



**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 and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	Note	The Group		
		For the year ended 31 December		
		2012	2011	+ / (-)
		\$'000	(restated) \$'000	%
Revenue	A	1,145,777	1,960,234	(42)
Cost of sales		(636,284)	(1,208,318)	(47)
Gross profit		509,493	751,916	(32)
Other income				
- Finance income	B	11,112	2,768	301
- Miscellaneous income		12,669	13,089	(3)
Expenses				
- Marketing and distribution	C	(37,404)	(33,635)	11
- Administrative		(66,203)	(65,391)	1
- Finance	D	(33,090)	(39,233)	(16)
- Other operating	E	(70,630)	(67,172)	5
Share of profit of associated companies excluding fair value gains of associated companies' investment properties		114,114	165,928	(31)
Share of loss of joint venture companies		(364)	(500)	(27)
Profit before fair value and other gains/(losses) and income tax		439,697	727,770	(40)
Other losses	F	(24,995)	(19,731)	27
Fair value gains on associated companies' investment properties		107,548	8,694	1,137
Fair value gains on the Group's investment properties		442,097	187,222	136
Profit before income tax	G	964,347	903,955	7
Income tax expense	H	(44,163)	(102,076)	(57)
Net profit		920,184	801,879	15
<u>Attributable to:</u>				
Equity holders of the Company		807,675	678,572	19
Non-controlling interests		112,509	123,307	(9)
		920,184	801,879	15
The above net profit attributable to equity holders of the Company can be analysed as follows:				
Attributable profit before fair value and other gains/(losses)		361,238	535,127	(32)
Other losses		(21,465)	(15,341)	40
Fair value gains on investment properties including those of associated companies		467,902	158,786	195
Net attributable profit		807,675	678,572	19

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

	The Group		
	For the year ended 31 December		
	2012	2011	+ / (-)
	\$'000	\$'000	%
<b>A</b> <u>Revenue</u>			
Revenue from property development	560,022	1,393,773	(60)
Revenue from property investments	166,087	160,308	4
Gross revenue from hotel ownership and operations	377,721	360,038	5
Revenue from hotel and other management services	18,755	19,896	(6)
Dividend income from available-for-sale financial assets	23,192	26,219	(12)
	<b>1,145,777</b>	<b>1,960,234</b>	<b>(42)</b>
<b>B</b> <u>Finance income</u>			
Interest income	3,720	2,768	34
Currency exchange gains (net)	7,392	-	n.m.
	<b>11,112</b>	<b>2,768</b>	<b>301</b>
<b>C</b> <u>Marketing and distribution expense</u>			
Sales commissions	3,658	387	845
Showflat expenses	3,705	6,173	(40)
Advertising and promotion	18,074	16,497	10
Marketing and distribution payroll expenses	11,967	10,578	13
	<b>37,404</b>	<b>33,635</b>	<b>11</b>
<b>D</b> <u>Finance expense</u>			
Bank facility fees	1,665	3,832	(57)
Interest expense	31,425	33,586	(6)
Currency exchange losses (net)	-	1,815	(100)
	<b>33,090</b>	<b>39,233</b>	<b>(16)</b>
<b>E</b> <u>Other operating expense</u>			
Property and other taxes	18,129	17,065	6
Repairs, maintenance and security	8,637	8,674	(0)
Heat, light and power	23,635	21,957	8
Others	20,229	19,476	4
	<b>70,630</b>	<b>67,172</b>	<b>5</b>
<b>F</b> <u>Other gains/(losses)</u>			
Business acquisition costs <sup>1</sup>	-	(8,143)	(100)
Negative goodwill on acquisition of interests in an associated company	3,624	4,092	(11)
Impairment charge on property, plant and equipment <sup>2</sup>	(33,318)	(2,600)	1,181
Impairment charge on goodwill <sup>3</sup>	-	(13,080)	(100)
Gain on disposal of an available-for-sale financial asset	4,699	-	n.m.
	<b>(24,995)</b>	<b>(19,731)</b>	<b>27</b>

n.m. : not meaningful

<sup>1</sup> Business acquisition costs for 2011 comprised mainly stamp duty and legal fees incurred for the acquisition of PARKROYAL Melbourne Airport which were recognised in the income statement as the transaction was deemed a business combination under Financial Reporting Standard 103 Business Combinations.

<sup>2</sup> The impairment charge of \$33.3 million in 2012 was in respect of Pan Pacific Tianjin and PARKROYAL Melbourne Airport as their carrying values exceeded the fair values as appraised by professional valuers. The impairment charge of \$2.6 million in 2011 was in respect of PARKROYAL on Pickering.

<sup>3</sup> In 2011, the Group has assessed that the related goodwill on consolidation of \$13.1 million for the hotel in Suzhou was fully impaired.

