



UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

| | Notes | Group | | |
|--|-------|--------------------------------|----------------------|---------|
| | | For the year ended 31 December | | |
| | | 2005 | 2004 | + / (-) |
| | | \$'000 | \$'000 (restated) | % |
| Revenue | A | 505,482 | 461,203 | 10 |
| Cost of sales | | (258,609) | (227,534) | 14 |
| Gross profit | | 246,873 | 233,669 | 6 |
| Other gains | | | | |
| - Miscellaneous | B | 25,884 | 15,036 | 72 |
| - Finance income | C | 13,674 | 3,386 | 304 |
| - Exceptional items | D | 494 | 357,347 | (100) |
| Expenses | | | | |
| - Marketing and distribution | | (19,339) | (19,202) | 1 |
| - Administrative | | (32,445) | (30,979) | 5 |
| - Finance | E | (26,694) | (22,441) | 19 |
| - Other operating | | (57,411) | (53,468) | 7 |
| Share of results of associated companies | | (1,201) | 2,278 | (153) |
| Profit before income tax | F | 149,835 | 485,626 | (69) |
| Income tax expense | G | (29,986) | (86,581) | (65) |
| Profit from continuing operations and total profit | | 119,849 | 399,045 | (70) |
| <u>Attributable to:</u> | | | | |
| Equity holders of the Company | | 100,070 | 381,618 | (74) |
| Minority interests | | 19,779 | 17,427 | 13 |
| | | 119,849 | 399,045 | (70) |

1(a)(ii) Notes to the Income Statement

| | Group | | |
|---|--------------------------------|----------------------|---------|
| | For the year ended 31 December | | |
| | 2005 | 2004 | + / (-) |
| | \$'000 | \$'000 (restated) | % |
| A Revenue | | | |
| Revenue from property development | 104,411 | 69,590 | 50 |
| Revenue from property investments | 95,138 | 102,945 | (8) |
| Gross revenue from hotel operations | 259,576 | 231,854 | 12 |
| Revenue from trading, retail operations and management services | 11,431 | 12,473 | (8) |
| Dividend income | 34,926 | 44,341 | (21) |
| | 505,482 | 461,203 | 10 |
| B Other miscellaneous gains | | | |
| Deferred income recognised | 3,329 | 8,443 | (61) |
| Gain on option relating to Exchangeable Notes | 15,908 | - | n.m. |
| Other income | 6,647 | 6,593 | 1 |
| | 25,884 | 15,036 | 72 |
| C Finance income | | | |
| Interest income | 10,082 | 3,386 | 198 |
| Foreign exchange gain (net) | 3,592 | - | n.m. |
| | 13,674 | 3,386 | 304 |
| D Exceptional items | | | |
| Fair value reserve transferred to income statement upon return of capital from investee company | 60 | - | n.m. |
| Allowance for diminution in value of available-for-sale financial assets | - | (60) | 100 |
| Gain on liquidation of subsidiaries | 392 | - | n.m. |
| Loss on liquidation of subsidiaries | (13) | - | n.m. |
| Gain on disposal of subsidiaries | - | 136 | (100) |
| Gain on sale of available-for-sale financial assets | | | |
| - unlisted equity shares | 55 | - | n.m. |
| - listed equity shares | - | 355,184 | (100) |
| Write-back of impairment charge on a hotel property | - | 7,460 | (100) |
| Impairment charge on a hotel property | - | (5,373) | 100 |
| | 494 | 357,347 | (100) |
| E Finance expense | | | |
| Interest expense | 13,827 | 15,157 | (9) |
| Amortisation of bond discount | 12,867 | 7,067 | 82 |
| Foreign exchange loss (net) | - | 217 | (100) |
| | 26,694 | 22,441 | 19 |
| F Profit before income tax | | | |
| Profit before income tax is stated after charging : | | | |
| Depreciation and amortisation | 35,380 | 33,364 | 6 |

