19,882)
Exceptional items, net	11,906	22,179
Share of results of associated companies, net of tax	45,627	40,568
Share of results of joint ventures, net of tax	(87,955)	5,267
Profit before income tax	524,269	268,877

41 Segments Information (cont'd)

A reconciliation of total assets for reportable segments to total assets is as follows:

	2013 S$'000	2012 S$'000
Total assets for reportable segments	3,908,316	3,847,829
Other assets	1,325,092	1,467,069
Elimination of inter-segment receivables	(1,674,109)	(1,919,086)
Total assets	3,559,299	3,395,812

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

	2013 S$'000	2012 S$'000
Total liabilities for reportable segments	2,171,621	2,216,997
Other liabilities	776,368	838,544
Elimination of inter-segment payables	(1,708,445)	(1,978,270)
Total liabilities	1,239,544	1,077,271

The Group's property business is located in Indonesia, China, Malaysia, Singapore and United Kingdom. The following table provides an analysis of the Group's revenue from business by geographical market, irrespective of the origin of the goods/services.

	2013 S$'000	2012 S$'000
Indonesia	893,885	562,007
China	64,015	47,679
Malaysia	16,192	17,475
Singapore	4,467	4,109
United Kingdom	6,477	-
Consolidated revenue	985,036	631,270

The following tables present analysis of the carrying amount of non-current non-financial assets and capital expenditures on investment properties and property, plant and equipment, analysed by the geographical area in which the assets are located:

	2013 S$'000	2012 S$'000
Indonesia	1,202,047	1,182,550
United Kingdom	176,020	-
Singapore	64,283	65,192
Malaysia	54,596	57,339
China	23,897	49,197
Total non-current non-financial assets	1,520,843	1,354,278
Indonesia	140,838	19,766
Malaysia	1,535	166
China	7	11
Singapore	-	213
Total capital expenditures	142,380	20,156

42 Subsidiaries

The details of the subsidiaries are as follows:

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	2012 S$'000	Effective percentage of equity held by the Group 2013 %	2012 %
AFP International Finance Ltd (1) Mauritius	Provision of management and consultancy services	-*	-*	100.00	100.00
AFP International Finance (2) Ltd (1) Mauritius	Financing activities	-*	-*	100.00	100.00
AFP International Finance (3) Ltd (2) British Virgin Islands	Investment holding	14	14	100.00	100.00
Asia Management Services Ltd (1) Mauritius	Provision of management and consultancy services	-*	-*	100.00	100.00
Alluvium Finance B.V. (2) The Netherlands	Treasury management	37	37	100.00	100.00
Ever Forward Asia Limited (1) Hong Kong	Dormant	-*	-*	100.00	100.00
Golden Ray Development Pte. Ltd. Singapore	Real estate development	-*	-*	100.00	100.00
SML Brook England (HK) Limited (5f),(7) Hong Kong	Investment holding	-*	-	100.00	-
SML Jersey Properties Pte Limited (1),(7) Jersey	Investment holding	-*	-	100.00	-
SML Jersey Brook Pte Limited (1),(7) Jersey	Investment holding	-*	-	100.00	-
SML Brook Partners Pte Limited (1),(7) Jersey	Investment holding	-*	-	100.00	-
CLOF (Holbrook House) Jersey Nominee A Limited (2),(7) Jersey	Nominee company	-*	-	100.00	-
CLOF (Holbrook House) Jersey Nominee B Limited (2),(7) Jersey	Nominee company	-*	-	100.00	-

