



UNAUDITED THIRD QUARTER FINANCIAL STATEMENT

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.

Consolidated Income Statement

| | Notes | The Group | | | | | |
|--|-------|----------------------------------|-----------|---------|--------------------------------|-----------|---------|
| | | Third Quarter Ended 30 September | | | Nine Months Ended 30 September | | |
| | | 2010 | 2009 | + / (-) | 2010 | 2009 | + / (-) |
| | | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Revenue | A | 345,190 | 323,938 | 7 | 914,878 | 734,345 | 25 |
| Cost of sales | | (209,864) | (196,036) | 7 | (536,884) | (401,689) | 34 |
| Gross profit | | 135,326 | 127,902 | 6 | 377,994 | 332,656 | 14 |
| Other income | | | | | | | |
| - Finance income | B | 2,028 | 848 | 139 | 2,840 | 3,262 | (13) |
| - Miscellaneous income | | 2,398 | 2,276 | 5 | 8,306 | 5,481 | 52 |
| Expenses | | | | | | | |
| - Marketing and distribution | C | (12,147) | (11,241) | 8 | (32,698) | (26,066) | 25 |
| - Administrative | | (15,171) | (11,494) | 32 | (40,680) | (31,479) | 29 |
| - Finance | D | (5,052) | (7,465) | (32) | (17,974) | (35,641) | (50) |
| - Other operating | E | (15,158) | (15,409) | (2) | (48,647) | (45,044) | 8 |
| Share of profit of associated companies | F | 65,470 | 48,219 | 36 | 178,217 | 79,121 | 125 |
| Profit before other (losses)/gains, fair value gains/(losses) and income tax | | 157,694 | 133,636 | 18 | 427,358 | 282,290 | 51 |
| Other gains | G | 174 | 1,458 | (88) | 5,240 | 275,364 | (98) |
| Fair value gains/(losses) on investment properties | | - | - | - | 24,815 | (76,961) | 132 |
| Profit before income tax | H | 157,868 | 135,094 | 17 | 457,413 | 480,693 | (5) |
| Income tax expense | I | (16,354) | (15,214) | 7 | (48,098) | (25,899) | 86 |
| Net profit | | 141,514 | 119,880 | 18 | 409,315 | 454,794 | (10) |
| <u>Attributable to:</u> | | | | | | | |
| Equity holders of the Company | | 124,747 | 105,596 | 18 | 360,417 | 417,239 | (14) |
| Minority interests | | 16,767 | 14,284 | 17 | 48,898 | 37,555 | 30 |
| | | 141,514 | 119,880 | 18 | 409,315 | 454,794 | (10) |
| The above net profit attributable to equity holders of the Company can be analysed as follows: | | | | | | | |
| Attributable profit before fair value and other gains | | 124,573 | 104,138 | 20 | 330,299 | 248,172 | 33 |
| Other gains | | 174 | 1,458 | (88) | 5,240 | 275,364 | (98) |
| Fair value gains/(losses) on investment properties including those of associated companies | | - | - | - | 24,878 | (106,297) | 123 |
| Net attributable profit | | 124,747 | 105,596 | 18 | 360,417 | 417,239 | (14) |