1(a)(ii) Explanatory Notes to the Consolidated Income Statement (cont'd)

	The Group		
	For the year ended 31 December		
	2012	2011	+ / (-)
	\$'000	(restated) \$'000	%
<b>G</b> <u>Profit before income tax</u>			
Profit before income tax is stated after charging/(crediting):			
Depreciation and amortisation	47,910	45,112	6
Property, plant and equipment written off and net loss on disposals	4,139	550	653
Gain on sale of office space	(600)	-	n.m.
<b>H</b> <u>Income tax expense</u>			
Tax expense attributable to profit is made up of:			
- Profit from current financial year:			
Current income tax			
- Singapore	37,991	69,033	(45)
- Foreign	8,886	15,209	(42)
- Withholding tax paid	731	558	31
Deferred income tax	12,724	19,751	(36)
	60,332	104,551	(42)
- (Over)/under provision in preceding financial years:			
Current income tax			
- Singapore <sup>4</sup>	(16,819)	(2,079)	709
- Foreign	202	2	n.m.
Deferred income tax	448	(398)	(213)
	44,163	102,076	(57)
The tax expense on profit for the financial year differs from the amount that would arise using the Singapore standard rate of income tax due to the following:			
Profit before income tax	964,347	903,955	7
Share of profit of associated companies, net of tax	(221,662)	(174,622)	27
Share of loss of joint venture companies, net of tax	364	500	(27)
Profit before tax and share of (profit)/loss of associated companies and joint venture companies	743,049	729,833	2
Tax calculated at a tax rate of 17%	126,318	124,072	2
Effects of:			
- Singapore statutory stepped income exemption	(624)	(564)	11
- Different tax rates in other countries	697	4,647	(85)
- Income not subject to tax	(85,332)	(40,468)	111
- Expenses not deductible for tax purposes	17,448	12,908	35
- Utilisation of previously unrecognised tax losses	(2,750)	(845)	225
- Deferred tax assets not recognised in the current financial year	4,575	4,801	(5)
Tax charge	60,332	104,551	(42)

n.m. : not meaningful

<sup>4</sup> A reversal of tax provisions of \$15 million was made in 2012 following the resolution of certain tax issues with the Inland Revenue Authority of Singapore.

1(a)(iii) Consolidated Statement of Comprehensive Income

	Note	The Group		
		For the year ended 31 December		
		2012	2011	+ / (-)
		\$'000	(restated) \$'000	%
Net profit		920,184	801,879	15
Other comprehensive income/(loss):				
Fair value gains/(losses) on available-for-sale financial assets	A	164,730	(107,857)	253
Cash flow hedges:				
- Fair value (losses)/gains		(92)	3,549	(103)
- Transfer to income statement		(42)	(1,712)	(98)
Currency translation differences arising from consolidation of foreign operations	B	(20,604)	2,275	(1,006)
Share of other comprehensive (loss)/income of associated companies		(4,067)	4,586	(189)
Other comprehensive income/(loss), net of tax		139,925	(99,159)	241
Total comprehensive income		1,060,109	702,720	51
<u>Attributable to:</u>				
Equity holders of the Company		950,289	579,709	64
Non-controlling interests		109,820	123,011	(11)
		1,060,109	702,720	51

1(a)(iv) Explanatory Notes to the Consolidated Statement of Comprehensive Income

A Fair value gains/(losses) on available-for-sale financial assets

The quoted available-for-sale financial assets are stated at their fair values based on the quoted closing bid prices as at the reporting date. The increase in value for the financial year ended 31 December 2012 was due to the increase in the closing bid prices of the relevant quoted equity shares from the previous financial year.

B Currency translation differences arising from consolidation of foreign operations

The currency translation differences arose mainly from the translation of the net assets of the Group's foreign subsidiaries which are denominated in USD, AUD, RMB, MYR and VND.

