

WHEELLOCK

PROPERTIES

Co. Reg. No. 197201797H
(Incorporated in the Republic of Singapore)

UNAUDITED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2012

TABLE OF CONTENTS

ITEM NO.	DESCRIPTION	PAGE NO.
1(a)(i)	CONSOLIDATED INCOME STATEMENT	2
1(a)(ii)	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
1(a)(iii)	NOTES TO THE CONSOLIDATED INCOME STATEMENT	4
1(b)(i)	STATEMENTS OF FINANCIAL POSITION	5
1(b)(ii)	BORROWINGS	7
1(c)	CONSOLIDATED STATEMENT OF CASH FLOWS	8
1(d)(i)	STATEMENTS OF CHANGES IN EQUITY	10
1(d)(ii)	SHARE CAPITAL	13
1(e)	SHARE PURCHASE	13
2	REVIEW OF RESULTS BY AUDITORS	13
3	AUDITORS' REPORT	13
4	BASIS OF PREPARATION	13
5	EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS	13
6	EARNINGS PER SHARE	13
7	NET ASSET VALUE PER SHARE	14
8	REVIEW OF PERFORMANCE	14
9	FORECAST STATEMENT	17
10	CURRENT YEAR'S PROSPECTS	17
11	DIVIDEND	18
12	SEGMENTAL INFORMATION	18
13	COMMENTS ON SEGMENT RESULTS	20
14	INTERESTED PERSON TRANSACTIONS	20
15	CONFIRMATION BY THE BOARD	20

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

1(a)(i) CONSOLIDATED INCOME STATEMENT

	Quarter ended			Period ended		
	30 Jun 2012	30 Jun 2011	Change	30 Jun 2012	30 Jun 2011	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	116,603	67,635	72.4	142,737	170,422	(16.2)
Cost of sales	(51,320)	(22,806)	125.0	(59,547)	(58,337)	2.1
Gross profit	65,283	44,829	45.6	83,190	112,085	(25.8)
Other income	924	736	25.5	2,061	1,271	62.2
Selling and marketing expenses	(2,407)	(97)	NM	(3,249)	(365)	790.1
Administrative and corporate expenses	(2,847)	(2,322)	22.6	(7,045)	(4,914)	43.4
Other operating expenses	(3,505)	(299)	NM	(1,994)	(1,174)	69.8
Profit before taxation	57,448	42,847	34.1	72,963	106,903	(31.7)
Income tax expense	(8,900)	(5,840)	52.4	(11,277)	(17,552)	(35.8)
Profit for the period	48,548	37,007	31.2	61,686	89,351	(31.0)

1(a)(ii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended			Period ended		
	30 Jun 2012	30 Jun 2011	Change	30 Jun 2012	30 Jun 2011	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	48,548	37,007	31.2	61,686	89,351	(31.0)
Other comprehensive income:						
Available-for-sale financial assets						
- net change in fair value	(13,806)	(12,261)	12.6	20,235	(60,830)	(133.3)
Exchange differences arising on consolidation of foreign subsidiaries	2,372	(3,525)	(167.3)	(4,102)	(4,543)	(9.7)
Other comprehensive income for the period, net of income tax*	(11,434)	(15,786)	(27.6)	16,133	(65,373)	(124.7)
Total comprehensive income for the period	37,114	21,221	74.9	77,819	23,978	224.5

* There was no tax effect on the components included in other comprehensive income.

1(a)(iii) NOTES TO THE CONSOLIDATED INCOME STATEMENT

The following items have been charged or (credited) in arriving at profit for the period:

	Quarter ended			Period ended		
	30 Jun 2012	30 Jun 2011	Change	30 Jun 2012	30 Jun 2011	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Exchange gain (net)						
- net change in fair value of forward exchange contracts	0	(578)	(100.0)	0	(578)	(100.0)
- others	0	178	(100.0)	0	96	(100.0)
Interest income	0	(400)	(100.0)	0	(482)	(100.0)
Gain on disposal of investment	(806)	(330)	144.2	(1,850)	(774)	139.0
Others	0	0	0	(7)	0	NA
Other income	(118)	(6)	NM	(204)	(15)	NM
	(924)	(736)	25.5	(2,061)	(1,271)	62.2
Exchange loss (net)						
- net change in fair value of forward exchange contracts	(337)	0	NA	(496)	0	NA
- others	4,068	0	NA	2,445	0	NA
Changes in fair value on investment properties	3,731	0	NA	1,949	0	NA
Fixtures, plant and equipment included in investment property written off	(711)	240	(396.3)	(492)	861	(157.1)
Others	420	0	NA	420	199	111.1
Other operating expenses	65	59	10.2	117	114	2.6
	3,505	299	NM	1,994	1,174	69.8
Depreciation of property, plant and equipment						
	70	55	27.3	140	110	27.3
Dividend income from investments	(6,654)	(8,422)	(21.0)	(6,694)	(8,422)	(20.5)
Interest income from investments	(1,574)	0	NA	(1,574)	0	NA
Over provision of tax in prior years	0	0	0	(5)	(39)	(87.2)

NA: Not Applicable
 NM: Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Jun 2012	31 Dec 2011	30 Jun 2012	31 Dec 2011
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	1,485	1,382	1,252	1,126
Investment properties	1,261,684	1,260,000	360,000	360,000
Amounts due from subsidiaries	0	0	860,322	591,424
Interests in subsidiaries	0	0	236,884	236,490
Interests in an associate	7	7	0	0
Investments	543,904	250,104	0	0
Other non-current assets	540	540	540	540
	1,807,620	1,512,033	1,458,998	1,189,580
Current assets				
Development properties	624,478	366,682	69,978	73,747
Trade and accrued receivables	176,548	165,591	150,891	161,704
Amounts due from subsidiaries	0	0	637	33,816
Amounts due from related corporations	27	25	27	25
Deposits and other receivables	9,917	153,946	5,443	3,008
Cash and cash equivalents	747,950	1,081,625	702,656	986,790
	1,558,920	1,767,869	929,632	1,259,090
Total assets	3,366,540	3,279,902	2,388,630	2,448,670
Equity attributable to owners of the company				
Share capital	1,055,901	1,055,901	1,055,901	1,055,901
Reserves	1,845,489	1,839,464	848,682	917,042
Total equity	2,901,390	2,895,365	1,904,583	1,972,943
Non-current liabilities				
Interest-bearing liabilities (Ref: 1(b)(ii))	278,404	160,274	0	0
Deferred tax liabilities	35,102	35,208	25,540	24,802
	313,506	195,482	25,540	24,802
Current liabilities				
Trade payables	65,210	71,239	35,771	43,969
Other payables	32,177	32,510	14,296	15,095
Amounts due to subsidiaries	0	0	376,964	331,022
Current tax payable	54,257	85,306	31,476	60,839
	151,644	189,055	458,507	450,925
Total liabilities	465,150	384,537	484,047	475,727
Total equity and liabilities	3,366,540	3,279,902	2,388,630	2,448,670

REVIEW OF FINANCIAL POSITION

Group

Increase in investments of \$294 million was mainly due to the acquisition of quoted securities for yield enhancement and increase in market value of the Group's investment in Hotel Properties Limited. These securities can be liquidated should funds be required for better yielding property developments or investments.

Increase in development properties of \$258 million was mainly due to the completion of the acquisition of the 5 sites at Fuyang City, People's Republic of China and construction costs incurred on Ardmore Three. This was partially offset by the sale of completed units from Orchard View and Scotts Square.

Decrease in deposits and other receivables of \$144 million was mainly due to the reclassification of the 50% deposit for the sites at Fuyang City to development properties upon completion of the acquisition.

Decrease in cash and cash equivalents of \$334 million was mainly due to the acquisition of quoted securities, payment of dividends, payment of income tax for year of assessment 2012 and partial payment of the remaining 50% consideration for the sites at Fuyang City (net of land loan). This was partially offset by sales proceeds received from development properties.

Increase in interest-bearing liabilities of \$118 million was mainly due to the drawdown of bank loans to finance the acquisition of sites at Fuyang City and payment of construction costs for Ardmore Three.

