

**Third Quarter Financial Statement and Dividend Announcement for the Period Ended 30 September 2015**

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

**1(a) 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	3 months ended		+ / (-) %	9 months ended		+ / (-) %
		30.9.15 \$'000	30.9.14 \$'000		30.9.15 \$'000	30.9.14 \$'000	
Revenue	1	189,354	178,376	6	573,697	494,176	16
Cost of sales	2	(113,757)	(103,339)	10	(345,100)	(279,337)	24
Gross profit		75,597	75,037	1	228,597	214,839	6
Investment income	3	3,692	846	336	5,899	5,172	14
Other gains and losses		377	1,413	(73)	1,417	1,492	(5)
Selling and distribution costs		(6,109)	(6,937)	(12)	(19,045)	(21,291)	(11)
Administrative expenses		(4,786)	(5,007)	(4)	(14,997)	(16,596)	(10)
Finance expenses		(3,430)	(2,609)	31	(8,973)	(5,141)	75
Share of results of associated companies		7,329	6,702	9	23,365	27,682	(16)
Share of results of joint ventures		10,273	9,001	14	22,691	27,319	(17)
Profit before fair valuation of investment properties		82,943	78,446	6	238,954	233,476	2
Fair value gain on investment properties	4	-	-	-	956	114,003	(99)
Profit before income tax	5	82,943	78,446	6	239,910	347,479	(31)
Income tax expense		(10,978)	(10,517)	4	(31,670)	(30,442)	4
Net profit		71,965	67,929	6	208,240	317,037	(34)
Profit attributable to:							
Equity holders of the Company		65,277	59,692	9	184,956	274,866	(33)
Non-controlling interests		6,688	8,237	(19)	23,284	42,171	(45)
		71,965	67,929	6	208,240	317,037	(34)

The above net profit attributable to equity holders of the Company can be analysed as follows:

Net profit from operations		65,277	59,692	9	182,403	157,597	16
Fair value gain on investment properties held by subsidiary and associated companies		-	-	-	2,553	117,269	(98)
Net attributable profit		65,277	59,692	9	184,956	274,866	(33)

## Consolidated Statement of Comprehensive Income

	3 months ended		9 months ended	
	30.9.15	30.9.14	30.9.15	30.9.14
	\$'000	\$'000	\$'000	\$'000
Net profit	71,965	67,929	208,240	317,037
Other comprehensive income/(expense) items that may be reclassified subsequently to income statement:				
Net currency translation differences of financial statements of foreign entities	8,136	7,201	12,854	(2,501)
Total comprehensive income	<u>80,101</u>	<u>75,130</u>	<u>221,094</u>	<u>314,536</u>
Total comprehensive income attributable to:				
Equity holders of the Company	72,562	66,046	196,431	274,084
Non-controlling interests	7,539	9,084	24,663	40,452
	<u>80,101</u>	<u>75,130</u>	<u>221,094</u>	<u>314,536</u>

The net currency translation gain of \$8.1 million for the 3 months ended 30 September 2015 (3 months ended 30 September 2014: \$7.2 million) was attributable mainly to the Rmb financial statements of associated company, Shanghai Jin Peng Realty Co Ltd.

### Notes to the income statement

	3 months ended		9 months ended	
	30.9.15	30.9.14	30.9.15	30.9.14
	\$'000	\$'000	\$'000	\$'000
<u>1. Revenue</u>				
Gross rental income	67,278	68,487	202,602	205,335
Gross revenue from hotel operations	37,214	38,627	108,398	108,300
Sale of properties held for sale	65,868	52,485	190,722	113,272
Gross revenue from information technology operations	16,401	16,802	64,694	61,320
Car parking income, property services fees and other income	2,593	1,975	7,281	5,949
	<u>189,354</u>	<u>178,376</u>	<u>573,697</u>	<u>494,176</u>
<u>2. Cost of sales</u>				
Property operating expenses	19,538	18,115	58,158	54,323
Cost of sales from hotel operations	28,292	29,209	81,201	82,334
Cost of properties held for sale sold	51,116	40,883	146,918	87,142
Cost of sales from information technology operations	14,811	15,132	58,823	55,538
	<u>113,757</u>	<u>103,339</u>	<u>345,100</u>	<u>279,337</u>
<u>3. Investment income</u>				
Interest income	1,134	846	3,245	2,616
Dividend income	2,558	-	2,654	2,556
	<u>3,692</u>	<u>846</u>	<u>5,899</u>	<u>5,172</u>
<u>4. Fair value gain on investment properties</u>				
This relates to the valuation by independent professional valuers of investment properties held by subsidiary companies as at 30 June. Valuations are carried out half yearly in June and December.				
<u>5. Profit before income tax</u>				
Profit before income tax is stated after charging:				
Depreciation	<u>6,023</u>	<u>5,826</u>	<u>17,998</u>	<u>17,703</u>