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	The Company Cost of investment 2012 S$'000	Effective percentage of equity held by the Group 2013 %	Effective percentage of equity held by the Group 2012 %
Indonesia Property Division					
ACF Finance Ltd (2) British Virgin Islands	Treasury management	-	-	100.00	100.00
ACF Solutions Holding Ltd (1) Mauritius	Investment holding	-	-	100.00	100.00
AFP International Capital Pte. Ltd. Singapore	Investment holding	-*	-*	100.00	100.00
Jermina Limited (5f) Hong Kong	Investment holding	-	-	100.00	100.00
Linsville Limited (2) Cayman Islands	Investment holding	-	-	100.00	100.00
PT Anekagriya Buminusa (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Aneka Karya Amarta (1) Indonesia	Investment holding	-	-	84.37	84.37
PT Bhineka Karya Pratama (1) Indonesia	Investment holding	-	-	72.12	72.12
PT Binamaju Grahamitra (1) Indonesia	Real estate development	-	-	84.35	84.35
PT Binamaju Mitra Sejati (1), (Note 40(b)(ii)) Indonesia	Real estate development	-	-	55.12	56.33
PT Binasarana Muliajaya (4) Indonesia	Provision of management and consultancy services	-	-	99.97	99.97
PT Bumi Karawang Damai (1) Indonesia	Real estate development	-	-	50.49	50.49
PT Bumi Megah Graha Asri (1),(7) Indonesia	Real estate and property development	-	-	46.40 [6]	-
PT Bumi Paramudita Mas (1) Indonesia	Real estate development	-	-	49.87 [6]	49.87 [6]
PT Bumi Serpong Damai Tbk (1) Indonesia	Investment holding, construction and development of houses and buildings	-	-	49.87 [6]	49.87 [6]

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	2012 S$'000	Effective percentage of equity held by the Group 2013 %	2012 %
PT Bumi Samarinda Damai (1) Indonesia	Real estate development	-	-	42.50 [6]	42.50 [6]
PT Bumi Wisesa Jaya (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Duta Dharma Sinarmas (1) Indonesia	Real estate development	-	-	25.43 [6]	25.43 [6]
PT Duta Mitra Mas (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Duta Pertiwi Tbk (1) Indonesia	Property development, general trading and investment holding	-	-	44.16 [6]	44.16 [6]
PT Duta Semesta Mas (1) Indonesia	Property development	-	-	44.16 [6]	44.16 [6]
PT Duta Usaha Sentosa (1),(7) Indonesia	Real estate development	-	-	84.37	-
PT Duta Virtual Dotkom (4) Indonesia	E-commerce	-	-	43.57 [6]	43.57 [6]
PT Ekacentra Usahamaju (1) Indonesia	Investment holding	-	-	84.36	84.36
PT Garwita Sentra Utama (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Grahadipta Wisesa (1) Indonesia	Real estate development	-	-	65.39	65.39
PT Indowisata Makmur (1) Indonesia	Property development	-	-	84.42	84.42
PT Inter Sarana Prabawa (1) Indonesia	Real estate development	-	-	84.37	84.37
PT Inti Tekno Sukses Bersama (4) Indonesia	Educational and property development	-	-	99.97	99.97
PT Kanaka Grahaasri (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Karawang Bukit Golf (1) Indonesia	Residential estate and country club and golf club development	47,995	47,995	98.12	98.12

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	The Company Cost of investment 2012 S$'000	Effective percentage of equity held by the Group 2013 %	Effective percentage of equity held by the Group 2012 %
PT Karawang Tatabina Industrial Estate (1) Indonesia	Industrial estate development	41,708	41,708	48.77 [6]	48.77 [6]
PT Kembangan Permai Development (1) Indonesia	Real estate development	-	-	35.33 [6]	35.33 [6]
PT Karya Dutamas Cemerlang (1) Indonesia	Industrial estate development	-	-	65.39	65.39
PT Kurnia Subur Permai (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Kusumasentral Kencana (1),(Note 40(a)(i)) Indonesia	Property development	-	-	46.40 [6]	-
PT Masagi Propertindo (1) Indonesia	Property development	-	-	84.14	84.14
PT Mekanusa Cipta (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Metropolitan Transcities Indonesia (1) Indonesia	Investment holding	-	-	84.37	84.37
PT Misaya Properindo (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Mitrakarya Multiguna (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Mustika Candraguna (1) Indonesia	Property development	-	-	34.90 [6]	37.10 [6]
PT Mustika Karya Sejati (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Pangeran Plaza Utama (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Paraga Artamida (1) Indonesia	Investment holding and provision of consultancy services	720,727	720,727	84.37	84.37
PT Pastika Candra Pertiwi (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Perwita Margasakti (1) Indonesia	Property development	-	-	44.16 [6]	44.16 [6]