Decrease in current tax payable of \$31 million was mainly due to the payment of income tax for year of assessment 2012. This was partially offset by the provision of tax in respect of profit recognised in the current financial period.

Company

Increase in amounts due from subsidiaries of \$236 million was mainly due to the provision of inter-company loans to subsidiaries to invest in quoted securities. This was partially offset by the repayment of inter-company loans by subsidiaries.

Decrease in cash and cash equivalents of \$284 million was mainly due to the provision of inter-company loans to subsidiaries to invest in quoted securities, payment of dividends, payment of income tax for year of assessment 2012. This was partially offset by the transfer of surplus funds from subsidiaries and sales proceeds received from the sale of Scotts Square residential units.

Decrease in reserves of \$68 million was mainly due to the payment of dividends. This was partially offset by profits recognised in the current financial period.

Increase in amounts due to subsidiaries of \$46 million was mainly due to the transfer of surplus funds from subsidiaries.

Decrease in current tax payable of \$29 million was mainly due to the payment of income tax for year of assessment 2012.

1(b)(ii) BORROWINGS

	Group	
	30 Jun 2012	30 Dec 2011
	\$'000	\$'000
Repayable after 1 year but within 5 years:		
Interest-bearing liability (secured)	127,427	119,628
Interest-bearing liability (unsecured)	150,977	40,646
	278,404	160,274

The secured bank loan is secured by a mortgage over the Group's development property in Singapore, legal assignment of all rights, titles, interests and benefits under contracts in respect of the property. Corporate guarantees are issued by the Company for the secured and unsecured bank loans and subordination of the repayment in respect of the amounts due to the Company by certain subsidiaries amounted to \$272,230,000 (31 December 2011: \$263,513,000). The interest-bearing liability is secured on the following asset:

	Group	
	30 Jun 2012	31 Dec 2011
	\$'000	\$'000
Development property	242,316	233,857

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	Quarter ended		Period ended	
	30 Jun 2012	30 Jun 2011	30 Jun 2012	30 Jun 2011
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit for the period	48,548	37,007	61,686	89,351
Adjustments for:				
Income tax expense	8,900	5,840	11,277	17,552
Depreciation of property, plant and equipment	70	55	140	110
Net change in fair value of forward contracts	(337)	(578)	(496)	(578)
Exchange gain (net)	(508)	0	(348)	0
Interest income	(806)	(330)	(1,850)	(774)
Fixtures, plant and equipment included in investment property written off	420	0	420	199
Changes in fair value on investment properties	(711)	240	(492)	861
Gain on disposal of investment	0	0	(7)	0
Dividend income from investments	(6,654)	(8,422)	(6,694)	(8,422)
Interest income from investments	(1,574)	0	(1,574)	0
Operating profit before working capital changes	47,348	33,812	62,062	98,299
Changes in working capital:				
Development properties	43,319	(26,862)	(108,434)	(58,802)
Trade and accrued receivables	(16,915)	42,802	(10,957)	82,106
Amounts due from related corporations	24	16	(2)	12
Deposits and other receivables	(2,934)	(123,836)	(3,945)	(265,174)
Trade payables	673	(8,110)	(6,029)	(15,559)
Other payables	(2,301)	(5,081)	(357)	(3,497)
Cash generated from/ (utilised in) operations	69,214	(87,259)	(67,662)	(162,615)
Interest received	876	489	1,954	1,181
Income tax paid	(42,426)	(13,284)	(42,432)	(13,285)
Dividends paid	(71,794)	(71,794)	(71,794)	(71,794)
Cash flows from operating activities	(44,130)	(171,848)	(179,934)	(246,513)