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

| | The Group | | | | | |
|---|----------------------------------|---------|---------|--------------------------------|----------|---------|
| | Third Quarter Ended 30 September | | | Nine Months Ended 30 September | | |
| | 2010 | 2009 | + / (-) | 2010 | 2009 | + / (-) |
| | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| A Revenue | | | | | | |
| Revenue from property development | 214,550 | 203,549 | 5 | 531,679 | 384,372 | 38 |
| Revenue from property investments | 36,838 | 36,010 | 2 | 110,082 | 106,405 | 3 |
| Gross revenue from hotel operations | 81,902 | 73,669 | 11 | 237,826 | 210,738 | 13 |
| Revenue from management services | 4,780 | 3,748 | 28 | 13,341 | 11,638 | 15 |
| Dividend income | 7,120 | 6,962 | 2 | 21,950 | 21,192 | 4 |
| | 345,190 | 323,938 | 7 | 914,878 | 734,345 | 25 |
| B Finance income | | | | | | |
| Interest income | 969 | 792 | 22 | 2,840 | 3,146 | (10) |
| Currency exchange gains (net) | 1,059 | 56 | 1,791 | - | 116 | (100) |
| | 2,028 | 848 | 139 | 2,840 | 3,262 | (13) |
| C Marketing and distribution | | | | | | |
| Sales commissions | 2,682 | 5,441 | (51) | 6,417 | 8,767 | (27) |
| Showflat expenses ¹ | 3,372 | 215 | 1,468 | 8,413 | 480 | 1,653 |
| Advertising, sales and marketing | 3,234 | 3,390 | (5) | 10,281 | 10,434 | (1) |
| Marketing and distribution payroll expenses | 2,402 | 1,784 | 35 | 6,290 | 5,276 | 19 |
| Others | 457 | 411 | 11 | 1,297 | 1,109 | 17 |
| | 12,147 | 11,241 | 8 | 32,698 | 26,066 | 25 |
| D Finance expense | | | | | | |
| Bank facility fees | 748 | 757 | (1) | 2,263 | 16,113 | (86) |
| Interest expense | 4,304 | 6,708 | (36) | 15,603 | 19,528 | (20) |
| Currency exchange losses (net) | - | - | - | 108 | - | n.m. |
| | 5,052 | 7,465 | (32) | 17,974 | 35,641 | (50) |
| E Other operating expense | | | | | | |
| Property tax | 2,333 | 3,373 | (31) | 11,312 | 10,909 | 4 |
| Repairs, maintenance and security | 2,342 | 1,952 | 20 | 6,487 | 5,689 | 14 |
| Heat, light and power | 4,950 | 4,337 | 14 | 14,214 | 12,651 | 12 |
| Others | 5,533 | 5,747 | (4) | 16,634 | 15,795 | 5 |
| | 15,158 | 15,409 | (2) | 48,647 | 45,044 | 8 |
| F Share of profit of associated companies | | | | | | |
| Share of net operating profits of associated companies | 65,470 | 48,219 | 36 | 172,456 | 113,516 | 52 |
| Share of net fair value gains/(losses) on investment properties of associated companies | - | - | - | 5,761 | (34,395) | 117 |
| | 65,470 | 48,219 | 36 | 178,217 | 79,121 | 125 |
| G Other gains | | | | | | |
| Negative goodwill on acquisition of interests in associated companies | 244 | 1,458 | (83) | 4,721 | 279,164 | (98) |
| Impairment of property, plant and equipment | - | - | - | - | (3,800) | 100 |
| (Loss)/gain on liquidation of a subsidiary | (70) | - | n.m. | 157 | - | n.m. |
| Gain on liquidation of an available-for-sale financial asset | - | - | - | 362 | - | n.m. |
| | 174 | 1,458 | (88) | 5,240 | 275,364 | (98) |

¹ These showflat expenses arose mainly from the write off of showflat costs upon demolition of the showflats. For the nine months ended 30 September 2010, the expenses relate to the showflats of Double Bay Residences, Meadows @ Peirce and Waterbank at Dakota while showflat expenses for the third quarter 2010 relate mainly to that of Waterbank at Dakota.

n.m.: not meaningful

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

| | The Group | | | | | |
|--|----------------------------------|--------|---------|--------------------------------|---------|---------|
| | Third Quarter Ended 30 September | | | Nine Months Ended 30 September | | |
| | 2010 | 2009 | + / (-) | 2010 | 2009 | + / (-) |
| | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| H <u>Profit before income tax</u> | | | | | | |
| Profit before income tax is stated after charging: | | | | | | |
| Depreciation and amortisation | 11,025 | 10,195 | 8 | 31,984 | 30,138 | 6 |
| I <u>Income tax expense</u> | | | | | | |
| Tax expense attributable to profit is made up of: | | | | | | |
| Current income tax | | | | | | |
| - Singapore | 4,780 | 4,495 | 6 | 16,181 | 13,232 | 22 |
| - Foreign | 4,067 | 2,474 | 64 | 10,171 | 5,900 | 72 |
| Deferred income tax | | | | | | |
| - fair value gains/(losses) of investment properties | - | - | - | 1,335 | (4,927) | 127 |
| - others | 7,549 | 8,306 | (9) | 20,059 | 18,295 | 10 |
| | 16,396 | 15,275 | 7 | 47,746 | 32,500 | 47 |
| (Over)/underprovision in preceding financial years | | | | | | |
| - Singapore current income tax | (42) | 9 | (567) | 352 | 9 | 3,811 |
| Effect of change in tax rate on deferred taxation | - | (70) | 100 | - | (6,610) | 100 |
| | 16,354 | 15,214 | 7 | 48,098 | 25,899 | 86 |