1(a)(ii) Notes to the Income Statement (continued)

| | Group | | |
|--|--------------------------------|----------------------|---------|
| | For the year ended 31 December | | |
| | 2005 | 2004 | + / (-) |
| | \$'000 | \$'000 (restated) | % |
| G <u>Income tax expense</u> | | | |
| Tax expense attributable to profit is made up of: | | | |
| Current income tax | | | |
| - Singapore | 22,226 | 92,181 | (76) |
| - Foreign | 2,657 | 1,431 | 86 |
| Deferred income tax | 6,373 | 2,336 | 173 |
| | 31,256 | 95,948 | (67) |
| Deferred tax assets previously not recognised | (1,774) | (6,500) | (73) |
| Effect of change in tax rate on deferred taxation | - | (2,133) | (100) |
| | 29,482 | 87,315 | (66) |
| Under/ (over) provision in preceding financial years | | | |
| - Singapore current income tax | 348 | (2,707) | 113 |
| - Deferred income tax | 156 | 1,973 | (92) |
| | 29,986 | 86,581 | (65) |

n.m. : Not meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

| | The Group | | The Company | |
|--|------------------|----------------------|------------------|----------------------|
| | 31.12.05 | 31.12.04 | 31.12.05 | 31.12.04 |
| | \$'000 | \$'000 (restated) | \$'000 | \$'000 (restated) |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and bank balances | 104,503 | 727,906 | 1,502 | 632,962 |
| Trade and other receivables | 29,348 | 27,371 | 2,184 | 1,337 |
| Developed properties for sale | - | 3,733 | - | - |
| Properties for sale under development | 248,531 | 144,049 | - | - |
| Inventories | 5,132 | 4,581 | - | - |
| Available-for-sale financial assets | 400,968 | 81,881 | 400,968 | 81,881 |
| Other current assets | 18,972 | 11,432 | 298 | 165 |
| Current income tax assets | 1,448 | 1,963 | - | - |
| | 808,902 | 1,002,916 | 404,952 | 716,345 |
| Non-current assets | | | | |
| Trade and other receivables | 83,084 | 13,229 | 323,787 | 234,516 |
| Available-for-sale financial assets | 410,639 | 296,309 | 83,623 | 48,811 |
| Associated companies | 32,307 | 34,009 | 1,000 | 400 |
| Subsidiaries | - | - | 844,205 | 803,817 |
| Investment properties | 1,545,193 | 1,500,945 | 224,236 | 209,522 |
| Property, plant and equipment | 616,390 | 610,540 | 1,227 | 1,371 |
| Intangibles | 14,516 | 13,491 | - | - |
| Deferred income tax assets | 9,154 | 6,652 | - | - |
| | 2,711,283 | 2,475,175 | 1,478,078 | 1,298,437 |
| Total assets | 3,520,185 | 3,478,091 | 1,883,030 | 2,014,782 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | 86,003 | 85,624 | 5,901 | 6,271 |
| Current income tax liabilities | 100,778 | 94,761 | 79,530 | 77,543 |
| Bank overdrafts | 799 | 25 | - | - |
| Bank loans | 68,439 | 304,568 | 4,000 | - |
| Zero Coupon Exchangeable Notes due September 2005 | - | 484,849 | - | 484,849 |
| Derivative - option sold | - | 15,908 | - | 15,908 |
| | 256,019 | 985,735 | 89,431 | 584,571 |
| Non-current liabilities | | | | |
| Bank loans | 518,504 | 266,432 | - | - |
| Loans from subsidiaries | - | - | 200,130 | 217,629 |
| Loans from minority shareholders of subsidiaries | 14,560 | 4,669 | - | - |
| Rental deposits | 12,628 | 12,460 | 1,309 | 1,301 |
| Provision for retirement benefits | 2,959 | 2,621 | 718 | 652 |
| Deferred liability | - | 3,268 | - | - |
| Deferred income tax liabilities | 119,079 | 57,741 | 65,630 | 11,385 |
| | 667,730 | 347,191 | 267,787 | 230,967 |
| Total liabilities | 923,749 | 1,332,926 | 357,218 | 815,538 |
| NET ASSETS | 2,596,436 | 2,145,165 | 1,525,812 | 1,199,244 |
| Capital & reserves attributable to the Company's equity holders | | | | |
| Share capital | 793,232 | 793,055 | 793,232 | 793,055 |
| Share premium | 275,032 | 274,856 | 275,032 | 274,856 |
| Reserves | 662,567 | 269,763 | 359,900 | 64,194 |
| Retained earnings | 633,368 | 580,024 | 97,648 | 67,139 |
| | 2,364,199 | 1,917,698 | 1,525,812 | 1,199,244 |
| Minority interests | 232,237 | 227,467 | - | - |
| Total equity | 2,596,436 | 2,145,165 | 1,525,812 | 1,199,244 |

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

| | As At 31.12.05 | | As At 31.12.04 | |
|---|----------------|-----------|----------------|-----------|
| | Secured | Unsecured | Secured | Unsecured |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Amount repayable in one year or less, or on demand | 55,198 | 14,040 | 294,840 | 494,678 |
| Amount repayable after one year | 447,823 | 86,223 | 138,250 | 133,362 |

Details of any collateral

The borrowings are secured by mortgages on the borrowing subsidiaries' investment properties, hotel properties, development properties for sale and/or assignment of all rights and benefits with respect to the properties.