	Quarter ended		Period ended	
	30 Jun 2012	30 Jun 2011	30 Jun 2012	30 Jun 2011
	\$'000	\$'000	\$'000	\$'000
Investing activities				
Proceeds from sale of investment	0	0	111	0
Purchase of property, plant and equipment	(143)	(95)	(253)	(166)
Expenditure on investment properties	(1,393)	(5,864)	(1,612)	(10,813)
Acquisition of investments	(268,984)	0	(271,622)	0
Dividends received	6,694	8,422	6,800	8,422
Interest received	9	0	9	0
Cash flows from investing activities	(263,817)	2,463	(266,567)	(2,557)
Financing activities				
Repayment of bank loan	0	0	0	(104,000)
Drawdown of bank loans	3,090	0	115,947	104,000
Finance costs	(950)	(237)	(1,679)	(1,607)
Cash flows from financing activities	2,140	(237)	114,268	(1,607)
Net decrease in cash and cash equivalents	(305,807)	(169,622)	(332,233)	(250,677)
Cash and cash equivalents at beginning of the period	1,049,171	776,175	1,077,245	856,322
Effect of exchange rate changes on balances held in foreign currencies	206	(217)	(1,442)	691
Cash and cash equivalents at the end of the period (Note 1)	743,570	606,336	743,570	606,336

	Quarter ended		Period ended	
	30 Jun 2012	30 Jun 2011	30 Jun 2012	30 Jun 2011
	\$'000	\$'000	\$'000	\$'000
Note 1				
Cash and cash equivalents in the statements of financial position	747,950	610,716	747,950	610,716
Less: Deposit pledged	(4,380)	(4,380)	(4,380)	(4,380)
Cash and cash equivalents in the statement of cash flows	743,570	606,336	743,570	606,336

Deposit pledged represents bank balance of a subsidiary pledged as security to obtain a credit facility.

1(d)(i) STATEMENTS OF CHANGES IN EQUITY

	Share Capital	Translation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
At 1 April 2012	1,055,901	3,241	148,815	1,728,113	2,936,070
Total comprehensive income for the period					
Profit for the period	0	0	0	48,548	48,548
Other comprehensive income					
Available-for-sale financial assets - net change in fair value	0	0	(13,806)	0	(13,806)
Exchange differences arising on consolidation of foreign subsidiaries	0	2,372	0	0	2,372
Total other comprehensive income	0	2,372	(13,806)	0	(11,434)
Total comprehensive income for the period	0	2,372	(13,806)	48,548	37,114
Transaction with owners of the Company, recorded directly in equity					
Distribution to owners					
Dividends to owners	0	0	0	(71,794)	(71,794)
Total transaction with owners	0	0	0	(71,794)	(71,794)
At 30 June 2012	1,055,901	5,613	135,009	1,704,867	2,901,390

	Share Capital	Translation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
At 1 April 2011	1,055,901	(1,021)	221,754	1,547,945	2,824,579
Total comprehensive income for the period					
Profit for the period	0	0	0	37,007	37,007
Other comprehensive income					
Available-for-sale financial assets - net change in fair value	0	0	(12,261)	0	(12,261)
Exchange differences arising on consolidation of foreign subsidiaries	0	(3,525)	0	0	(3,525)
Total other comprehensive income	0	(3,525)	(12,261)	0	(15,786)
Total comprehensive income for the period	0	(3,525)	(12,261)	37,007	21,221
Transaction with owners of the Company, recorded directly in equity					
Distribution to owners					
Dividends to owners	0	0	0	(71,794)	(71,794)
Total transaction with owners	0	0	0	(71,794)	(71,794)
At 30 June 2011	1,055,901	(4,546)	209,493	1,513,158	2,774,006

	Share Capital	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1 April 2012	1,055,901	921,996	1,977,897
Total comprehensive income for the period			
Loss for the period	0	(1,520)	(1,520)
Transaction with owners of the Company, recorded directly in equity			
Distribution to owners			
Dividends to owners	0	(71,794)	(71,794)
Total transaction with owners	0	(71,794)	(71,794)
At 30 June 2012	1,055,901	848,682	1,904,583

	Share Capital	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1 April 2011	1,055,901	748,911	1,804,812
Total comprehensive income for the period			
Profit for the period	0	117,572	117,572
Transaction with owners of the Company, recorded directly in equity			
Distribution to owners			
Dividends to owners	0	(71,794)	(71,794)
Total transaction with owners	0	(71,794)	(71,794)
At 30 June 2011	1,055,901	794,689	1,850,590

1(d)(ii) SHARE CAPITAL

Since the last financial year ended 31 December 2011, there has been no change in the issued and paid-up share capital of the Company (1,196,559,876 shares).