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

Note	The Group			The Company		
	31.12.12	31.12.11	31.12.10	31.12.12	31.12.11	31.12.10
	\$'000	(restated) \$'000	(restated) \$'000	\$'000	(restated) \$'000	(restated) \$'000
<b>ASSETS</b>						
<b>Current assets</b>						
	260,061	297,358	313,169	11,092	6,515	1,727
A	202,526	126,247	215,691	88,408	243,732	254,866
	-	5,452	-	-	-	-
A	995,915	1,145,435	1,192,916	-	-	-
	783	1,110	1,622	-	-	-
	522,226	402,833	479,767	522,226	402,833	479,767
	12,045	23,258	45,695	1,286	774	315
	415	647	904	-	-	-
	1,993,971	2,002,340	2,249,764	623,012	653,854	736,675
<b>Non-current assets</b>						
B	148,691	73,150	1,906	928,021	970,364	685,866
	873	754	-	873	754	-
	283,484	220,565	246,972	89,270	64,778	66,184
	2,633,129	2,438,141	2,290,327	161,289	161,589	161,589
	-	-	-	-	-	-
	-	-	-	1,519,419	1,308,546	1,295,483
C	3,342,754	2,838,328	2,261,613	330,990	296,580	285,650
	1,130,024	1,090,066	980,523	1,627	983	843
	27,607	29,908	42,807	866	1,031	793
	3,789	4,338	3,651	27	-	298
	7,570,351	6,695,250	5,827,799	3,032,382	2,804,625	2,496,706
	9,564,322	8,697,590	8,077,563	3,655,394	3,458,479	3,233,381
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
	278,260	301,832	360,275	75,411	68,696	155,296
	-	-	2,213	-	-	1,756
	50,672	94,988	61,494	5,842	20,789	19,931
	-	43,364	18,990	-	-	-
	-	217	9	-	-	-
D	-	149,959	-	-	149,959	-
D	-	99,973	-	-	99,973	-
F	658,738	948,581	745,651	178,212	157,382	469,951
	331	343	-	-	-	-
	988,001	1,639,257	1,188,632	259,465	496,799	646,934
<b>Non-current liabilities</b>						
E	163,021	57,257	53,287	3,612	3,526	3,051
	4,419	4,582	-	-	-	-
F	951,652	772,299	1,128,939	199,639	199,439	149,849
	299,550	299,250	-	299,550	299,250	99,899
D	174,588	-	-	174,588	-	-
D	74,674	-	-	74,674	-	-
	-	-	149,849	-	-	-
	-	-	99,899	-	-	-
	162	-	-	162	-	-
	9,957	7,353	47,278	-	-	-
	2,942	2,758	2,539	-	-	-
	176,430	143,911	136,361	79,124	58,759	71,682
	1,857,395	1,287,410	1,618,152	831,349	560,974	324,481
	2,845,396	2,926,667	2,806,784	1,090,814	1,057,773	971,415
<b>NET ASSETS</b>						
	6,718,926	5,770,923	5,270,779	2,564,580	2,400,706	2,261,966
<b>Capital &amp; reserves attributable to equity holders of the Company</b>						
	1,046,954	1,040,694	1,051,898	1,046,954	1,040,694	1,051,898
	805,738	661,039	758,005	409,053	283,513	358,646
	4,289,920	3,582,240	3,041,935	1,108,573	1,076,499	851,422
	6,142,612	5,283,973	4,851,838	2,564,580	2,400,706	2,261,966
	576,314	486,950	418,941	-	-	-
	6,718,926	5,770,923	5,270,779	2,564,580	2,400,706	2,261,966
<b>Non-controlling interests</b>						
	-	-	-	-	-	-
<b>TOTAL EQUITY</b>						
	6,718,926	5,770,923	5,270,779	2,564,580	2,400,706	2,261,966

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (cont'd)

Explanatory Notes to the Statement of Financial Position

A Current Trade and other receivables/ Development properties

The increase in current Trade and other receivables was due mainly to the recognition of receivables for the balance of payments for development projects, Meadows@Peirce and Double Bay Residences upon their receipt of temporary occupation permits. The completion of these projects also resulted in a decrease in development properties from the balance as of 31 December 2011, which was offset partially by payments for the enbloc acquisition of St Patrick's Garden.

B Non-current Trade and other receivables

The increase in non-current Trade and other receivables was due mainly to loans to joint venture companies for the development of Archipelago and the acquisition of a land parcel at Bright Hill Drive.

C Investment properties

Investment properties are stated at valuation as determined by independent professional valuers at 31 December 2012. It is the practice of the Group to revalue its investment properties half yearly. The increase from 31 December 2011 was due mainly to fair value gains recognised and expenditure incurred for the construction of One Upper Pickering, OneKM and The Esplanade in Tianjin.

D 2.493% unsecured fixed rate notes due 2015/3.043% unsecured fixed rate notes due 2017  
3.34% unsecured fixed rate notes due 2012/Unsecured floating rate notes due 2012

The 3.34% unsecured fixed rate notes and unsecured floating rate notes which matured in May 2012 were redeemed with the proceeds from the issue of the 2.493% unsecured fixed rate notes due in 2015 and 3.043% unsecured fixed rate notes due in 2017.

E Non-current Trade and other payables

The increase in non-current Trade and other payables arose mainly from the upfront receipt of lease payments for the 30-year lease to Attorney-General's Chambers at One Upper Pickering.

F Bank loans

The decrease in current bank loans and increase in non-current banks loans was due mainly to the restructuring of some of the Group's bank loans from short term to long term. The decrease in the aggregate amount of bank loans was due mainly to loan repayments with proceeds from progressive billings from the sale of development properties.

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

	As at 31.12.12		As at 31.12.11	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less, or on demand	148,446	511,397	318,491	924,489
Amount repayable after one year	750,895	764,444	575,606	507,353

Details of any collaterals

The borrowings are secured by mortgages on the borrowing subsidiaries' investment properties, hotel properties, development properties, and/or assignment of all rights and benefits with respect to the properties and/or corporate guarantees from the Company or other group subsidiaries.

