

**WHEELOCK PROPERTIES (SINGAPORE) LIMITED**  
(Incorporated in the Republic of Singapore)

The Board of Directors of Wheelock Properties (Singapore) Limited wishes to make the following announcements: -

**UNAUDITED RESULTS FOR THE QUARTER ENDED 30 JUNE 2004**

1(a) **Operating Results :-**

	Group		
	Quarter Ended 30.06.2004	Quarter Ended 30.06.2003	%
	\$'000	\$'000	+ or -
Revenue	127,079	7,474	1,600.3
Other Income (Note : 1a)	1,747	1,786	-2.2
	<b>128,826</b>	9,260	1,291.2
Direct Costs and Operating Expenses (Note : 1b)	<b>(74,940)</b>	1,295	5,886.9
Selling and Marketing Expenses (Note : 1b)	<b>(924)</b>	(43)	2,048.8
Administrative and Corporate Expenses (Note : 1b)	<b>(2,079)</b>	(716)	190.4
Other Operating Expenses (Note : 1b)	<b>(4,419)</b>	(1,963)	125.1
Profit from Operations	<b>46,464</b>	7,833	493.2
Finance Costs (Note : 1c)	<b>(2,229)</b>	(803)	177.6
Share of Results of Associates (Ref : 1d)	<b>1,426</b>	(1,104)	229.2
Profit from Ordinary Activities before Taxation	<b>45,661</b>	5,926	670.5
Income Tax Expense (Ref : 1e & 1f)	<b>(1,656)</b>	(1,467)	12.9
Net Profit For The Quarter	<b>44,005</b>	4,459	886.9

**Notes:**

1a. Other income comprised :-

	Group		
	Quarter Ended 30.06.2004	Quarter Ended 30.06.2003	% + or -
	\$'000	\$'000	
Interest income	869	1,521	-42.9
Other income	878	265	231.3
	<b>1,747</b>	<b>1,786</b>	<b>-2.2</b>

The decrease in interest income was due to lower interest rates and principals in the current period under review.

The increase in other income was due to higher dividend income received from investment in equities.

1b. Analysis of expenses :-

The increase in direct costs and operating expenses was a consequence of the established accounting policy to recognise profits over the course of the development. Refer to Section 8 – Review of Performance.

The increase in sales and marketing expenses, administrative and corporate expenses was due to expenses incurred in respect of Grange Residences which obtained Temporary Occupation Permit (“TOP”) in March 2004. Prior to TOP, these expenses were capitalised in accordance with the Group’s accounting policy.

The increase in other operating expenses was mainly due to allowance for diminution in value of development property of \$2.4 million recognised in the profit and loss account in the current period. Net exchange loss of \$1.9 million (2003 : \$2.1 million) arising mainly from forward contracts hedging USD to SGD was grouped under other operating expenses.

1c. Increase in finance costs was mainly due to one-off fees incurred for a bank loan re-financing. Reduction in interest costs is expected in the current financial year.

1d. Increase in share of results of associates was due to better performance from an associate. Amortisation charge on goodwill has been included in the share of results of associates.

- 1e. Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

- 1f. For the current period under review, there was no adjustment for under or overprovision of tax in respect of prior years (2003: nil).