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	Group		Company	
		30.9.15 \$'000	31.12.14 \$'000	30.9.15 \$'000	31.12.14 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Other receivables		176,370	171,065	-	-
Financial assets, available-for-sale		12,045	12,045	-	-
Investments in associated companies		545,745	520,256	-	-
Investments in joint ventures		79,923	57,232	-	-
Investments in subsidiary companies		-	-	1,226,623	1,226,623
Investment properties	1	6,039,454	5,989,900	-	-
Property, plant and equipment		498,010	509,151	404	484
		<u>7,351,547</u>	<u>7,259,649</u>	<u>1,227,027</u>	<u>1,227,107</u>
<b>Current assets</b>					
Cash and cash equivalents		72,471	80,950	494	1,420
Properties held for sale		1,062,616	1,038,939	-	-
Trade and other receivables	2	40,503	107,228	1,764,166	1,842,097
Inventories		2,700	2,217	-	-
		<u>1,178,290</u>	<u>1,229,334</u>	<u>1,764,660</u>	<u>1,843,517</u>
<b>Total assets</b>		<b>8,529,837</b>	<b>8,488,983</b>	<b>2,991,687</b>	<b>3,070,624</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	2	131,043	153,126	145,369	227,522
Current income tax liabilities		53,218	54,957	-	-
Borrowings		709,703	654,776	402,180	393,935
		<u>893,964</u>	<u>862,859</u>	<u>547,549</u>	<u>621,457</u>
<b>Non-current liabilities</b>					
Trade and other payables		65,762	65,530	1,624	1,624
Borrowings		812,974	1,011,517	597,400	596,500
Deferred income tax liabilities		51,054	51,010	-	-
		<u>929,790</u>	<u>1,128,057</u>	<u>599,024</u>	<u>598,124</u>
<b>Total liabilities</b>		<b>1,823,754</b>	<b>1,990,916</b>	<b>1,146,573</b>	<b>1,219,581</b>
<b>NET ASSETS</b>		<b>6,706,083</b>	<b>6,498,067</b>	<b>1,845,114</b>	<b>1,851,043</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital		1,486,638	1,446,183	1,486,638	1,446,183
Reserves		4,403,032	4,246,435	358,476	404,860
		<u>5,889,670</u>	<u>5,692,618</u>	<u>1,845,114</u>	<u>1,851,043</u>
Non-controlling interests		816,413	805,449	-	-
<b>TOTAL EQUITY</b>		<b>6,706,083</b>	<b>6,498,067</b>	<b>1,845,114</b>	<b>1,851,043</b>

Notes to the statement of financial position

1. The increase in investment properties was due to \$48.6 million redevelopment and upgrading costs incurred during the period and \$1.0 million fair value gain on the Group's investment properties [see Section 1(a) note 4].
2. The Company's 'Other receivables' and non-current 'Trade and other payables', which include amounts due from and to subsidiary companies, decreased due to intercompany funding.

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

**Amount repayable in one year or less, or on demand**

At 30.9.15		At 31.12.14	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
155,023	554,680	1,811	652,965

**Amount repayable after one year**

At 30.9.15		At 31.12.14	
Secured	Unsecured	Secured	Unsecured
\$'000	\$'000	\$'000	\$'000
215,574	597,400	415,017	596,500

**Details of any collateral**

The \$370.6 million loans are secured by way of mortgages over Pan Pacific Singapore hotel, Westin Tianjin hotel, certain property development projects and bank deposits pledged.