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	The Company Cost of investment 2012 S$'000	Effective percentage of equity held by the Group 2013 %	Effective percentage of equity held by the Group 2012 %
PT Praba Selaras Pratama (1) Indonesia	Real estate development and investment holding	-	-	49.87 [6]	49.87 [6]
PT Prestasi Mahkota Utama (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Prima Sehati (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Putra Alvita Pratama (1) Indonesia	Real estate development	-	-	23.63 [6]	23.63 [6]
PT Putra Prabukarya (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Putra Tirta Wisata (1),(7) Indonesia	Property management	-	-	23.64 [6]	-
PT Royal Oriental (1) Indonesia	Property development	-	-	54.57	54.57
PT Saranapapan Ekasejati (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Sentra Selaras Lestari (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Sentra Talenta Utama (1) Indonesia	Real estate development and investment holding	-	-	49.87 [6]	49.87 [6]
PT Simas Tunggal Centre (1) Indonesia	Investment holding	-	-	81.84	81.84
PT Sinar Mas Teladan (1),(Note 40(b)(iii)) Indonesia	Property development	-	-	58.17	61.83
PT Sinar Mas Wisesa (1) Indonesia	Real estate development	-	-	65.39	65.39
PT Sinar Pertiwi Megah (1),(7) Indonesia	Real estate development	-	-	49.87 [6]	-
PT Sinar Usaha Mahitala (1) Indonesia	Real estate development and investment holding	-	-	49.87 [6]	49.87 [6]
PT Sinar Usaha Marga (1) Indonesia	Real estate development	-	-	72.98	72.98

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	The Company Cost of investment 2012 S$'000	Effective percentage of equity held by the Group 2013 %	Effective percentage of equity held by the Group 2012 %
PT Sinarwijaya Ekapratista (1) Indonesia	Real estate development	-	-	44.16 [6]	44.16 [6]
PT Sinarwisata Lestari (1) Indonesia	Hotel	-	-	44.16 [6]	44.16 [6]
PT Sinarwisata Permai (1) Indonesia	Hotel	-	-	44.16 [6]	44.16 [6]
PT Sumber Arusmulia (5d) Indonesia	Investment holding	-	-	53.13	53.13
PT Surya Inter Wisesa (1) Indonesia	Real estate development	-	-	49.87 [6]	49.87 [6]
PT Transbsd Balaraja (1),(7) Indonesia	Development and operation of toll roads	-	-	37.40 [6]	-
PT Wijaya Pratama Raya (1),(Note 40(a)(iii)) Indonesia	Property development	-	-	28.37 [6]	-
Sittingham Assets Limited (2) British Virgin Islands	Investment holding	1,460	1,460	100.00	100.00
Sinarmas Land (HK) Limited (5f),(8) Hong Kong	Investment holding	-*	-*	100.00	59.89
Sinarmas Sentul Land Limited (5f),(8) Hong Kong	Trading, management service and investment holding	-*	-*	100.00	59.89
China Property Division					
AFP China Ltd (1) Mauritius	Investment holding	-*	-*	100.00	100.00
AFP (Shanghai) Co., Ltd (5c) People's Republic of China	Provision of management services	918	918	100.00	100.00
Integrated Investments Ltd (1) Mauritius	Investment holding	8,168	-*	100.00	100.00
Shining Gold Real Estate (Chengdu) Co., Ltd (5c) People's Republic of China	Property investment and development	-	-	100.00	100.00
Shining Gold Real Estate (Shenyang) Co., Ltd (5c) People's Republic of China	Property investment and development	-	-	100.00	100.00

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	The Company Cost of investment 2012 S$'000	Effective percentage of equity held by the Group 2013 %	Effective percentage of equity held by the Group 2012 %
Solid Growth Investments Ltd (1) Mauritius	Investment holding	8,544	-*	100.00	100.00
Zhuhai Huafeng Film Co., Ltd (5c) People's Republic of China	Dormant	-	-	85.00	85.00
Zhuhai Huafeng Packaging Co., Ltd (5c) People's Republic of China	Investment holding	-	-	100.00	100.00
Zhuhai Huafeng Printing Co., Ltd (5c) People's Republic of China	Dormant	-	-	85.00	85.00
AFP Land Division:					
AFP Gardens (Tanjong Rhu) Pte Ltd Singapore	Property investment and development	-	-	100.00	100.00
AFP Hillview Pte Ltd Singapore	Property development	-	-	100.00	100.00
AFP Land (Malaysia) Sdn Bhd (1),(Note 40(b)(i)) Malaysia	Investment holding	-	-	100.00	51.00
AFP Land Limited Singapore	Investment holding and provision of management services	456,751	456,751	100.00	100.00
AFP Resort Development Pte Ltd Singapore	Resort property development and investment holding	-	-	100.00	100.00
AFP Resort Marketing Services Pte Ltd Singapore	Marketing services to resort establishments	-	-	89.50	89.50
Amcol (China) Investments Pte Ltd Singapore	Investment holding	-	-	100.00	100.00
Amcol Construction Sdn Bhd (3) Malaysia	Liquidated	-	-	-	51.00
Anak Bukit Resorts Sdn Bhd (1),(Note 40(b)(i)) Malaysia	Resort property development	-	-	100.00	51.00
Golden Bay Realty (Private) Limited Singapore	Property investment	-	-	100.00	100.00