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

Consolidated Cash Flow Statement for the year ended 31 December

| | Notes | Group | |
|--|-------|------------------|------------------------------|
| | | 2005 \$'000 | 2004 \$'000 (restated) |
| Cash flows from operating activities | | | |
| Total profit | | 119,849 | 399,045 |
| Adjustments for: | | | |
| Non-cash items | | 24,446 | 25,854 |
| Income tax expense | | 29,986 | 86,581 |
| Property, plant and equipment written off and net loss on disposals | | 7,254 | 5,320 |
| Profit on properties for sale under development | | (23,553) | (13,700) |
| Interest expense | | 13,827 | 15,157 |
| Investment and interest income | | (45,008) | (47,727) |
| Gain on sale of available-for-sale financial assets | | (55) | (355,184) |
| Operating cash flow before working capital changes | | 126,746 | 115,346 |
| Change in operating assets and liabilities, net of effects from purchase and disposals of subsidiaries | | | |
| Receivables | | (1,391) | 39,178 |
| Inventories | | (551) | (122) |
| Rental deposits | | 210 | (1,400) |
| Payables | | 3,205 | (5,720) |
| | | 1,473 | 31,936 |
| Expenditure on properties for sale under development | (i) | (124,407) | (87,432) |
| Progress billings | | 49,386 | 99,107 |
| Cash generated from operations | | 53,198 | 158,957 |
| Income tax paid | | (11,821) | (13,721) |
| Retirement benefits paid | | (134) | (433) |
| Fixed deposits pledged as security | | 1,226 | 198 |
| Net cash from operating activities | | 42,469 | 145,001 |
| Cash flows from investing activities | | | |
| Proceeds from return of capital from available-for-sale financial assets | | 281 | 8,225 |
| Net proceeds from disposal of available-for-sale financial assets | | 716 | 449,420 |
| Payment for interest in associated companies | | (621) | (4,880) |
| Loans to associated companies | (ii) | (77,683) | (4,614) |
| Payment to minority shareholders for purchase of shares in subsidiaries | | (22,002) | (1,042) |
| Purchase of available-for-sale financial assets | | (15,453) | (19) |
| Net proceeds from disposal of property, plant and equipment and investment properties | | 351 | 553 |
| Purchase of property, plant and equipment and investment properties | (iii) | (53,187) | (22,857) |
| Proceeds from disposal of subsidiaries, net of cash disposed | | - | 1,697 |
| Repayment of loan from associated company | | 320 | - |
| Retention monies released | | (2,785) | (1,596) |
| Interest received | | 10,413 | 3,452 |
| Dividend received | | 29,278 | 41,382 |
| Net cash (used in)/ from investing activities | | (130,372) | 469,721 |
| Cash flows from financing activities | | | |
| Proceeds from issue of shares | | 353 | 121,925 |
| Net proceeds from issue of shares to minority shareholders of subsidiaries | | 2,932 | 394 |
| Net (payment on)/ proceeds from Zero Coupon Exchangeable Notes due Sep 2005 | (iv) | (497,716) | 500,369 |
| Loans from minority shareholders of subsidiaries | | 9,868 | 4,669 |
| Expenditure relating to bank borrowings | | (633) | (563) |
| Net borrowings | | 15,616 | (284,552) |
| Interest paid | | (15,140) | (16,755) |
| Dividends paid | | (50,328) | (321,400) |
| Net cash (used in)/ from financing activities | | (535,048) | 4,087 |
| Net (decrease)/ increase in cash and cash equivalents | | (622,951) | 618,809 |
| Cash and cash equivalents at the beginning of the financial year | | 723,586 | 104,777 |
| Cash and cash equivalents at the end of the financial year | (v) | 100,635 | 723,586 |