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

Consolidated Statement of Cash Flows for the year ended 31 December

	Note	The Group	
		2012	2011
		\$'000	(restated) \$'000
<b>Cash flows from operating activities</b>			
Net profit		920,184	801,879
Adjustments for:			
Income tax expense		44,163	102,076
Non-cash items		(177,412)	(122,119)
Dividend income and interest income		(26,912)	(28,987)
Interest expense		33,090	37,418
Fair value gains on the Group's investment properties		(442,097)	(187,222)
Negative goodwill on acquisition of interests in an associated company		(3,624)	(4,092)
Impairment charge on property, plant and equipment		33,318	2,600
Impairment charge on goodwill		-	13,080
Gain on disposal of an available-for-sale financial asset		(4,699)	-
		<u>376,011</u>	<u>614,633</u>
Change in working capital			
Receivables		24,317	59,633
Development properties	i	125,156	(95,650)
Derivative financial instrument		(119)	(754)
Inventories		327	512
Payables		68,499	(25,374)
		<u>218,180</u>	<u>(61,633)</u>
Cash generated from operations		594,191	553,000
Income tax paid		(74,801)	(48,991)
Retirement benefits paid		(135)	(82)
Release of fixed deposits pledged as security		6,000	-
Bank deposits pledged as security		(5,136)	-
<b>Net cash provided by operating activities</b>		<u>520,119</u>	<u>503,927</u>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of an available-for-sale financial asset		7,413	-
Proceeds from liquidation of an associated company		370	-
Payments for intangibles		(267)	(3,209)
Payments for interests in associated companies	ii	(15,954)	(155,396)
Payments for interests in a joint venture company		-	(500)
Loans to joint venture companies	iii	(77,811)	(71,244)
Repayment of loan by an associated company		-	73,201
Net proceeds from disposal of property, plant and equipment		3,884	140
Acquisition of assets via business combination		-	(141,474)
Purchase of property, plant and equipment and investment properties	iv	(237,908)	(319,458)
Interest received		3,720	2,802
Dividends received		78,943	233,026
<b>Net cash used in investing activities</b>		<u>(237,610)</u>	<u>(382,112)</u>
<b>Cash flows from financing activities</b>			
Proceeds from shares issued		6,260	2,883
Net proceeds from issue of shares to non-controlling shareholders of subsidiaries		3,940	-
Loans from non-controlling shareholders of subsidiaries		2,790	2,747
Repayment of loans from non-controlling shareholders of subsidiaries		(43,344)	(18,076)
Proceeds from unsecured fixed rate notes		250,000	300,000
Repayment of unsecured fixed and floating rate notes due 2012		(250,000)	-
Proceeds from borrowings	v	617,282	634,920
Repayment of borrowings	v	(705,157)	(794,038)
Expenditure relating to bank borrowings		(5,150)	(2,164)
Interest paid		(53,000)	(44,653)
Dividends paid to equity holders of the Company		(115,237)	(115,101)
Dividends paid to non-controlling interests		(24,396)	(55,002)
Payments for share buy-back		-	(49,152)
<b>Net cash used in financing activities</b>		<u>(316,012)</u>	<u>(137,636)</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(33,503)</u>	<u>(15,821)</u>
Cash and cash equivalents at the beginning of the financial year		291,141	307,160
Effects of currency translation on cash and cash equivalents		(2,713)	(198)
<b>Cash and cash equivalents at the end of the financial year</b>	vi	<u>254,925</u>	<u>291,141</u>

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

Explanatory Notes to the Consolidated Statement of Cash Flows

i. Development properties

The cash inflows for development properties arose mainly from receipts from progress billings for Double Bay Residences and Meadow@Peirce offset partially by payments for the en-bloc acquisition of St Patrick's Garden and expenditure incurred for the construction of the residential and office components of The Esplanade, Tianjin.

ii. Payments for interests in associated companies

Payments for interests in associated companies in 2012 relate mainly to the acquisition of additional interests in United Industrial Corporation while the amount for 2011 includes capital injections into Shanghai Jin Peng Realty Co. Ltd for the development of a land parcel in Shanghai.

iii. Loans to joint venture companies

The loans to joint venture companies were to 1) United Venture Development (Bedok) Pte. Ltd., for its development project, Archipelago and 2) UVD Pte. Ltd., for the acquisition of the land parcel at Bright Hill Drive.