**1(b)(i) UNAUDITED BALANCE SHEETS AS AT 30 JUNE 2004**

	Group			Company		
	30.06.2004	31.3.2004	% + or -	30.06.2004	31.3.2004	% + or -
	\$'000	\$'000		\$'000	\$'000	
<b>Non-Current Assets</b>						
Plant and Equipment	326	322	1.2	143	141	1.4
Investment Property	356,000	356,000	0.0	0	0	NA
Amounts Due From Subsidiaries	0	0	NA	554,310	550,782	0.6
Interests in Subsidiaries	0	0	NA	220,741	220,741	0.0
Interests in Associates	16,036	15,198	5.5	0	0	NA
Investments	35,978	35,286	2.0	0	0	NA
	<b>408,340</b>	<b>406,806</b>	<b>0.4</b>	<b>775,194</b>	<b>771,664</b>	<b>0.5</b>
<b>Current Assets</b>						
Development Properties	660,306	659,618	0.1	156,944	194,745	-19.4
Investments	0	17,126	-100.0	0	0	NA
Trade and Accrued Receivables	56,396	48,691	15.8	56,301	48,629	15.8
Amounts Due From Related Corporations	1,222	1,210	1.0	22	10	120.0
Other Receivables	17,355	20,996	-17.3	925	1,123	-17.6
Cash and Cash Equivalents	485,127	423,986	14.4	215,535	145,949	47.7
	<b>1,220,406</b>	<b>1,171,627</b>	<b>4.2</b>	<b>429,727</b>	<b>390,456</b>	<b>10.1</b>
Less :						
<b>Current Liabilities</b>						
Trade Payables	29,826	30,870	-3.4	12,844	15,327	-16.2
Other Payables	12,579	11,418	10.2	1,856	1,413	31.4
Current Tax Payable	12,928	11,811	9.5	283	253	11.9
	<b>55,333</b>	<b>54,099</b>	<b>2.3</b>	<b>14,983</b>	<b>16,993</b>	<b>-11.8</b>
<b>Net Current Assets</b>	<b>1,165,073</b>	<b>1,117,528</b>	<b>4.3</b>	<b>414,744</b>	<b>373,463</b>	<b>11.1</b>
<b>Non-Current Liabilities</b>						
Bank Loans (Ref : 1(b)(ii))	(395,000)	(390,000)	1.3	0	0	NA
Amounts Due to Subsidiaries	0	0	NA	(136,693)	(136,646)	0.0
Deferred Tax Liabilities	(8,746)	(8,769)	-0.3	(6)	(11)	-45.5
	<b>1,169,667</b>	<b>1,125,565</b>	<b>3.9</b>	<b>1,053,239</b>	<b>1,008,470</b>	<b>4.4</b>
<b>Share Capital</b>						
Share Capital	398,853	398,853	0.0	398,853	398,853	0.0
Reserves	770,814	726,712	6.1	654,386	609,617	7.3
<b>Shareholders' Equity</b>	<b>1,169,667</b>	<b>1,125,565</b>	<b>3.9</b>	<b>1,053,239</b>	<b>1,008,470</b>	<b>4.4</b>

NA: Not Applicable.

## COMMENTS ON MAJOR BALANCE SHEET VARIANCES

### Group

Decrease in short-term investments was due to redemption of units in US dollar funds during the current period.

Increase in trade and accrued receivables was due to sales proceeds receivable from purchasers of Grange Residences.

Increase in cash was mainly due to sales proceeds received from purchasers of Grange Residences and redemption of units in US dollar funds partially offset by deposit paid for acquisition of No. 6 Scotts Road.

### Company

Decrease in development properties was mainly due to cost of sales charged to the profit and loss account on sale of Grange Residences partially offset by deposit paid for acquisition of No. 6 Scotts Road.

Increase in trade and accrued receivables was due to sales proceeds receivable from purchasers of Grange Residences.

Increase in cash was due to sales proceeds received from purchasers of Grange Residences.

### **1(b)(ii) Borrowings**

	Group	
	<u>30.06.2004</u>	<u>31.03.2004</u>
	\$'000	\$'000
Repayable after one year :		
Bank loans (secured)	<b>225,000</b>	390,000
Bank loan (unsecured)	<b>170,000</b>	-

The bank loans are generally secured by mortgages over the Group's development properties, legal assignment of all rights, titles, interests and benefits under contracts in respect of the properties and corporate guarantees issued by the Company.