Notes to the Consolidated Cash Flow Statement

i. Expenditure on properties for sale under development

The expenditure for the year includes the costs incurred for the purchase of Kim Tian Plaza, a freehold property at Kim Tian Road and Eng Cheong Towers, a leasehold property at North Bridge Road.

ii. Loans to associated companies

This relates to proportionate shareholders' loans granted to associated companies for financing their development projects.

iii. Purchase of property, plant and equipment and investment properties

The expenditure for property, plant and equipment relates mainly to costs incurred for the conversion of the UOB Building, Xiamen, China into a 5-star hotel known as the Sofitel Plaza Xiamen, the re-development of the UOL Building at Somerset Road into a serviced apartment-cum-office, upgrading works to the food and beverage outlets of the Plaza Parkroyal Hotel and air-conditioning works to the Sheraton Perth Hotel.

iv. Zero Coupon Exchangeable Notes due September 2005

The \$506,220,000 zero coupon exchangeable notes ("Notes") were redeemed on the maturity of the Notes on 22 September 2005 at 98.32% of their principal amount.

v. Cash and cash equivalents

For the purposes of the consolidated cash flow statement, the consolidated cash and cash equivalents comprise the following :

| | <u>The Group</u> | |
|--|------------------|----------------|
| | <u>2005</u> | <u>2004</u> |
| | \$'000 | \$'000 |
| Fixed deposits with financial institutions | 85,386 | 708,408 |
| Cash at bank and on hand | 19,117 | 19,498 |
| | <hr/> | <hr/> |
| Cash and bank balances per balance sheet | 104,503 | 727,906 |
| Fixed deposits pledged as security | (3,069) | (4,295) |
| Bank overdrafts | (799) | (25) |
| | <hr/> | <hr/> |
| Cash and cash equivalents per consolidated cash flow statement | <u>100,635</u> | <u>723,586</u> |

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

Group Statement of Changes in Equity for the year ended 31 December 2005

| | <u>Share Capital</u> | <u>Share Premium</u> | <u>Reserves</u> | <u>Retained Earnings</u> | <u>Minority Interests</u> | <u>Total Equity</u> |
|--|--------------------------|--------------------------|-----------------|------------------------------|-------------------------------|-------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>The Group</u> | | | | | | |
| Balance at 1 January 2005 | | | | | | |
| As previously reported | 793,055 | 274,856 | 269,411 | 580,346 | 227,497 | 2,145,165 |
| Effect of changes in accounting policies adjusted retrospectively | | | | | | |
| - FRS 102 | - | - | 352 | (322) | (30) | - |
| | 793,055 | 274,856 | 269,763 | 580,024 | 227,467 | 2,145,165 |
| Effect of changes in accounting policies adjusted prospectively | | | | | | |
| - FRS 39 (Revised 2004) | - | - | 273,457 | - | 1,246 | 274,703 |
| - FRS 103 | - | - | - | 857 | 268 | 1,125 |
| As restated | 793,055 | 274,856 | 543,220 | 580,881 | 228,981 | 2,420,993 |
| Fair value gains on available-for-sale financial assets | - | - | 83,069 | - | 347 | 83,416 |
| Revaluation surplus on investment properties | - | - | 40,210 | - | 4,432 | 44,642 |
| Currency translation differences | - | - | (4,771) | - | 1,016 | (3,755) |
| Net gains recognised directly in equity | - | - | 118,508 | - | 5,795 | 124,303 |
| Net profit for the financial year | - | - | - | 100,070 | 19,779 | 119,849 |
| Total recognised gains for the financial year | - | - | 118,508 | 100,070 | 25,574 | 244,152 |
| Employee share option scheme | | | | | | |
| - value of employee services | - | - | 865 | - | - | 865 |
| - proceeds from shares issued | 177 | 176 | - | - | - | 353 |
| Dividends relating to 2004 and 2005 | - | - | - | (47,583) | (2,745) | (50,328) |
| Acquisition of minority interest | - | - | - | - | (19,573) | (19,573) |
| Liquidation of a subsidiary | - | - | (26) | - | - | (26) |
| Balance at 31 December 2005 | 793,232 | 275,032 | 662,567 | 633,368 | 232,237 | 2,596,436 |