As at 30 June 2012, there were no unissued shares of the Company or its subsidiaries under option (30 June 2011: nil).

1(e) SHARE PURCHASE

The Company has not made any purchase of its shares during the period ended 30 June 2012.

2. REVIEW OF RESULTS BY AUDITORS

The figures have not been audited by the auditors but have been reviewed in accordance with Singapore Standard On Review Engagements (“SSRE”) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

The financial information as set out in Sections 1, 4, 5, 6, 7, 11 and 12 of this announcement have been extracted from the consolidated condensed interim financial information that has been reviewed in accordance with SSRE 2410.

3. AUDITORS’ REPORT

Refer to the attached auditors’ report.

4. BASIS OF PREPARATION

The Group has adopted the same accounting policies and methods of computation in the financial statements for the period ended 30 June 2012, as compared with the Group’s audited financial statements for the year ended 31 December 2011.

5. EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS

Not applicable.

6. EARNINGS PER SHARE

	Quarter ended		Period ended	
	30 Jun 2012	30 Jun 2011	30 Jun 2012	30 Jun 2011
Basic earnings per share	4.06 cents	3.09 cents	5.16 cents	7.47 cents
Diluted earnings per share	4.06 cents	3.09 cents	5.16 cents	7.47 cents

Basic and diluted earnings per share are calculated based on the Group’s profit attributable to Shareholders and on the weighted average number of shares of the Company in issue for the 2nd quarter and period ended 30 June 2012 of 1,196,559,876 (2011: 1,196,559,876 shares).

7. NET ASSET VALUE PER SHARE

Group		Company	
30 Jun 2012	31 Dec 2011	30 Jun 2012	31 Dec 2011
\$	\$	\$	\$
2.42	2.42	1.59	1.65

8. REVIEW OF PERFORMANCE

Revenue and Profit

The Group achieved revenue of \$117 million and profit after tax of \$49 million for the 2nd quarter ended 30 June 2012, an increase of 72% and 31% respectively when compared to the same period last year.

The Group achieved revenue of \$143 million and profit after tax of \$62 million for the 6-month ended 30 June 2012, a decrease of 16% and 31% respectively when compared to the same period last year.

The increase in revenue for the 2nd quarter ended 30 June 2012 was mainly due to the higher sales from Orchard View and revenue from Scotts Square retail, which commenced operations in the 4th quarter of 2011. This was partially offset by lower sales from Scotts Square in the current period.

The decrease in revenue for the 6-month ended 30 June 2012 was mainly due to the completion of Scotts Square in the 3rd quarter of 2011 and lower sales from Scotts Square compared to the same period last year. This was partially offset by higher sales from Orchard View and revenue from Scotts Square retail in the current period.

The increase in cost of sales for the 2nd quarter ended 30 June 2012 was in line with the increase in revenue.

The increase in selling and marketing expenses for the 2nd quarter and 6-month ended 30 June 2012 was mainly due to the higher sales commission for sale of units in Orchard View and expenses incurred on Scotts Square retail.

The increase in administrative and corporate expenses for the 2nd quarter and 6-month ended 30 June 2012 was mainly due to the charging of expenses incurred on Scotts Square to the income statement after its completion in the 3rd quarter of 2011.

The higher other operating expenses for the 2nd quarter and 6-month ended 30 June 2012 was mainly due to exchange differences arising from hedging of available-for-sale financial assets and translation of bank loan denominated in foreign currency. Exchange differences arising from translation of available-for-sale financial assets were recognised in the fair value reserve in equity.

The increase in income tax expense for the 2nd quarter ended 30 June 2012 was in line with the increase in profit, whereas the decrease in income tax expense for the 6-month ended 30 June 2012 was in line with the decrease in profit.

Nature of business and profit recognition

Profits on pre-sale of development properties are recognised using the percentage of completion method. The percentage of completion is measured by reference to the percentage of construction costs incurred at the reporting date to the estimated total construction costs for each project. Revenue and profits are only recognised in respect of finalised sales agreements and to the extent that such revenue and profits relate to the progress of the construction work.