**1(c) UNAUDITED CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 JUNE 2004**

	Group	
	Quarter Ended 30.06.2004	Quarter Ended 30.06.2003
	\$'000	\$'000
<b><u>Operating Activities</u></b>		
Profit from ordinary activities before taxation	45,661	5,926
Adjustments for:-		
Depreciation of plant and equipment	25	29
Exchange loss	3,212	5,114
Interest expense	625	795
Interest income	(869)	(1,521)
Share of results of associates	(1,426)	1,104
Allowance for/(Write-back) of diminution in value of development property	2,421	(246)
Revaluation deficit on investment property	48	139
Dividend income from investments	(762)	(51)
Operating profit before working capital changes	48,935	11,289
Changes in working capital:		
Development properties	(2,299)	(17,581)
Trade and accrued receivables	(7,704)	12
Amounts due from related corporations	(12)	21
Amounts due from associates	0	(1)
Other receivables	569	(69)
Trade payables	(1,043)	7,793
Other payables	64	(62)
	(10,425)	(9,887)
Cash generated from operations	38,510	1,402
Interest received	857	1,523
Net income tax refund/(paid)	49	(10,218)
Dividends received	431	0
Cash flows from operating activities	39,847	(7,293)

	Group	
	Quarter Ended 30.06.2004	Quarter Ended 30.06.2003
	\$'000	\$'000
<b><u>Financing Activities</u></b>		
Repayment of bank loans	(180,000)	0
Drawdown of bank loans	185,000	0
Interest paid	(1,379)	(823)
Cash flows from financing activities	3,621	(823)
<b><u>Investing Activities</u></b>		
Proceeds from sale of investments	17,068	0
Purchase of plant and equipment	(35)	(32)
Expenditure on investment property	(48)	(139)
Acquisition of investments	(37)	(6,223)
Dividends received	725	465
Cash flows from investing activities	17,673	(5,929)
Net Increase/(Decrease) in Cash and Cash Equivalents	61,141	(14,045)
Cash and Cash Equivalents At Beginning of Period	423,986	628,990
Cash and Cash Equivalents At End of Period	<u>485,127</u>	<u>614,945</u>

**1(d)(i) UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER  
ENDED 30 JUNE 2004**

Group	Share Capital \$'000	Capital Reserve \$'000	Exchange Fluctuation Reserve \$'000	Accumulated Profits \$'000	Total \$'000
At 1 April 2003	398,853	452	359	653,804	1,053,468
Exchange differences arising on equity accounting			384		
Net profit for the quarter				4,459	4,459
At 30 June 2003	<u>398,853</u>	<u>452</u>	<u>743</u>	<u>658,263</u>	<u>1,058,311</u>
At 1 April 2004	<b>398,853</b>	<b>452</b>	<b>1,281</b>	<b>724,979</b>	<b>1,125,565</b>
Exchange differences arising on equity accounting			97		97
Net profit for the quarter				44,005	44,005
At 30 June 2004	<u><b>398,853</b></u>	<u><b>452</b></u>	<u><b>1,378</b></u>	<u><b>768,984</b></u>	<u><b>1,169,667</b></u>

Company	Share Capital \$'000	Accumulated Profits \$'000	Total \$'000
At 1 April 2003	398,853	541,565	940,418
Net profit for the quarter		400	400
At 30 June 2003	<u>398,853</u>	<u>541,965</u>	<u>940,818</u>
At 1 April 2004	<b>398,853</b>	<b>609,617</b>	<b>1,008,470</b>
Net profit for the quarter		44,769	44,769
At 30 June 2004	<u><b>398,853</b></u>	<u><b>654,386</b></u>	<u><b>1,053,239</b></u>

### 1(d)(ii) Details of any changes in the Company's issued share capital

Since the last financial year ended 31 March 2004, there has been no change in the issued and paid-up share capital of the Company.

As at 30 June 2004, there were no unissued shares of the Company or its subsidiaries under option (30 June 2003: nil).

### 1(e) Share Purchase

The Company has not made any purchase of its share during the quarter ended 30 June 2004.

### 2. Review of Results By Auditors

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

### 3. Auditors' Report

Not applicable.

### 4. Basis of Preparation

The interim financial statements, which do not include the full disclosures of the type normally included in a complete set of financial statements prepared in accordance with Financial Reporting Standards, are to be read in conjunction with the Group's audited financial statements as at 31 March 2004.

The Group has adopted the same accounting policies and methods of computation in the financial statements ended 30 June 2004, as compared with the Group's audited financial statements as at 31 March 2004.

### 5. Effect of Changes in Accounting Policies and Methods

Not applicable.