1(d)(i) Group Statement of Changes in Equity for the year ended 31 December 2004 (restated)

| | <u>Share Capital</u> | <u>Share Premium</u> | <u>Reserves</u> | <u>Retained Earnings</u> | <u>Minority Interests</u> | <u>Total Equity</u> |
|--|--------------------------|--------------------------|-----------------|------------------------------|-------------------------------|-------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>The Group</u> | | | | | | |
| Balance at 1 January 2004 | 696,741 | 225,586 | 330,809 | 517,375 | 226,059 | 1,996,570 |
| Revaluation deficit on investment properties | - | - | (33,423) | - | (9,946) | (43,369) |
| Effect of change in tax rate | - | - | 2,886 | - | - | 2,886 |
| Currency translation differences | - | - | (6,797) | - | (1,785) | (8,582) |
| Net losses recognised directly in equity | - | - | (37,334) | - | (11,731) | (49,065) |
| Net profit for the financial year | | | | | | |
| As previously reported | - | - | - | 381,940 | 17,457 | 399,397 |
| Effect of changes in accounting policies adjusted retrospectively | | | | | | |
| - FRS 102 | - | - | - | (322) | (30) | (352) |
| As restated | - | - | - | 381,618 | 17,427 | 399,045 |
| Total recognised gains and losses for the financial year | - | - | (37,334) | 381,618 | 5,696 | 349,980 |
| Employee share option scheme | | | | | | |
| - value of employee services | - | - | 352 | - | - | 352 |
| - proceeds from shares issued | 2,851 | 2,245 | - | - | - | 5,096 |
| Dividends relating to 2003 and 2004 | - | - | - | (319,374) | (2,026) | (321,400) |
| Proceeds from exercise of Warrants 2004 | 93,463 | 23,366 | - | - | - | 116,829 |
| Transfer from capital reserve on exercise of Warrants 2004 | - | 23,659 | (24,064) | 405 | - | - |
| Disposal of subsidiaries | - | - | - | - | (1,174) | (1,174) |
| Acquisition of minority interest | - | - | - | - | (1,088) | (1,088) |
| Balance at 31 December 2004 | 793,055 | 274,856 | 269,763 | 580,024 | 227,467 | 2,145,165 |

1(d)(i) Company Statement of Changes in Equity for the year ended 31 December 2005

| | <u>Share Capital</u> | <u>Share Premium</u> | <u>Reserves</u> | <u>Retained Earnings</u> | <u>Total</u> |
|--|--------------------------|--------------------------|-----------------|------------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>The Company</u> | | | | | |
| Balance at 1 January 2005 | | | | | |
| As previously reported | 793,055 | 274,856 | 63,842 | 67,364 | 1,199,117 |
| Effect of changes in accounting policies adjusted retrospectively - FRS 102 | - | - | 352 | (225) | 127 |
| | 793,055 | 274,856 | 64,194 | 67,139 | 1,199,244 |
| Effect of changes in accounting policies adjusted prospectively - FRS 39 (Revised 2004) | - | - | 244,785 | - | 244,785 |
| As restated | 793,055 | 274,856 | 308,979 | 67,139 | 1,444,029 |
| Fair value gains on available-for-sale financial assets | - | - | 32,934 | - | 32,934 |
| Revaluation surplus on investment properties | - | - | 17,122 | - | 17,122 |
| Net gains recognised directly in equity | - | - | 50,056 | - | 50,056 |
| Net profit for the financial year | - | - | - | 78,092 | 78,092 |
| Total recognised gains for the financial year | - | - | 50,056 | 78,092 | 128,148 |
| Employee share option scheme | | | | | |
| - value of employee services | - | - | 865 | - | 865 |
| - proceeds from shares issued | 177 | 176 | - | - | 353 |
| Dividends relating to 2004 | - | - | - | (47,583) | (47,583) |
| Balance at 31 December 2005 | 793,232 | 275,032 | 359,900 | 97,648 | 1,525,812 |

Company Statement of Changes in Equity for the year ended 31 December 2004 (restated)