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

| | Notes | The Group | | | | | |
|--|-------|----------------------------------|---------|---------|--------------------------------|---------|---------|
| | | Third Quarter Ended 30 September | | | Nine Months Ended 30 September | | |
| | | 2010 | 2009 | + / (-) | 2010 | 2009 | + / (-) |
| | | \$'000 | \$'000 | % | \$'000 | \$'000 | % |
| Net profit | | 141,514 | 119,880 | 18 | 409,315 | 454,794 | (10) |
| Other comprehensive income: | | | | | | | |
| Fair value (losses)/gains on available-for-sale financial assets | A | (35,469) | 66,442 | (153) | (40,914) | 136,205 | (130) |
| Fair value (losses)/gains on cash-flow hedges | | (396) | (1,199) | (67) | (796) | 21 | (3,890) |
| Effect of change in tax rate on asset revaluation reserve | | - | - | - | - | 165 | (100) |
| Capital reserves arising from transfer of available-for-sale financial asset to investment in associated company | B | - | - | - | - | 174,578 | (100) |
| Currency translation differences arising from consolidation of foreign operations | | (1,946) | 795 | (345) | (1,271) | 26,775 | (105) |
| Share of other comprehensive income of an associated company | | 271 | (355) | 176 | 428 | (1,236) | 135 |
| Other comprehensive income for the period, net of tax | | (37,540) | 65,683 | (157) | (42,553) | 336,508 | (113) |
| Total comprehensive income for the period | | 103,974 | 185,563 | (44) | 366,762 | 791,302 | (54) |
| <u>Attributable to:</u> | | | | | | | |
| Equity holders of the Company | | 85,750 | 169,230 | (49) | 316,612 | 743,387 | (57) |
| Minority interests | | 18,224 | 16,333 | 12 | 50,150 | 47,915 | 5 |
| | | 103,974 | 185,563 | (44) | 366,762 | 791,302 | (54) |

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

A Fair value (losses)/gains 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 decrease in value for the third quarter ended 30 September 2010 was due to the decrease in the closing bid prices of the relevant quoted equity shares from the previous quarter.

B Capital reserves arising from transfer of available-for-sale financial asset to investment in associated company

The capital reserves for the nine months ended 30 September 2009 relate to the increase in fair value of the identifiable net assets of United Industrial Corporation Limited ("UIC") over the period from the date of the first acquisition of its shares to the date it became an associated company of the Group in the first quarter of 2009.

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.