### 6. Earnings per share :-

	Group		
<b>Quarter Ended</b>	Quarter Ended		%
<b>30.06.2004</b>	30.06.2003		+ or -
<b>11.03 cents</b>	1.12 cents		886.9

Earnings per share are calculated based on the Group's profit after taxation and on the number of shares of the Company in issue during the quarter.

## 7. Net asset value per share as at :-

Group			Company		
30.06.2004	31.03.2004	% + or -	30.06.2004	31.03.2004	% + or -
\$2.93	\$2.82	3.9	\$2.64	\$2.53	4.4

## 8. Review of Performance

Group turnover and profit after tax for the 1<sup>st</sup> quarter ended 30 June 2004 was \$127 million and \$44 million respectively, an increase of 1,600% and 887% respectively when compared to the same period last year. These increases were mainly attributable to the revenue and corresponding profit recognition from Grange Residences. 100% profit was recognised in respect of units sold during the current period under review. Insignificant profit was recognised in the same period last year.

### Seasonality or cyclicity of operations

The Group recognises profits on pre-sale of development properties using the percentage of completion method. The percentage of completion is measured by reference to the percentage of construction costs incurred at the balance sheet date to estimated total construction costs. Profits are only recognised in respect of finalised sales agreements. This basis of profit recognition leads to volatility of earnings between comparable quarters.

### **Development Properties**

#### **Grange Residences**

Grange Residences obtained Temporary Occupation Permit on 12 March 2004 and was officially launched for sale in March 2004.

To-date, 68% of the Grange Residences have been sold.

#### **The Cosmopolitan**

A residential condominium development of about 228 apartments for sale is proposed on the former Times House site. Redevelopment works have commenced in April 2004 and the project will be ready for sale in mid 2005.

#### **The Sea View**

A residential condominium development of about 546 apartments for sale is proposed on the amalgamated site. Redevelopment is expected to commence by 3<sup>rd</sup> quarter of 2004 and the project will be ready for sale in mid 2005.

### **Ardmore View**

Ardmore View is currently 80% leased at satisfactory rates. All tenancies will expire by December 2004 and the existing building will then be demolished for redevelopment of the site.

A residential condominium development of about 166 apartments for sale is proposed on the site and the project will be ready for sale in mid 2005.

### **Investment Property - Wheelock Place**

Wheelock Place is currently 98% leased or committed at satisfactory rental rates.

## **9. Forecast Statement**

No forecast or prospect statement had been previously made to shareholders.

## **10. Current Year's Prospects**

Wheelock Place continues to enjoy high occupancy rates with strengthening retail and office rentals.

The Company expects to sell the remaining units at the Grange Residences during this financial year.

In July 2004, the Company sold its entire investment in an associated company, Kim Realty Investment Pte Ltd to Wharf Estates China Limited ("WECL") for \$2 million. All the rights and liabilities ascribed to the equity shares have been passed to WECL henceforth. The \$2 million consideration will be recorded as a gain on disposal in the current financial year.

The Company has entered into a sale and purchase agreement with The Ascott Group Limited on 7 June 2004, to acquire No. 6 Scotts Road for \$345 million. The acquisition is scheduled to complete in September 2004.

Wheelock Azabujuban Tokutei Mokuteki Kaisha, the wholly-owned subsidiary of Wheelock Properties (Japan) Pte. Ltd., which is in turn a wholly-owned subsidiary of the Company, has entered into a sale and purchase agreement with Mitsui Fudosan Co., Ltd. on 30 July 2004, to acquire the Oakwood Residence Azabujuban for JPY5,500,000,000. The acquisition is scheduled to complete by 1 November 2004. The Company intends to hold the property as investment till the expiry of the existing management contract in respect of the serviced apartments in year 2012.

The above acquisitions are not expected to have any significant impact on the Group's operating results for the current financial year.

## **11. Dividend**

The Directors do not recommend any interim dividend for the 1<sup>st</sup> quarter ended 30 June 2004 (2003 : nil).

By Order Of the Board

Pauline Tham  
Company Secretary  
11 August 2004