

NEWS RELEASE**UOL'S 1Q 2013 NET ATTRIBUTABLE PROFIT
DOWN 15% TO \$71.7 MILLION**

- *Revenue falls 17% to \$247.8 million due to lower contribution from property development*
- *Revenue from property investments holds steady while hospitality rises 2%*
- *Share of profit from associated and joint venture companies decline 3% to \$27.1 million*

Singapore, 10 May 2013 – UOL Group today announced a 15% drop in net attributable profit to \$71.7 million for the first quarter ended 31 March 2013 (1Q 13) from \$84.0 million in the corresponding period last year. The decrease was attributed mainly to higher currency exchange losses and lower profit from hotel operations which was impacted mainly by opening costs of PARKROYAL on Pickering.

Group revenue fell 17% to \$247.8 million from \$297.7 million as the completion of Meadows@Peirce and Double Bay Residences in 2012, and the near completion of Waterbank at Dakota in the second quarter of this year, reduced contribution from property development. Revenue from property development dropped 34% to \$101.6 million from \$153.2 million.

Revenue for property investments held steady at \$42.1 million, while revenue for hotel ownership and operations increased 2% to \$99.2 million due to contribution from the newly opened PARKROYAL on Pickering and higher revenue from PARKROYAL Yangon, partly offset by lower contributions from Pan Pacific Perth and PARKROYAL on Beach Road. Revenue for hotel management services dropped 15% to \$4.9 million as a result of lower management fees from Pan Pacific Singapore.

Share of profit from associated and joint venture companies declined 3% to \$27.1 million from \$27.8 million mainly because of lower contributions from United Industrial Corporation Limited and Premier Land Development Pte Ltd, partly offset by contribution from United Venture Development (Bedok) Pte Ltd.

Gross profit margin improved to 47% against 40% mainly due to lower revenue from property development, which has a higher cost margin.

Group expenses rose 17% to \$55.2 million. In particular, marketing and distribution expenses rose by 29% to \$8.3 million while other operating expenses were up 12% to \$18.0 million. The increases were partly due to expenses incurred in the opening of PARKROYAL on Pickering in 1Q 13 and higher sales expenses for The Esplanade in Tianjin. Finance expenses rose 37% to \$11.2 million, mainly the result of a \$3.1 million unrealised currency exchange loss from the Group's borrowings in US dollars to fund investments in China.

The Group plans to launch its Bright Hill Drive and St Patrick's Garden projects in the second half of the year. It recently also won the tender for a private housing site at Sengkang West Way with a bid of \$262.1 million.

Shareholder funds increased to \$6.2 billion as at 31 March 2013 from \$6.1 billion as at end December 2012. In the same period, net tangible asset per ordinary share rose to \$8.08 from \$7.94.

The Group's gearing ratio decreased marginally to 0.27 as at 31 March 2013 from 0.28 as at end December 2012 with lower borrowings combined with the effects of the increase in total equity.

In the meantime, the Company and Pan Pacific Hotels Group Limited (PPHG) today announced on the Singapore Exchange a proposal to seek a voluntary delisting of PPHG by way of an exit offer by the Company to PPHG shareholders at \$2.55 a share.

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About UOL Group

UOL Group Ltd is one of Singapore's leading public-listed property companies with an extensive portfolio in investment and development properties, hotels and serviced suites.

With a track record of nearly 50 years, UOL strongly believes in delivering product excellence and quality service in all its business ventures. Its impressive list of property development projects includes best selling residential units, award-winning office towers, shopping centres, hotels and serviced suites. UOL, together with its listed hotel subsidiary Pan Pacific Hotels Group Limited (PPHG), owns two acclaimed brands namely Pan Pacific and Parkroyal. PPHG now owns, manages and/or markets over 30 hotels in Asia, Australia and North America with over 9,500 rooms in its portfolio.

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