Statement of Financial Position

| | Notes | The Group | | The Company | |
|---|-------|--------------------|--------------------|--------------------|--------------------|
| | | 30.09.10 \$'000 | 31.12.09 \$'000 | 30.09.10 \$'000 | 31.12.09 \$'000 |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and bank balances | | 341,523 | 281,459 | 5,070 | 8,088 |
| Trade and other receivables | | 158,347 | 112,146 | 68,622 | 139,244 |
| Development properties | A | 1,233,275 | 1,562,651 | - | - |
| Inventories | | 2,888 | 3,153 | - | - |
| Available-for-sale financial assets | | 481,998 | 517,284 | 481,998 | 516,824 |
| Other assets | | 17,931 | 5,898 | 3,567 | 142 |
| Current income tax assets | | 1,611 | 1,236 | - | - |
| | | 2,237,573 | 2,483,827 | 559,257 | 664,298 |
| Non-current assets | | | | | |
| Trade and other receivables | | 106,356 | 99,201 | 637,746 | 625,106 |
| Available-for-sale financial assets | | 230,847 | 228,897 | 51,159 | 40,219 |
| Associated companies | B | 1,513,971 | 1,349,049 | 161,589 | 161,589 |
| Subsidiaries | | - | - | 1,279,393 | 1,279,393 |
| Investment properties | C | 2,052,833 | 2,027,476 | 259,190 | 259,190 |
| Property, plant and equipment | | 671,242 | 684,160 | 865 | 1,130 |
| Properties under development | | 436,782 | 412,706 | - | - |
| Intangibles | | 37,027 | 37,571 | - | - |
| Deferred income tax assets | | 4,116 | 5,099 | 424 | 303 |
| | | 5,053,174 | 4,844,159 | 2,390,366 | 2,366,930 |
| Total assets | | 7,290,747 | 7,327,986 | 2,949,623 | 3,031,228 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | | 167,736 | 171,387 | 210,710 | 235,278 |
| Current income tax liabilities | | 63,068 | 48,452 | 16,809 | 6,084 |
| Loans from minority shareholders of subsidiaries | | 14,310 | 33,025 | - | - |
| Bank overdrafts | | 243 | - | - | - |
| Bank loans | D | 321,234 | 723,009 | 195,965 | 241,150 |
| | | 566,591 | 975,873 | 423,484 | 482,512 |
| Non-current liabilities | | | | | |
| Bank loans | D | 1,323,884 | 1,213,455 | - | - |
| 3.34% unsecured fixed rate note due 2012 | | 149,821 | 149,739 | 149,821 | 149,739 |
| Unsecured floating rate note due 2012 | | 99,881 | 99,826 | 99,881 | 99,826 |
| Deferred liabilities | | 6,362 | - | - | - |
| Derivative financial instrument | | 3,179 | 2,221 | 2,495 | 1,782 |
| Loans from minority shareholders of subsidiaries | | 49,858 | 45,946 | - | - |
| Rental deposits | | 23,477 | 19,658 | 4,167 | 2,622 |
| Retention monies | | 17,820 | 8,980 | - | - |
| Provision for retirement benefits | | 2,509 | 2,316 | - | - |
| Deferred income tax liabilities | | 203,656 | 202,073 | 77,390 | 83,310 |
| | | 1,880,447 | 1,744,214 | 333,754 | 337,279 |
| Total liabilities | | 2,447,038 | 2,720,087 | 757,238 | 819,791 |
| NET ASSETS | | 4,843,709 | 4,607,899 | 2,192,385 | 2,211,437 |
| Capital & reserves attributable to the equity holders of the Company | | | | | |
| Share capital | E | 1,051,126 | 1,058,527 | 1,051,126 | 1,058,527 |
| Reserves | | 747,056 | 789,422 | 350,089 | 377,435 |
| Retained earnings | | 2,565,285 | 2,300,284 | 791,170 | 775,475 |
| | | 4,363,467 | 4,148,233 | 2,192,385 | 2,211,437 |
| Minority interests | | 480,242 | 459,666 | - | - |
| TOTAL EQUITY | | 4,843,709 | 4,607,899 | 2,192,385 | 2,211,437 |

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. (cont'd)

Explanatory Notes to the Statement of Financial Position

A Development properties

The decrease in development properties was due mainly to progress billings for the Group's development projects, two projects of which, The Regency at Tiong Bahru and Southbank, obtained temporary occupation permits ("TOP") in the first half of 2010.

B Associated companies

The increase in associated companies was due mainly to 1) the Group's share of profit of associated companies for the nine months ended 30 September 2010; and 2) the Group's subscription for a 50% interest in Premier Land Development Pte Ltd ("PLD"), a company which holds the development project, Terrene at Bukit Timah.

C Investment properties

Investment properties are carried at fair values as determined by independent professional valuers. It is the practice of the Group to revalue its investment properties on a half yearly basis on 30 June and 31 December.

D Bank loans

Bank loans have reduced due to proceeds from progress billings from development projects such as Waterbank at Dakota, Meadows@Peirce, Double Bay Residences and Duchess Residences as well as from The Regency at Tiong Bahru and Southbank which had obtained TOP.

E Share capital

Pursuant to a share buyback mandate obtained at the Extraordinary General Meeting held on 21 April 2010, the Company has, from 13 May 2010 to 9 June 2010 purchased a total of 7,287,000 ordinary shares fully paid (or 0.93%) in the share capital of the Company at a total cost of \$26.9 million or \$3.69 per share.

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

| | As at 30.9.10 | | As at 31.12.09 | |
|--|---------------|-----------|----------------|-----------|
| | Secured | Unsecured | Secured | Unsecured |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Amount repayable in one year or less, or on demand | 49,427 | 286,175 | 429,023 | 327,175 |
| Amount repayable after one year | 1,334,174 | 299,858 | 1,225,832 | 295,946 |