**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.**

	<b>3 months ended</b>	
	<b>30.9.15</b>	<b>30.9.14</b>
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit before income tax	82,943	78,446
Adjustments to profits	(10,638)	(7,022)
Working capital changes	19,275	(24,631)
Interest paid	(7,219)	(5,602)
Income tax paid	(12,545)	(15,367)
<b>Net cash provided by operating activities</b>	<u>71,816</u>	<u>25,824</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,270)	(1,283)
Upgrading of investment properties	(6,089)	(1,086)
Redevelopment of investment properties	(10,612)	(11,975)
Proceeds from liquidation of an associated company	-	204
Loans to joint ventures	(1,375)	(650)
Dividend received from an unquoted equity investment	2,558	-
Interest received	79	97
<b>Net cash used in investing activities</b>	<u>(16,709)</u>	<u>(14,693)</u>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(39,704)	(5,902)
Decrease in bank deposits pledged as security	2,410	-
Proceeds from issuance of shares	22	870
Acquisition of shares from non-controlling shareholders	(230)	(21,991)
Dividends paid to non-controlling interests	(4,224)	(4,224)
<b>Net cash used in financing activities</b>	<u>(41,726)</u>	<u>(31,247)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	13,381	(20,116)
Cash and cash equivalents at 1 July	49,120	97,331
<b>Cash and cash equivalents at 30 September</b>	<u>62,501</u>	<u>77,215</u>

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

	<b>30.9.15</b>	<b>30.9.14</b>
	\$'000	\$'000
Cash and cash equivalents (per Statement of Financial Position)	72,471	88,695
Less: Bank deposits pledged as security	(9,970)	(11,480)
<b>Cash and cash equivalents (per Statement of Cash Flows)</b>	<u>62,501</u>	<u>77,215</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	Attributable to equity holders of the Company						Total equity \$'000
	Share capital \$'000	Asset			Total \$'000	Non-controlling interests \$'000	
		Retained earnings \$'000	revaluation reserve \$'000	Other reserves \$'000			
<b>2015</b>							
Balance at 1 July 2015	1,486,616	4,263,590	40,397	26,360	5,816,963	813,446	6,630,409
Net profit	-	65,277	-	-	65,277	6,688	71,965
Other comprehensive income	-	-	-	7,285	7,285	851	8,136
<b>Total comprehensive income</b>	-	65,277	-	7,285	72,562	7,539	80,101
Employee share option scheme							
- value of employee services	-	-	-	5	5	-	5
- proceeds from shares issued	22	-	-	-	22	-	22
Effect of acquisition of shares from non-controlling shareholders	-	118	-	-	118	(348)	(230)
Dividends paid	-	-	-	-	-	(4,224)	(4,224)
<b>Total transactions with owners, recognised directly in equity</b>	22	118	-	5	145	(4,572)	(4,427)
<b>Balance at 30 September 2015</b>	<b>1,486,638</b>	<b>4,328,985</b>	<b>40,397</b>	<b>33,650</b>	<b>5,889,670</b>	<b>816,413</b>	<b>6,706,083</b>
<b>2014</b>							
Balance at 1 July 2014	1,445,285	4,001,399	29,382	8,176	5,484,242	825,650	6,309,892
Net profit	-	59,692	-	-	59,692	8,237	67,929
Other comprehensive income	-	-	-	6,354	6,354	847	7,201
<b>Total comprehensive income</b>	-	59,692	-	6,354	66,046	9,084	75,130
Employee share option scheme							
- value of employee services	-	-	-	69	69	-	69
- proceeds from shares issued	870	-	-	-	870	-	870
Effect of acquisition of shares from non-controlling shareholders	-	10,115	-	-	10,115	(32,106)	(21,991)
Dividends paid	-	-	-	-	-	(4,224)	(4,224)
<b>Total transactions with owners, recognised directly in equity</b>	870	10,115	-	69	11,054	(36,330)	(25,276)
<b>Balance at 30 September 2014</b>	<b>1,446,155</b>	<b>4,071,206</b>	<b>29,382</b>	<b>14,599</b>	<b>5,561,342</b>	<b>798,404</b>	<b>6,359,746</b>
<b>Company</b>							
	Share capital \$'000	Retained earnings \$'000	Share option reserve \$'000	Total equity \$'000			
<b>2015</b>							
Balance at 1 July 2015	1,486,616	354,333	5,620	1,846,569			
Net loss and total comprehensive expense	-	(1,482)	-	(1,482)			
Employee share option scheme							
- value of employee services	-	-	5	5			
- proceeds from shares issued	22	-	-	22			
Balance at 30 September 2015	1,486,638	352,851	5,625	1,845,114			
<b>2014</b>							
Balance at 1 July 2014	1,445,285	350,692	5,086	1,801,063			
Net loss and total comprehensive expense	-	(1,587)	-	(1,587)			
Employee share option scheme							
- value of employee services	-	-	69	69			
- proceeds from shares issued	870	-	-	870			
Balance at 30 September 2014	1,446,155	349,105	5,155	1,800,415			