This basis of revenue and profit recognition together with the nature of our business lead to volatility of earnings between comparable periods.

Assets

The Group's total assets as at 30 June 2012 were higher at \$3.4 billion compared to \$3.3 billion as at 31 December 2011. The increase in total assets was mainly due to the increase in development properties on the completion of the acquisition of the 5 sites at Fuyang City, People's Republic of China and increase in market value of the Group's investments. Return on assets (based on profit for the period) for the 6-month ended 30 June 2012 was 1.8% (6-month ended 30 June 2011: 2.9%).

Shareholders' Equity

The shareholders' equity as at 30 June 2012 and 31 December 2011 was \$2.9 billion. Return on shareholders' equity (based on profit for the period) for the 6-month ended 30 June 2012 was 2.1% (6-month ended 30 June 2011: 3.2%).

Borrowings

The Group's borrowings as at 30 June 2012 were \$278 million compared to \$160 million as at 31 December 2011. The higher borrowings was mainly due to the drawdown of bank loans to finance the acquisition of sites at Fuyang City and payment of construction costs for Ardmore Three. The debt-equity ratio as at 30 June 2012 was 9.6% (as at 31 December 2011: 5.5%).

Net Cash Flow

Net cash flow utilised in operating activities for the 6-month ended 30 June 2012 was \$180 million, mainly due to payment of the remaining 50% consideration for the sites at Fuyang City. For investing activities, the Group's invested \$272 million in quoted securities. For financing activities, the loan drawn down was \$116 million.

Commitments

The Group's outstanding commitments relating to the construction of the development properties and additions to investment property are as follows:

	Group	
	30 Jun 2012	31 Dec 2011
	\$'000	\$'000
Commitments contracted but not provided	84,056	227,400

The Group leases out its investment properties, Wheelock Place and Scotts Square retail, during the financial period. The future minimum lease payments receivable under non-cancellable leases are as follows:

	Group	
	30 Jun 2012	31 Dec 2011
	\$'000	\$'000
Within 1 year	54,993	51,455
After 1 year, but within 5 years	100,322	105,109
After 5 years	0	126
	155,315	156,690

The lease typically runs for an initial period from 2 to 5 years. The non-cancellable operating lease receivables have not taken into account the potential new and renewal of leases and revision of rental rates after the expiry of these leases.

Property Review

Development Properties

The overall private residential property index rose from 206.0 points in the 1st quarter of 2012 to 206.9 points in the 2nd quarter of 2012. This represents an increase of 0.4%, compared to the 0.1% decrease in the previous quarter. Prices of non-landed properties in Core Central Region and Rest of Central Region increased by 0.6% and 0.4% respectively in the 2nd quarter of 2012, compared to the decrease of 0.6% for both market segments in the previous quarter.

Sales of both completed and uncompleted private residential units by developers dipped 17.2% from 6,526 units in the 1st quarter of 2012 to 5,402 units in this quarter.

(Source: URA's real estate statistics for 2nd quarter 2012 dated 27 July 2012)

Orchard View

Orchard View is a luxurious 36-storey development located off Orchard Boulevard Road on Angullia Park. It comprises 30 units of four-bedroom apartments located from level 7 to 36.

The development obtained Subsidiary Strata Certificates of Title on 5 December 2011.

As at 30 June 2012, 27 units or 90% have been sold at an average price of close to \$2,900 psf. Marketing is on-going for the remaining 3 unsold units.

Scotts Square

As at 30 June 2012, Scotts Square is 79% or 266 units sold. This represents 85% of the net saleable area sold at an average of over \$4,000 psf.

The development obtained Temporary Occupation Permit ("TOP") on 22 August 2011. 99% of the sold units have been handed over as of 30 June 2012.

We have furnished 14 one-bedroom units for lease. As of 30 June 2012, 6 units were leased. Rentals achieved were between \$5,850 and \$7,200 per month.

Sales as well as leasing efforts are on-going on site.

Ardmore Three

Ardmore Three is a 36-storey luxury development along Ardmore Park comprising 84 units of well-appointed three-bedroom apartments.