42 Subsidiaries (cont'd)

Name of company and country of incorporation	Principal activities	The Company Cost of investment 2013 S$'000	The Company Cost of investment 2012 S$'000	Effective percentage of equity held by the Group 2013 %	Effective percentage of equity held by the Group 2012 %
Goldmount Holdings Pte Ltd (5a) Singapore	Investment holding	-	-	100.00	100.00
Jurong Golf & Sports Complex Pte Ltd (5a), (Note 40(b)(i)) Singapore	Golf club and to establish, maintain and provide golf courses and recreational facilities	-	-	99.22	40.15 [6]
PT AFP Dwilestari (5b) Indonesia	Resort development and operation	-	-	65.00	65.00
Palm Resort Berhad (1), (Note 40(b)(i)) Malaysia	Golf club and to establish, maintain and provide golf course and recreational facilities and to act as hotelier and hotel marketing agent	-	-	99.22	40.15 [6]
PRB (L) Ltd (4),(7) Malaysia	Investment holding and treasury management	-	-	100.00	-
Palm Resort Management Pte Ltd (Note 40(b)(i)) Singapore	Dormant	-	-	99.22	40.15 [6]
Palm Villa Sdn Bhd (1), (Note 40(b)(i)) Malaysia	Dormant	-	-	99.22	40.15 [6]
Sankei Pte Ltd Singapore	Dormant	-	-	100.00	100.00
		1,286,322	1,269,610		

* The cost of investment is below $1,000.

Notes:
The above subsidiaries are audited by Moore Stephens LLP, Singapore except for subsidiaries that are indicated below:

(1) Audited by member firms of Moore Stephens International Limited of which Moore Stephens LLP, Singapore is a member.

(2) No statutory audit is required by law in its country of incorporation.

(3) No statutory audit is required as the subsidiary was or is in the process of liquidation.

(4) No statutory audit is required as the subsidiary is newly incorporated/inactive.

42 Subsidiaries (cont'd)

(5) Audited by other firms of accountants as follows:
- (a) CA Practice PAC and YM Kew & Co for financial years 2013 and 2012 respectively.
- (b) BDO Tanubrata Sutanto Fahmi & Rekan.
- (c) Zhonghua Certified Public Accountants LLP and Shanghai Zhonghua Certified Public Accountants for financial years 2013 and 2012 respectively.
- (d) Hendrawinata Eddy & Siddharta.
- (e) Leung Siu Wo & Co.
- (f) TCL & Company, Certified Public Accountants (Practising).

(6) These subsidiaries are held by non-wholly owned intermediate holding companies. The intermediate holding companies have the power to govern the financial and operating policies of these companies.

(7) During the financial year 2013, the following subsidiaries have been incorporated:

Subsidiaries	Initial issued and paid up capital
CLOF (Holbrook House) Jersey Nominee A Limited	2 ordinary shares of GBP1 each
CLOF (Holbrook House) Jersey Nominee B Limited	2 ordinary shares of GBP1 each
PRB (L) Ltd	1 share of US$1
PT Bumi Megah Graha Asri	30,000 shares of IDR1 million each
PT Bumi Wisesa Jaya	12,500 shares of IDR1,000 each
PT Duta Mitra Mas	12,500 shares of IDR1,000 each
PT Duta Usaha Sentosa	12,500 shares of IDR1,000 each
PT Garwita Sentra Utama	12,500 shares of IDR1,000 each
PT Pastika Candra Pertiwi	12,500 shares of IDR1,000 each
PT Putra Tirta Wisata	100 million shares of IDR500 each
PT Sentra Selaras Lestari	12,500 shares of IDR1,000 each
PT Sinar Pertiwi Megah	12,500 shares of IDR1,000 each
PT Transbsd Balaraja	500 shares of IDR1 million each
SML Brook England (HK) Limited	1 ordinary share of HKD1
SML Brook Partners Pte Limited	2 ordinary shares of no-par value
SML Jersey Brook Pte Limited	2 ordinary shares of no-par value
SML Jersey Properties Pte Limited	2 ordinary shares of no-par value