| | <u>Share Capital</u> | <u>Share Premium</u> | <u>Reserves</u> | <u>Retained Earnings</u> | <u>Total</u> |
|--|--------------------------|--------------------------|-----------------|------------------------------|--------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| <u>The Company</u> | | | | | |
| Balance at 1 January 2004 | 696,741 | 225,586 | 83,652 | 58,807 | 1,064,786 |
| Revaluation surplus on investment properties | - | - | 2,568 | - | 2,568 |
| Effect of change in tax rate | - | - | 1,686 | - | 1,686 |
| Net gains recognised directly in equity | - | - | 4,254 | - | 4,254 |
| Net profit for the financial year | | | | | |
| As previously reported | - | - | - | 327,526 | 327,526 |
| Effect of changes in accounting policies adjusted retrospectively - FRS 102 | - | - | - | (225) | (225) |
| As restated | - | - | - | 327,301 | 327,301 |
| Total recognised gains for the financial year | - | - | 4,254 | 327,301 | 331,555 |
| Employee share option scheme | | | | | |
| - value of employee services | - | - | 352 | - | 352 |
| - proceeds from shares issued | 2,851 | 2,245 | - | - | 5,096 |
| Dividends relating to 2003 and 2004 | - | - | - | (319,374) | (319,374) |
| Proceeds from exercise of Warrants 2004 | 93,463 | 23,366 | - | - | 116,829 |
| Transfer from capital reserve on exercise of Warrants 2004 | - | 23,659 | (24,064) | 405 | - |
| Balance at 31 December 2004 | 793,055 | 274,856 | 64,194 | 67,139 | 1,199,244 |

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the financial year, the issued share capital was increased as follows:

| | |
|--|--------------------|
| | \$ |
| Issued capital as at 1 January 2005 | 793,055,154 |
| Issue of ordinary shares of S\$1.00 each arising from the exercise of: | |
| 2001 Options granted under the UOL 2000 Share Option Scheme | 20,000 |
| 2002 Options granted under the UOL 2000 Share Option Scheme | 44,000 |
| 2003 Options granted under the UOL 2000 Share Option Scheme | 68,000 |
| 2004 Options granted under the UOL 2000 Share Option Scheme | 45,000 |
| | <hr/> |
| Issued capital as at 31 December 2005 | <u>793,232,154</u> |

The following number of ordinary shares of \$1.00 each would be issued upon the exercise of the subscription rights in full by holders of the:

| | <u>31.12.05</u> | <u>31.12.04</u> |
|---|------------------|------------------|
| Options granted under the UOL 2000 Share Option Scheme : | | |
| - 2001 Options during the option period from 31 May 2002 to 30 May 2011 at the offer price of \$1.58 per share | - | 20,000 |
| - 2002 Options during the option period from 27 June 2003 to 26 June 2012 at the offer price of \$1.81 per share | 84,000 | 146,000 |
| - 2003 Options during the option period from 27 June 2004 to 26 June 2013 at the offer price of \$2.05 per share | 354,000 | 440,000 |
| - 2004 Options during the option period from 21 May 2005 to 20 May 2014 at the exercise price of \$2.28 per share | 1,071,000 | 1,256,000 |
| - 2005 Options during the option period from 09 May 2006 to 08 May 2015 at the exercise price of \$2.23 per share | 1,312,000 | - |
| | <hr/> | <hr/> |
| | <u>2,821,000</u> | <u>1,862,000</u> |

2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have neither been audited nor reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the year ended 31 December 2004.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change

In 2005, the Group and the Company adopted the new and revised Financial Reporting Standards ("FRS") issued by the Council on Corporate Disclosure and Governance. Arising from the adoption of these FRS, 2004 comparatives have been amended, where required, in accordance with the relevant transitional provisions in the respective FRS.

A brief description of those FRS which have an impact on the financial statements of the Company and of the Group have been set out in the first quarter 2005 financial result announcement.

The adoption of these FRS did not have a material effect on the operating results for the year ended 31 December 2005.

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

| | Group | |
|--|-------------|-------------|
| | 2005 | 2004 |
| Earnings per ordinary share for the financial year ended 31 December | | (restated) |
| (i) Based on weighted average number of ordinary shares in issue | Cents 12.62 | Cents 50.65 |
| (ii) On a fully diluted basis | Cents 12.62 | Cents 50.64 |

Earnings per share is calculated by reference to the weighted average number of ordinary shares in issue during the period.

For the purposes of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees and warrants issued, where such shares would have been issued at a price lower than market value.