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

Purchases of property, plant and equipment and investment properties relate mainly to payments made for capital enhancements to the Group's hotels and for the construction of PARKROYAL on Pickering, One Upper Pickering, OneKM and The Esplanade in Tianjin.

v. Proceeds from borrowings/Repayment of borrowings

The proceeds from borrowings were mainly for the Group's acquisition of development properties and construction of hotel and investment properties. The repayment of borrowings were mainly from proceeds from progressive billings for development properties as well as funds from the operations of the Group's hotels and investment properties.

vi. Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	The Group	
	<u>2012</u> \$'000	<u>2011</u> \$'000
Fixed deposits with financial institutions	156,259	221,919
Cash at bank and on hand	<u>103,802</u>	<u>75,439</u>
Cash and bank balances per Statement of Financial Position	260,061	297,358
Less: Bank overdrafts	-	(217)
Less: Bank deposits pledged as security	<u>(5,136)</u>	<u>(6,000)</u>
Cash and cash equivalents per Consolidated Statement of Cash Flows	<u><u>254,925</u></u>	<u><u>291,141</u></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.

Consolidated Statement of Changes in Equity for the year ended 31 December

	<u>Share capital</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>The Group</u>					
<u>2012</u>					
Balance at 1 January 2012, as previously reported	1,040,694	661,039	3,352,998	473,940	5,528,671
Effects of adopting Amendments to FRS 12	-	-	229,242	13,010	242,252
Balance at 1 January 2012, as restated	1,040,694	661,039	3,582,240	486,950	5,770,923
Employee share option scheme					
- value of employee services	-	2,085	-	-	2,085
- proceeds from shares issued	6,260	-	-	-	6,260
Dividends	-	-	(115,237)	(24,396)	(139,633)
Issue of shares to non-controlling interests	-	-	-	3,940	3,940
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	15,242	-	15,242
Total comprehensive income for the year	-	142,614	807,675	109,820	1,060,109
Balance at 31 December 2012	1,046,954	805,738	4,289,920	576,314	6,718,926
<u>2011</u>					
Balance at 1 January 2011, as previously reported	1,051,898	758,005	2,827,072	410,601	5,047,576
Effects of adopting Amendments to FRS 12	-	-	214,863	8,340	223,203
Balance at 1 January 2011, as restated	1,051,898	758,005	3,041,935	418,941	5,270,779
Employee share option scheme					
- value of employee services	-	1,897	-	-	1,897
- proceeds from shares issued	2,883	-	-	-	2,883
Shares cancelled upon buy-back	(14,087)	-	(35,065)	-	(49,152)
Dividends	-	-	(115,101)	(55,002)	(170,103)
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	11,899	-	11,899
Total comprehensive (loss)/income for the year, as previously reported	-	(98,863)	664,193	118,341	683,671
Effects of adopting Amendments to FRS 12	-	-	14,379	4,670	19,049
Total comprehensive (loss)/income for the year, as restated	-	(98,863)	678,572	123,011	702,720
Balance at 31 December 2011, as restated	1,040,694	661,039	3,582,240	486,950	5,770,923

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. (cont'd)

Statement of Changes in Equity for the year ended 31 December

	<u>Share capital</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000
<u>The Company</u>				
<u>2012</u>				
Balance at 1 January 2012, as previously reported	1,040,694	283,513	1,071,258	2,395,465
Effects of adopting Amendments to FRS 12	-	-	5,241	5,241
Balance at 1 January 2012, as restated	1,040,694	283,513	1,076,499	2,400,706
Employee share option scheme				
- value of employee services	-	2,085	-	2,085
- proceeds from shares issued	6,260	-	-	6,260
Dividends	-	-	(115,237)	(115,237)
Total comprehensive income for the year	-	123,455	147,311	270,766
Balance at 31 December 2012	<u>1,046,954</u>	<u>409,053</u>	<u>1,108,573</u>	<u>2,564,580</u>
<u>2011</u>				
Balance at 1 January 2011, as previously reported	1,051,898	358,646	846,068	2,256,612
Effects of adopting Amendments to FRS 12	-	-	5,354	5,354
Balance at 1 January 2011, as restated	1,051,898	358,646	851,422	2,261,966
Employee share option scheme				
- value of employee services	-	1,897	-	1,897
- proceeds from shares issued	2,883	-	-	2,883
Shares cancelled upon buy-back	(14,087)	-	(35,065)	(49,152)
Dividends	-	-	(115,101)	(115,101)
Total comprehensive (loss)/income for the year, as previously reported	-	(77,030)	375,356	298,326
Effects of adopting Amendments to FRS 12	-	-	(113)	(113)
Total comprehensive (loss)/income for the year, as restated	-	(77,030)	375,243	298,213
Balance at 31 December 2011, as restated	<u>1,040,694</u>	<u>283,513</u>	<u>1,076,499</u>	<u>2,400,706</u>

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

During the financial year ended 31 December 2012, the changes in the issued share capital of the Company were as follows:

	Number of Ordinary Shares
Issued capital as at 1 January 2012	768,248,154
Issue of ordinary shares arising from the exercise of:	
2003 Options at exercise price of \$2.05 per share	42,000
2006 Options at exercise price of \$3.21 per share	116,000
2007 Options at exercise price of \$4.91 per share	230,000
2008 Options at exercise price of \$3.68 per share	267,000
2009 Options at exercise price of \$1.65 per share	229,000
2010 Options at exercise price of \$3.95 per share	333,000
2011 Options at exercise price of \$4.62 per share	432,000
Issued capital as at 31 December 2012	<u>769,897,154</u>

During the fourth quarter of 2012, 680,000 ordinary shares (fourth quarter 2011: nil) were issued arising from the exercise of options granted under the UOL 2000 Share Option Scheme.