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 cash flow statement (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 third quarter ended 30 September

| | Notes | The Group | |
|---|-------|---------------------|---------------------|
| | | 3 rd Qtr | 3 rd Qtr |
| | | 2010 | 2009 |
| | | \$'000 | \$'000 |
| Cash flows from operating activities | | | |
| Net profit | | 141,514 | 119,880 |
| Adjustments for: | | | |
| Income tax expense | | 16,354 | 15,214 |
| Non-cash items | i | (52,472) | (35,422) |
| Dividend income and interest income | | (8,089) | (7,754) |
| Interest expense | | 5,052 | 7,465 |
| Negative goodwill on acquisition of interests in associated companies | | (244) | (1,458) |
| Loss on liquidation of a subsidiary | | 70 | - |
| Operating cash flow before working capital changes | | 102,185 | 97,925 |
| Change in operating assets and liabilities | | | |
| Receivables | ii | (53,018) | (23,705) |
| Development properties | iii | (21,389) | 153,438 |
| Inventories | | 213 | (195) |
| Rental deposits | | (244) | 513 |
| Payables | | 416 | 13,094 |
| | | (74,022) | 143,145 |
| Cash generated from operations | | 28,163 | 241,070 |
| Income tax paid | | (18,963) | (11,811) |
| Retirement benefits paid | | (83) | (38) |
| Net cash provided by operating activities | | 9,117 | 229,221 |
| Cash flows from investing activities | | | |
| Payment for interest in an associated company | | (3,184) | (8,008) |
| Loans to associated companies | | (500) | (750) |
| Repayment of loan by an associated company | iv | 10,382 | 29,263 |
| Net proceeds from disposal of property, plant and equipment | | 1 | 73 |
| Purchase of property, plant and equipment and investment properties | | (20,709) | (12,726) |
| Retention monies withheld | | 3,410 | 808 |
| Interest received | | 982 | 803 |
| Dividend received | | 25,067 | 22,844 |
| Net cash provided by investing activities | | 15,449 | 32,307 |
| Cash flows from financing activities | | | |
| Proceeds from issue of shares | | 783 | 73 |
| Loans from minority shareholders of subsidiaries | | 3,382 | 1,089 |
| Proceeds from borrowings | | 31,853 | 25,748 |
| Repayment of borrowings | v | (153,559) | (189,016) |
| Expenditure relating to bank borrowings | | (431) | (180) |
| Interest paid | | (8,063) | (11,911) |
| Dividends paid to minority shareholders of subsidiaries | | (12,263) | - |
| Payments for share buy-back | | - | (24,279) |
| Net cash used in financing activities | | (138,298) | (198,476) |
| Net (decrease)/increase in cash and cash equivalents | | (113,732) | 63,052 |
| Cash and cash equivalents at 1 July | | 449,012 | 224,834 |
| Cash and cash equivalents at 30 September | vi | 335,280 | 287,886 |

1(c) A cash flow statement (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. Non-cash items

The adjustment for non-cash items includes depreciation, share of profit of associated companies and exchange differences. The increase from the previous corresponding quarter in 2009 was due to the higher share of profit of associated companies recognised in the third quarter of 2010.

ii. Receivables

The decrease in cashflows from receivables for the third quarter of 2010 was due mainly to the Group's \$52.0 million share of the tender deposit paid for the proposed development in Changfeng district, Shanghai.

iii. Development properties

The cash outflows for development properties for the third quarter of 2010 relate to expenditure for the Group's development projects in excess of receipts from progress billings.

iv. Repayment of loan by an associated company

A loan to an associated company was fully repaid during the third quarter of 2010 from proceeds from the sales of the associated company's development project following the receipt of TOP.

v. Repayment of borrowings

Borrowings were reduced mainly with funds received from the progress billings of the Group's development projects.

viii. Cash and cash equivalents

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

| | <u>The Group</u> | |
|--|------------------|-----------------|
| | <u>30.09.10</u> | <u>30.09.09</u> |
| | \$'000 | \$'000 |
| Fixed deposits with financial institutions | 259,830 | 222,040 |
| Cash at bank and on hand | 81,693 | 65,846 |
| Cash and bank balances per Statement of Financial Position | 341,523 | 287,886 |
| Bank overdrafts | (243) | - |
| Bank deposits pledged as security | (6,000) | - |
| Cash and cash equivalents per Consolidated Statement of Cash Flows | <u>335,280</u> | <u>287,886</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.