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

| | Group | | Company | |
|---|----------|----------|----------|----------|
| | 31.12.05 | 31.12.04 | 31.12.05 | 31.12.04 |
| Net asset value per ordinary share | \$2.98 | \$2.42 | \$1.92 | \$1.51 |
| Net tangible asset backing per ordinary share | \$2.96 | \$2.40 | \$1.92 | \$1.51 |

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Group revenue increased by S\$44.3 million or 10% to S\$505.5 million in 2005 from S\$461.2 million in 2004. The increase in revenue came largely from property developments with the progressive recognition of revenues from the sale of units in Twin Regency in Kim Tian Road and the Newton Suites in Newton Road. Revenue from the Group's hotels in Singapore, Australia, Vietnam and Malaysia was also higher. Revenue from property investment was however lower as the UOL Building along Somerset Road, Singapore has been closed since April 2005 for redevelopment works. The UOB Building in Xiamen, China, which closed in September 2004 for conversion works, was only re-opened in late July 2005 as the Sofitel Plaza Xiamen Hotel. There was also lower revenue from trading operations in 2005 following the divestment of some of the Group's trading entities in May 2004. Dividend income from investments declined following the sale of 32.8 million ordinary shares in United Overseas Bank Limited ("UOB") in November 2004. Included in miscellaneous gains is the one-off gain on option of S\$15.9 million pertaining to the S\$506.22 million Zero Coupon Exchangeable Notes ("Notes"). Finance income has benefited from higher interest income and foreign exchange gain of S\$3.6 million.

Finance costs was higher as a result of the amortisation of bond discount of S\$12.9 million relating to the Notes. The results of the associated companies were affected by the closure of the 25%-owned Marina Mandarin Hotel from mid-May 2005 to early September 2005 for major refurbishment works.

The Group's pre-tax profit in 2005 was S\$149.8 million, a decline of S\$335.8 million or 69% from the pre-tax profit of S\$485.6 million in 2004. Included in the 2004 results was the exceptional gain of S\$355.2 million from the sale of the 32.8 million UOB shares and if this exceptional gain were to be excluded, the Group's pre-tax profit of S\$149.8 million would have represented a 15% increase over the comparable profit of S\$130.4 million in 2004. In 2005, the Group benefited from higher income from property developments, better performance by the hotel operations, the one-off gain on option of S\$15.9 million pertaining to the Notes and higher interest income.

The Group's profit after tax and minority interest in 2005 was S\$100.1 million, a decline of S\$281.5 million or 74% from the profit of S\$381.6 million in 2004. Excluding the net exceptional gain from the sale of the UOB shares, the Group's profit after tax and minority interest of S\$100.1 million would have represented a 3% increase over the comparable profit of S\$97.5 million in 2004.

Based on the latest independent valuation of the Group's investment properties by professional valuers, the Group's Asset Revaluation Reserve increased from S\$195.2 million at end 2004 to S\$234.7 million at end 2005. With the inclusion of the Fair Value Reserve amounting to S\$356.5 million following the adoption of new accounting standards effected in 2005, the shareholders' funds of the Group increased from S\$1.92 billion as at 31 December 2004 to S\$2.36 billion as at 31 December 2005. Consequently, the net tangible asset per ordinary share of the Group increased from S\$2.40 as at 31 December 2004 to S\$ 2.96 as at 31 December 2005. The Group's debt equity ratio increased marginally to 21% at 31 December 2005 from 17% as at 31 December 2004 owing to additional funding for the Group's development activities in Singapore.

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

Nil.

- 10 A commentary at the date of this announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The economic outlook for Singapore and the region remains positive. In Singapore, occupancy and rental rates for office and retail space should continue to benefit from continued economic growth and better business sentiment. The recovery in the private residential market is expected to continue, underpinned by the improving employment situation. The Group's hotels should benefit from high occupancy and/or improved average room rates except for those in Yangon and Suzhou.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend : First & Final
 Dividend Type : Cash
 Dividend Rate : 7.5 cents per ordinary share
 Par value of shares : \$1.00
 Tax Rate : Not applicable (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

| Name of dividend : | Special Interim | Special Interim | Final |
|-----------------------|--|--|---|
| Dividend Type : | Cash | Cash | Cash |
| Dividend Rate : | 25.5 cents per ordinary share less tax | 14.6 cents per ordinary share (one tier) | 6.0 cents per ordinary share (one-tier) |
| Par value of shares : | \$1.00 | \$1.00 | \$1.00 |
| Tax Rate : | 20.0% | Not applicable (one-tier) | Not applicable (one-tier) |

(c) Date payable

First & Final : Subject to shareholders' approval for payment of the First and Final Dividend, on 15 May 2006