As at 31 December 2012, there were unexercised options for 4,180,000 (31.12.2011: 4,478,000) of unissued ordinary shares under the UOL 2000 Share Option Scheme and UOL 2012 Share Option Scheme.

The Company did not hold any treasury shares as of 31 December 2012 and 31 December 2011.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	The Company	
	31.12.12	31.12.11
Total number of issued shares, excluding treasury shares	769,897,154	768,248,154

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

- 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 stated in Note 5, 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 financial year ended 31 December 2011.

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.

On 1 January 2012, the Group adopted the amended Financial Reporting Standards ("FRS") that are mandatory for application from that date. The following are the amended FRS that are relevant to the Group:

Amendments to FRS 107	Disclosures - Transfers of Financial Assets
Amendments to FRS 12	Deferred Tax: Recovery of Underlying Assets

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements except for the amendments to FRS 12, of which the effects are disclosed below:

Amendments to FRS 12 – Income taxes – deferred tax accounting for investment properties

The amendment introduces a presumption that an investment property is recovered entirely through sale. Accordingly, unless the presumption is rebutted, the measurement of the deferred tax liability or deferred tax asset shall reflect the tax consequences of recovering the carrying amount of the investment property entirely through sale. This presumption is rebutted if the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Previously, the Group and the Company had recognised deferred tax liability on its investment properties on the basis of recovery through use. Upon the adoption of Amendments to FRS 12, the deferred tax liabilities on the Group's and the Company's investment properties are recognised on the basis of recovery through sale.

The effects of the adoption on the results of the Group and financial position of the Group and the Company for 2012 and 2011, subject to audit, are as follows:

Effect on Consolidated Income Statement

	The Group	
	2012 \$'000	2011 \$'000
Increase/(decrease) in share of profit of associated companies	22,111	(409)
Increase/(decrease) in profit before income tax	22,111	(409)
Decrease in income tax expense	41,502	19,458
	<u>63,613</u>	<u>19,049</u>
Increase in net profit attributable to:		
- Equity holders of the Company	49,698	14,379
- Non-controlling interests	13,915	4,670
	<u>63,613</u>	<u>19,049</u>
Increase in basic earnings per share (cents)	6.46	1.87
Increase in diluted earnings per share (cents)	6.45	1.87

Effect on Statement of Financial Position

	The Group			The Company		
	<u>31.12.12</u> \$'000	<u>31.12.11</u> \$'000	<u>1.1.11</u> \$'000	<u>31.12.12</u> \$'000	<u>31.12.11</u> \$'000	<u>1.1.11</u> \$'000
Increase in investment in associated companies	195,277	173,166	173,575	-	-	-
Decrease in deferred income tax liabilities	110,588	69,086	49,628	5,141	5,241	5,354
	<u>305,865</u>	<u>242,252</u>	<u>223,203</u>	<u>5,141</u>	<u>5,241</u>	<u>5,354</u>
Increase in retained earnings	278,940	229,242	214,863	5,141	5,241	5,354
Increase in non-controlling interests	26,925	13,010	8,340	-	-	-
	<u>305,865</u>	<u>242,252</u>	<u>223,203</u>	<u>5,141</u>	<u>5,241</u>	<u>5,354</u>
Increase in net asset value per ordinary share (\$)	0.36	0.30	0.28	0.01	0.01	0.01
Increase in net tangible asset backing per ordinary share (\$)	0.36	0.30	0.28	0.01	0.01	0.01

- 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. (cont'd)

INT FRS 115 – Agreements for the Construction of Real Estate

On 1 January 2011, the Group adopted INT FRS 115 – Agreements for the Construction of Real Estate ("INT FRS 115"). The following shows the results of the Group should there be no adjustments made in relation to the adoption of INT FRS 115:

Consolidated Income Statement

	The Group		
	2012 \$'000	2011 \$'000	+ / (-) %
Revenue	1,145,777	1,564,474	(27)
Cost of sales	(636,284)	(1,002,925)	(37)
Share of profit of associated companies	114,114	165,928	(31)
Profit before income tax	964,347	713,588	35
Income tax expense	(44,163)	(67,588)	(35)
Net profit	<u>920,184</u>	<u>646,000</u>	<u>42</u>
Net profit attributable to:			
- Equity holders of the Company	807,675	572,446	41
- Non-controlling interests	112,509	73,554	53
	<u>920,184</u>	<u>646,000</u>	<u>42</u>
Basic earnings per share (cents)	105.06	74.34	
Diluted earnings per share (cents)	<u>104.88</u>	<u>74.28</u>	

- 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.