**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.**

The changes in the Company's issued share capital for the 3 months ended 30 September 2015 were as follows:

	Number of ordinary shares '000
Issued share capital as at 1 July 2015	1,405,017
Issue of ordinary shares arising from the exercise of UIC share options	8
Issued share capital as at 30 September 2015	<u>1,405,025</u>

As at 30 September 2015, there were 3,130,000 (30 September 2014: 3,518,000) ordinary shares which may be issued upon the exercise of the subscription rights in full by holders of options granted to executives of the Group under the UIC 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.**

	30.9.15 '000	31.12.14 '000
Total number of issued shares	<u>1,405,025</u>	<u>1,392,592</u>

**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 auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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.**

The same accounting policies and methods of computation in the 2014 audited annual financial statements have been applied for the current reporting period.

**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.**

Nil.

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

	Latest quarter 30.9.15	Previous quarter 30.9.14
Earnings per ordinary share		
(a) Based on the weighted average number of ordinary shares on issue	4.6 cents	4.3 cents
(b) <u>On a fully diluted basis</u>		
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 the average market price in the current quarter. As the impact of the dilution is insignificant, diluted earnings per share is the same as basic earnings per share.		

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :-**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	<b>30.9.15</b>	<b>31.12.14</b>
Net asset value per ordinary share		
Group	\$4.19	\$4.09
Company	\$1.31	\$1.33

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-**

**(a) 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; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Comparison of 3rd quarter 2015 results with 2014

Revenue at \$189.4 million increased by \$11.0 million (6%) due mainly to higher trading property sales.

Sales of trading properties at \$65.9 million was higher by \$13.4 million (25%) as a result of higher sales and progressive sales recognition on percentage of completion basis for the Group's residential projects.

Revenue from hotel operations decreased slightly by \$1.4 million (4%) to \$37.2 million (3Q 2014: \$38.6 million).

Gross rental income from investment properties decreased slightly by \$1.2 million (2%) to \$67.3 million (3Q 2014: \$68.5 million).

Overall, net attributable profit increased by \$5.6 million (9%) to \$65.3 million attributable mainly to higher revenue.

Comparison of 9 months ended 30 September 2015 results with 2014

Revenue at \$573.7 million was higher by \$79.5 million (16%) due primarily to higher trading property sales.

With higher revenue and increased share of Singapore Land Limited's ("Singland") operating profit following UIC's voluntary cash offer for Singland's shares in 2014, net profit from operations increased by \$24.8 million (16%) to \$182.4 million. Including the fair value gain of \$2.6 million (YTD September 2014: \$117.3 million), the overall net attributable profit amounted to \$185.0 million (YTD September 2014: \$274.9 million).

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

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and 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.**

CBD office demand is expected to remain subdued and steady.

Cooling measures continue to overhang the residential property market but there are some signs of recovery in certain segments of the market.

Slower growth in tourist arrivals, new supplies and vacancies in existing shopping centres, and the rising popularity of online retail are challenges for a positive growth in the retail trade.

Increasing supply of new hotels are competing with traditional city hotels and affecting revenue growth.

11. **Dividend**

*(a) Current Financial Period Reported On*

Any dividend recommended for the current financial period reported on? None.

*(b) Corresponding Period of the Immediately Preceding Financial Year*

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

*(c) Date payable*

Not applicable.

*(d) Books closure date*

Not applicable.

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

No dividend has been declared/recommended for the quarter ended 30 September 2015.

13. **If the Group has obtained a general mandate from shareholders for Interested Person Transactions "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.**

No IPT mandate has been obtained.

14. **Negative confirmation pursuant to Rule 705(5).**

The Board of Directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the third quarter ended 30 September 2015 to be false or misleading in any material respect.

**BY ORDER OF THE BOARD**

Susie Koh  
Company Secretary  
30 October 2015