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members will be closed from 02 May 2006 to 04 May 2006, both dates inclusive, for the preparation of dividend warrants. Duly completed transfers received by our Share Registrar, Lim Associates (Pte) Ltd, 10 Collyer Quay #19-08, Ocean Building, Singapore 049315, will be accepted for registration up to close of business at 5.00 pm on 28 April 2006 will be registered to determine entitlements to the above dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said final dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

12 If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

| (a) | <u>Group Revenue</u> | | <u>Group Profit</u> | |
|--|----------------------|-----------------|---------------------|-----------------|
| | <u>Year ended</u> | | <u>Year ended</u> | |
| | <u>31.12.05</u> | <u>31.12.04</u> | <u>31.12.05</u> | <u>31.12.04</u> |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| | | (restated) | | (restated) |
| <u>Business Segments</u> | | | | |
| Property development | 104,411 | 69,590 | 21,048 | 11,693 |
| Property investments | 95,138 | 102,945 | 62,126 | 61,189 |
| Hotel operations | 259,576 | 231,854 | 23,400 | 17,732 |
| Trading, retail operations and management services | 11,431 | 12,473 | 1,008 | (531) |
| Investments | 34,926 | 44,341 | 34,888 | 44,318 |
| | <u>505,482</u> | <u>461,203</u> | <u>142,470</u> | <u>134,401</u> |
| Other miscellaneous gains | | | 25,884 | 15,036 |
| Exceptional items | | | 494 | 357,347 |
| Unallocated expenses | | | (4,792) | (4,381) |
| | | | <u>164,056</u> | <u>502,403</u> |
| Finance income | | | 13,674 | 3,386 |
| Finance expense | | | (26,694) | (22,441) |
| Share of results of associated companies | | | (1,201) | 2,278 |
| Profit before income tax | | | <u>149,835</u> | <u>485,626</u> |
| Income tax expense | | | (29,986) | (86,581) |
| Total profit | | | <u>119,849</u> | <u>399,045</u> |

| (b) | <u>Group Revenue</u> | | <u>Group Profit</u> | |
|--|----------------------|-----------------|---------------------|-----------------|
| | <u>Year ended</u> | | <u>Year ended</u> | |
| | <u>31.12.05</u> | <u>31.12.04</u> | <u>31.12.05</u> | <u>31.12.04</u> |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| | | (restated) | | (restated) |
| <u>Geographical Segments</u> | | | | |
| Singapore | 315,443 | 286,718 | 140,687 | 479,049 |
| Australia | 88,746 | 81,548 | 14,654 | 13,204 |
| Vietnam | 26,844 | 22,828 | 6,296 | 6,118 |
| Malaysia | 33,075 | 29,676 | 4,214 | 2,111 |
| The People's Republic of China | 36,640 | 35,583 | (315) | 3,566 |
| Myanmar | 4,734 | 4,850 | (1,480) | (1,645) |
| | <u>505,482</u> | <u>461,203</u> | <u>164,056</u> | <u>502,403</u> |
| Finance income | | | 13,674 | 3,386 |
| Finance expense | | | (26,694) | (22,441) |
| Share of results of associated companies | | | (1,201) | 2,278 |
| Profit before income tax | | | <u>149,835</u> | <u>485,626</u> |
| Income tax expense | | | (29,986) | (86,581) |
| Total profit | | | <u>119,849</u> | <u>399,045</u> |

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8.

15 A breakdown of sales

| | Group | | |
|---|--------------------|----------------------|-------------------------|
| | For the year ended | | |
| | 31.12.05 | 31.12.04 | Increase/ (decrease) |
| | \$'000 | \$'000 (restated) | % |
| (a) Sales reported for first half year* | 233,827 | 237,492 | (2) |
| (b) Profit after tax before deducting minority interests reported for first half year | 58,372 | 56,086 | 4 |
| (a) Sales reported for second half year | 271,655 | 223,711 | 21 |
| (b) Profit after tax before deducting minority interests reported for second half year | 61,477 | 342,959 | (82) |

* restated to conform with presentation in full year's financial statements

16 A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

| | Latest Full Year | Previous Full Year |
|---------------------------|------------------|--------------------|
| | (\$'000) | (\$'000) |
| Special taxable dividend | - | 161,783 |
| Special one-tier dividend | - | 115,786 |
| Ordinary | 59,492 | 47,583 |
| | 59,492 | 325,152 |
| Preference | - | - |
| Total : | 59,492 | 325,152 |

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Company Secretary
18 February 2006