Statement of Changes in Equity for the third quarter ended 30 September

| | <u>Share Capital</u> \$'000 | <u>Reserves</u> \$'000 | <u>Retained Earnings</u> \$'000 | <u>Minority Interests</u> \$'000 | <u>Total Equity</u> \$'000 |
|---|------------------------------------|---------------------------|--|---|-----------------------------------|
| <u>The Group</u> | | | | | |
| <u>2010</u> | | | | | |
| Balance at 1 July 2010 | 1,050,343 | 786,053 | 2,440,538 | 474,281 | 4,751,215 |
| Total comprehensive income for the period | - | (38,997) | 124,747 | 18,224 | 103,974 |
| Employee share option scheme - proceeds from shares issued | 783 | - | - | - | 783 |
| Dividends | - | - | - | (12,263) | (12,263) |
| Balance at 30 September 2010 | <u>1,051,126</u> | <u>747,056</u> | <u>2,565,285</u> | <u>480,242</u> | <u>4,843,709</u> |
| <u>2009</u> | | | | | |
| Balance at 1 July 2009 | 1,065,631 | 622,305 | 2,198,069 | 445,148 | 4,331,153 |
| Total comprehensive income for the period | - | 63,634 | 105,596 | 16,333 | 185,563 |
| Shares cancelled upon buy-back | (7,292) | - | (10,319) | - | (17,611) |
| Employee share option scheme - proceeds from shares issued | 73 | - | - | - | 73 |
| Balance at 30 September 2009 | <u>1,058,412</u> | <u>685,939</u> | <u>2,293,346</u> | <u>461,481</u> | <u>4,499,178</u> |
| <u>The Company</u> | | | | | |
| <u>2010</u> | | | | | |
| Balance at 1 July 2010 | 1,050,343 | 376,050 | 744,312 | - | 2,170,705 |
| Total comprehensive income for the period | - | (25,961) | 46,858 | - | 20,897 |
| Employee share option scheme - proceeds from shares issued | 783 | - | - | - | 783 |
| Balance at 30 September 2010 | <u>1,051,126</u> | <u>350,089</u> | <u>791,170</u> | <u>-</u> | <u>2,192,385</u> |
| <u>2009</u> | | | | | |
| Balance at 1 July 2009 | 1,065,631 | 255,293 | 789,676 | - | 2,110,600 |
| Total comprehensive income for the period | - | 45,857 | 18,234 | - | 64,091 |
| Shares cancelled upon buy-back | (7,292) | - | (10,319) | - | (17,611) |
| Employee share option scheme - proceeds from shares issued | 73 | - | - | - | 73 |
| Balance at 30 September 2009 | <u>1,058,412</u> | <u>301,150</u> | <u>797,591</u> | <u>-</u> | <u>2,157,153</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 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 quarter ended 30 September 2010, the changes in the issued share capital of the Company were as follows:

| | Number of Ordinary Shares |
|---|---------------------------------|
| Issued capital as at 1 July 2010 | 777,084,154 |
| Issue of ordinary shares arising from the exercise of: | |
| 2006 Options granted under the UOL 2000 Share Option Scheme | 5,000 |
| 2008 Options granted under the UOL 2000 Share Option Scheme | 93,000 |
| 2009 Options granted under the UOL 2000 Share Option Scheme | 257,000 |
| Issued capital as at 30 September 2010 | <u>777,439,154</u> |

As at 30 September 2010, there were unexercised options for 4,441,000 (30.9.2009: 4,842,000) of unissued ordinary shares under the UOL 2000 Share Option Scheme.

- 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 | |
|--|-------------|-------------|
| | 30.09.10 | 31.12.09 |
| Total number of issued shares, excluding treasury shares | 777,439,154 | 783,533,154 |

- 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 period as those of the audited financial statements for the financial year ended 31 December 2009.

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 2010, the Group adopted the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. The following are the new or revised FRS and INT FRS that are relevant to the Group:

| | |
|----------------------|--|
| Amendments to FRS 39 | Financial Instruments: Recognition and Measurement - Eligible Hedged Items |
| INT FRS 117 | Distributions of Non-Cash Assets to Owners |
| INT FRS 118 | Transfer of Assets to Customers |
| FRS 27 (revised) | Consolidated and Separate Financial Statements |
| FRS 103 (revised) | Business Combinations |

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.