	The Group	
	2012	2011 (restated)
Earnings per ordinary share for the financial year ended 31 December		
(i) Based on weighted average number of ordinary shares in issue	cents 105.06	cents 88.12
(ii) On a fully diluted basis	cents 104.88	cents 88.05

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

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, 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.

	The Group		The Company	
	31.12.12	31.12.11 (restated)	31.12.12	31.12.11 (restated)
Net asset value per ordinary share	\$7.98	\$6.88	\$3.33	\$3.12
Net tangible asset backing per ordinary share	\$7.94	\$6.84	\$3.33	\$3.12

- 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) seasonable 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.

### **Revenue**

Group revenue in 2012 decreased by \$814.5 million or 42% to \$1,145.8 million from \$1,960.2 million in 2011. The reduction was due mainly to 1) lower revenue from the sale of development properties arising from the completion of some of the Group's development projects in 2011 and early 2012; 2) the recognition of revenue for units in Panorama and Duchess Residences using the completion of construction method in 2011 amounting to \$395.8 million; 3) lower revenues from hotel management services mainly due to the closure of Pan Pacific Singapore for major renovations from April to August 2012; and 4) lower dividend income from the Group's quoted investments in the absence of special dividends received from United Overseas Bank Limited. Higher revenue was however recorded from investment properties with higher occupancies and average rents; and from hotel properties in Perth, Yangon and the PARKROYAL Melbourne Airport which was acquired in April 2011.

### **Other income**

Finance income for 2012 increased from 2011 mainly due to unrealised currency exchange gains from the Group's borrowings in US Dollars to fund its investments in The People's Republic of China.

### **Expenses**

Gross profit margin of 44% for 2012 was higher than the 38% recorded for 2011 due mainly to lower revenue from property development which has a higher cost margin. The increase in marketing and distribution expenses by 11% from \$33.6 million to \$37.4 million resulted mainly from higher sales commissions for Katong Regency and advertising expenses for the launch of residential and office units of The Esplanade in Tianjin in comparison with 2011 when there were no major sales launch. Finance expenses decreased by 16% from \$39.2 million to \$33.1 million due mainly to the absence of currency exchange losses recognised in 2011 and lower bank facility fees in 2012.

### **Associated companies**

The decrease in the share of profit of associated companies was due mainly to 1) lower development profit from Nassim Park Residences following its completion in the first quarter of 2011; and 2) a lower share of profit from Marina Centre Holdings Pte Ltd and United Industrial Corporation Limited arising mainly from the closure of Pan Pacific Singapore from April to August 2012 for major renovations.

### **Profit & Loss**

For the year ended 31 December 2012, pre-tax profit before fair value and other gains/(losses) was \$439.7 million, a 40% decrease from the profit of \$727.8 million in 2011. The decrease was due mainly to lower income from property development and associated companies. The results of 2011 also included the recognition of development profits using the completion of construction method instead of the percentage of completion method following the adoption of INT FRS 115 for the sale of units in Duchess Residences and Panorama. With the inclusion of fair value gains of the Group and associated companies' investment properties, profit before tax was \$964.3 million, an increase of 7% from the profit of \$904.0 million in 2011. Profit after tax and non-controlling interest was \$807.7 million or a 19% increase from the profit of \$678.6 million in 2011 due mainly to lower income tax and share of profit of non-controlling interests.

### **Net tangible asset and gearing**

The Group shareholders' funds increased from \$5.3 billion as at 31 December 2011 to \$6.1 billion as at 31 December 2012. The increase was due mainly to profits recognised in 2012 and higher reserves from fair value gains on available-for-sale financial assets. Consequently the net tangible asset per ordinary share of the Group increased to \$7.94 as at 31 December 2012 from \$6.84 as at 31 December 2011.

The Group's gearing ratio has decreased to 0.28 as at 31 December 2012 from 0.35 as at 31 December 2011 with lower borrowings combined with the effects of the increase in total equity.

- 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.

Global economic conditions are expected to remain sluggish and the Singapore economy is expected to grow at between 1 to 3% in 2013. The latest round of measures introduced by the government in January 2013 to cool the Singapore residential market is expected to dampen buying sentiments. With subdued demand and new supply in the pipeline, office rentals are likely to remain competitive. Retail rents are expected to come under some pressure as retailers curtail expansion plans in the face of labour shortage.

Intra-regional travel in Asia should continue to grow in view of the growing middle class and increasing flight frequency by budget airlines. However, growth in tourist arrivals from outside the region is likely to moderate due to uncertainties in the developed economies and this could affect occupancy and average room rates.