(8) During the financial year 2013, PT Bumi Serpong Damai Tbk, transferred its 80% interest in Sinarmas Land (HK) Limited ("SMLHK") to Sittingham Assets Limited at a consideration of HKD8. Following this transaction, the Group's effective interest in SMLHK increased from 59.89% to 100%.

43 Associated Companies

Name of company and country of incorporation	Principal activities	The Group Cost of investment 2013 S$'000	2012 S$'000	Effective percentage of equity held by the Group 2013 %	2012 %
PT AMSL Delta Mas ("ADM") (2b),(6) Indonesia	Property development	10,417	-	16.46 [4]	-
PT AMSL Indonesia ("AMSL") (2b),(7) Indonesia	Property development	24,723	24,723	16.46 [4]	16.46 [4]
PT Citraagung Tirtajatim (1) Indonesia	Property development	2,146	3,206	17.66 [4]	17.66 [4]
PT Duta Karya Propertindo (3) Indonesia	Property management	47	47	22.08	22.08
PT Harapan Anang Bakri & Sons (1) Indonesia	Industrial estate development	879	879	37.12	37.12
PT Maligi Permata Industrial Estate (1) Indonesia	Industrial estate development	4,809	4,809	42.19	42.19
PT Matra Olahcipta (1) Indonesia	Property development	3,080	3,340	22.08	22.08
PT Pembangunan Deltamas (2a) Indonesia	Property and real estate development	31,057	31,057	49.40	49.40
PT Phinisindo Zamrud Nusantara (1) Indonesia	Property development	434	434	22.08	22.08
PT Plaza Indonesia Realty Tbk ("PIR") (2b),(5) Indonesia	Property development and hotel owner	199,176	132,388	26.03	21.93
PT Puradelta Lestari Tbk (2a) Indonesia	Property and real estate development	361,474	361,474	49.40	49.40
PT Serasi Niaga Sakti (1) Indonesia	Real estate development	4,202	4,202	42.19	42.19
		642,444	566,559		

43 Associated Companies (cont'd)

Notes:

(1) Audited by member firms of Moore Stephens International Limited of which Moore Stephens LLP, Singapore is a member.

(2) Audited by other firms of accountants as follows:
(a) Moore Stephens, Jakarta, except for the financial year 2012 which was audited by other firm of accountants, Hendrawinata Eddy dan Siddharta.
(b) Osman Bing Satrio & Eny and Osman Bing Satrio & Rekan for the financial year 2013 and 2012 respectively.

(3) No statutory audit is required as the company is inactive/newly incorporated.

(4) These companies are held by non-wholly owned intermediate holding companies. The intermediate holding companies are able to exercise significant influence on its financial and operating policies.

(5) During the financial year 2013, the Group through its subsidiary, acquired an aggregate of 292,082,500 shares of par value IDR200 each, representing 8.23% equity interest in PIR, for a total cash consideration of IDR555.4 billion (equivalent to $66,788,000). Following these acquisitions, the Group's effective equity interest in PIR increased from 21.93% to 26.03%.

During the financial year 2012, the Group through its subsidiary, acquired 297,215,000 shares, representing 8.37% equity interest in PIR for a total cash consideration of IDR485.9 billion (equivalent to $68,135,000). Following the acquisition, the Group's effective equity interest in PIR increased from 14.87% to 21.93%.

(6) During the financial year 2013, the Group through its subsidiary, subscribed for 82,500 shares of IDR971,300 each, representing 33% equity interest in ADM. Total investment amounted to IDR80.1 billion (equivalent to $10,417,000).

(7) During the financial year 2012, the Group through its subsidiary, subscribed for 198,000 shares of IDR962,800 each fully paid, representing 33% of the shareholding in AMSL. Total investment amounted to IDR190.2 billion (equivalent to $24,723,000).

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