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 | |
|--|--------------|--------------|
| | 3rd Qtr 2010 | 3rd Qtr 2009 |
| Earnings per ordinary share for the period | | |
| (i) Based on weighted average number of ordinary shares in issue | cents 15.97 | cents 13.32 |
| (ii) On a fully diluted basis | cents 15.95 | cents 13.31 |

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, 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 | |
|---|-----------|----------|-------------|----------|
| | 30.09.10 | 31.12.09 | 30.09.10 | 31.12.09 |
| Net asset value per ordinary share | \$5.61 | \$5.29 | \$2.82 | \$2.82 |
| Net tangible asset backing per ordinary share | \$5.56 | \$5.25 | \$2.82 | \$2.82 |

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

The Group's revenue in the third quarter of 2010 increased by \$21.3 million to \$345.2 million, compared with \$323.9 million in the corresponding period of 2009. The 7% increase was mainly from the progressive recognition of revenue from the sale of the Group's development properties and from the improved performance of hotel operations.

Expenses

Marketing and distribution expenses for the third quarter of 2010 have increased due mainly to showflat expenses for Waterbank at Dakota offset partially by a decrease in sales commissions. Increased payroll costs arising mainly from increases in staff strength to support the increased operations of the Group and the reduction in job credits received in comparison with the corresponding quarter in 2009 have resulted in higher Administrative expenses. Finance expenses have decreased due to lower outstanding bank loan balances for the third quarter of 2010 in comparison with the corresponding quarter in 2009.

- 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. (cont'd)

Associated companies

The share of profits of associated companies was higher due mainly to the progressive recognition of profit from the sale of units in Nassim Park Residences.

Profit & Loss

Third quarter ended 30 September 2010/2009

The pre-tax profit for the third quarter of 2010 was \$157.9 million, an increase of 17% over the profit of \$135.1 million for the third quarter of 2009. The increase was attributed to higher income from property development, hotel operations, and associated companies and lower finance expenses. Profit after tax and minority interest was \$124.7 million as compared to \$105.6 million in the corresponding period of 2009.

Nine months ended 30 September 2010/2009

For the nine months ended 30 September 2010, pre-tax profit before fair value and other gains was \$427.4 million, representing a 51% increase compared to the profit of \$282.3 million in the corresponding period of 2009. The increase was due mainly to (i) higher operating profits; (ii) higher income from associated companies; and (iii) lower finance expenses as the finance expenses for the nine months ended 30 September 2009 included facility fees of \$14.0 million for the acquisition of shares in UIC.

In the absence of a negative goodwill of \$279.2 million recognised in 2009, together with the offsetting effects of fair value gains for the nine months ended 30 September 2010 as opposed to fair value losses in the corresponding period in 2009, profit before tax for the nine months ended 30 September 2010 was \$457.4 million, a decrease of 5% from \$480.7 million for the corresponding period in 2009. Profit after tax and minority interest was \$360.4 million or a 14% decrease from the profit of \$417.2 million for the first nine months of 2009.

Net tangible asset and gearing

The Group shareholders' funds increased from \$4.15 billion as at 31 December 2009 to \$4.36 billion as at 30 September 2010. The increase was due mainly to profits recognised in the first nine months of 2010, offset by the adjustments for share buy-back and dividends paid. Consequently the net tangible asset per ordinary share of the Group increased to \$5.56 as at 30 September 2010. The Group's gearing ratio decreased from 43% as at 31 December 2009 to 33% as at 30 September 2010 due to the reduction in borrowings combined with the effects of the increase in shareholders' funds.

- 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 Ministry of Trade and Industry has announced that the Singapore economy remains on track to achieve the overall growth forecast of 13 to 15% for the whole of 2010. Rentals of office space in Singapore increased by 6.0% in 3rd Quarter of 2010 and they are expected to continue their growth momentum. Rentals for retail space, which grew by 0.8% in 3rd Quarter 2010, are expected to remain largely stable. Buying sentiment in the upgraders' residential property market is expected to be cautious following the recent implementation of cooling measures by the government.

The Group's hotels should continue to benefit from the growth in the tourism sector in Singapore and the region.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

| | | |
|---------------------|---|------|
| Name of dividend | : | N.A. |
| Dividend Type | : | N.A. |
| Dividend Rate | : | NIL |
| Par value of shares | : | N.A. |
| 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 | : | N.A. |
| Dividend Type | : | N.A. |
| Dividend Rate | : | NIL |
| Par value of shares | : | N.A. |
| Tax Rate | : | N.A. |

(c) Date payable : N.A.

(d) Books closure date : N.A.

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

No dividend has been declared or recommended for the third quarter ended 30 September 2010.

CONFIRMATION BY DIRECTORS

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the nine months/ third quarter ended 30 September 2010 to be false or misleading.

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Company Secretary
10 November 2010