- 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	:	15.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)
Name of dividend	:	N.A.
Dividend Type	:	N.A.
Dividend Rate	:	NIL
Tax Rate	:	N.A.

(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	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	10.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)
Name of dividend	:	Special
Dividend Type	:	Cash
Dividend Rate	:	5.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

(c) Date payable

First & Final and Special	:	Subject to shareholders' approval for payment of the First & Final and Special Dividends on 10 May 2013
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(d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members will be closed from 2 May 2013 to 3 May 2013, both dates inclusive, for the preparation of dividend warrants. Duly completed transfers received by our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, up to close of business at 5.00 pm on 30 April 2013 will be registered to determine entitlements to the above dividends. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said first and final and special dividends 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 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

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.

	Property development	Property investments	Hotel operations			Investments	Others	Total
			Singapore	Australia	Others			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group</b>								
<b>2012</b>								
<b>Revenue</b>								
Total segment sales	560,022	172,362	109,636	140,984	127,513	161,962	45,109	1,317,588
Inter-segment sales	-	(6,275)	(412)	-	-	(138,770)	(26,354)	(171,811)
Sales to external parties	560,022	166,087	109,224	140,984	127,513	23,192	18,755	1,145,777
Share of profit of associated companies	22,492	192,158	6,317	-	601	-	94	221,662
Share of loss of joint venture companies	(364)	-	-	-	-	-	-	(364)
<b>Adjusted EBITDA*</b>	169,684	315,644	30,143	32,982	45,401	23,147	13,178	630,179
Depreciation and amortisation	(54)	(3,784)	(10,832)	(12,368)	(19,309)	-	(1,563)	(47,910)
Other gains/(losses)	-	3,624	-	(19,159)	(14,159)	4,699	-	(24,995)
Fair value gains on investment properties	-	442,097	-	-	-	-	-	442,097
Unallocated costs								(13,046)
Finance income								11,112
Finance expense								(33,090)
Profit before income tax								964,347
Income tax expense								(44,163)
Net profit								920,184
<b>2011 (restated)</b>								
<b>Revenue</b>								
Total segment sales	1,393,773	166,582	112,994	129,569	117,475	431,703	45,358	2,397,454
Inter-segment sales	-	(6,274)	-	-	-	(405,484)	(25,462)	(437,220)
Sales to external parties	1,393,773	160,308	112,994	129,569	117,475	26,219	19,896	1,960,234
Share of profit of associated companies	53,055	114,672	5,790	-	1,061	-	44	174,622
Share of loss of a joint venture company	(500)	-	-	-	-	-	-	(500)
<b>Adjusted EBITDA*</b>	457,409	231,118	37,578	30,593	37,198	26,064	9,913	829,873
Depreciation and amortisation	(91)	(3,796)	(10,263)	(10,706)	(18,668)	-	(1,588)	(45,112)
Other gains/(losses)	-	4,093	(2,600)	(8,143)	(13,081)	-	-	(19,731)
Fair value gains on investment properties	-	187,222	-	-	-	-	-	187,222
Unallocated costs								(11,832)
Finance income								2,768
Finance expense								(39,233)
Profit before income tax								903,955
Income tax expense								(102,076)
Net profit								801,879

\* Earnings before income tax, depreciation and amortisation (EBITDA) adjusted to exclude unallocated costs, other gains/(losses) and fair value gains on investment properties



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

Please refer to paragraph 8.

16 A breakdown of sales

		The Group		
		For the year ended		
		31.12.12	31.12.11	Increase/ (decrease)
		\$'000	(restated) \$'000	%
(a)	Sales reported for first half year	596,575	1,180,994	(49)
(b)	Profit after tax before deducting non-controlling interests reported for first half year	278,583	527,374	(47)
(a)	Sales reported for second half year	549,202	779,240	(30)
(b)	Profit after tax before deducting non-controlling interests reported for second half year	641,601	274,505	134

17 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
Ordinary one-tier dividend	115,485	76,825
Special one-tier dividend	-	38,412
	115,485	115,237
Preference	-	-
Total	115,485	115,237

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Wee Wei Ling	61	<p>Daughter of Mr Wee Cho Yaw, the Chairman and a substantial shareholder of UOL Group Limited ("UOL").</p> <p>Sister of Mr Wee Ee-chao, Mr Wee Ee Lim and Mr Wee Ee Cheong, substantial shareholders of UOL.</p> <p>Mr Wee Ee-chao and Mr Wee Ee Lim are also directors of UOL.</p>	<p>Executive Director of listed subsidiary Pan Pacific Hotels Group Limited ("PPHG").</p> <p>Oversees the asset management of PPHG's owned hotel properties. Also responsible for the management of St Gregory Spa Pte Ltd and Dou Hua Restaurants Pte Ltd.</p> <p>Director of PPHG since 1994.</p>	Nil

**BY ORDER OF THE BOARD**

Foo Thiam Fong Wellington  
Company Secretary  
28 February 2013