Building construction has commenced and is expected to be completed by 2014.

The showflat on site is completed and the development is launch ready. We will commence preview of the project at an opportune time.

Investment Properties

Office and Retail Market

Office Market

Island-wide rentals for office space decreased by 0.5% in the 2nd quarter of 2012, following a decline of the same percentage in the 1st quarter of 2012. Overall vacancy rate of office space as at end of the 2nd quarter of 2012 decreased to 10.9% from 11.7% as at the end of the 1st quarter of 2012.

Retail Market

The overall retail rentals decreased by 0.3% in the 2nd quarter of 2012, as compared to the 0.1% increase registered in the 1st quarter of 2012. The island-wide vacancy rate of shop space declined to 5.1% as at the end of 2nd quarter of 2012 from 5.8% as at the end of 1st quarter of 2012

(Source: URA's real estate statistics for 2nd quarter 2012 dated 27 July 2012)

Wheelock Place

The occupancy rate of Wheelock Place was 93% as at 30 June 2012. Basements 1 & 2 were closed for reconfiguration works for a few months. The average rental achieved for the building was \$12 psf per month.

We have completed renewal of office leases which are due in the 4th quarter of 2012. All office tenants have renewed their leases including additional space leased by existing tenants which have been negotiated at higher rents. This represents 100% retention rate based on lettable area.

Lease renewals for retail tenants due to expire in the 3rd quarter of 2012 have been completed. All tenants have renewed or extended their leases, which represents a retention rate of 100% based on lettable area.

Reconfiguration works on the basement floors are in progress. The expected TOP dates for basement 1 is by end of August 2012 and basement 2 is by November 2012. The overall positioning and trade mix for both basement floors are targeted at male and female shoppers with a focus on fashion apparel & accessories in the mid-tier pricing category. This strategy will complement the overall trade mix in the mall.

Scotts Square retail

As at 30 June 2012, 94% of the net lettable area has been committed. All the tenants have opened for business except for 2 which are being fitted out. The average rental achieved was \$22 psf per month.

Active marketing efforts to seek suitable prospects for the remaining vacant units are in progress.

9. FORECAST STATEMENT

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

10. CURRENT YEAR'S PROSPECTS

For the financial period ended 30 June 2012, the Group achieved good sales with 14 units sold in Orchard View and 4 units sold in Scotts Square. Total sales achieved were \$103 million and 100% profits were recognised in the current reporting period.

We look forward to launch Ardmore Three in the current year at an opportune time.

Permit for construction planning for the Fuyang project has been obtained and planning scheme has been approved by the Fuyang Planning Bureau. Construction in phases is expected to commence by the 1st quarter of 2013. Launch of the first phase is expected in the 2nd half of 2013.

Wheelock Place and Scotts Square, which have achieved good rental rates and high occupancy, will continue to contribute to the Group's recurring income.

The Group remains in a strong financial position to take advantage of investment and development opportunities which may arise locally or overseas.

11. DIVIDEND

The Directors do not recommend any interim dividend for the 2nd quarter ended 30 June 2012 (30 June 2011: nil).

ADDITIONAL INFORMATION

12. SEGMENTAL INFORMATION

The Group has three reportable segments as described below:

Property development: The development, construction and sale of development properties.

Property investment: The holding and management of investment properties.

Investments: The holding of investments in quoted securities.

Other operations include investment holding company and provision of management services.

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Quarter ended 30 Jun 2012						
Total revenue from external customers	92,057	16,318	8,228	0	0	116,603
Inter-segment revenue	0	569	0	966	(1,535)	0
Reportable segment profit/ (loss) before taxation	36,791	12,186	5,714	(609)	3,366	57,448

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Quarter ended 30 Jun 2011						
Total revenue from external customers	47,727	11,486	8,422	0	0	67,635
Inter-segment revenue	0	579	0	1,152	(1,731)	0
Reportable segment profit/ (loss) before taxation	27,237	8,383	8,416	(91)	(1,098)	42,847

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Period ended 30 Jun 2012						
Total revenue from external customers	103,180	31,289	8,268	0	0	142,737
Inter-segment revenue	0	1,133	0	2,351	(3,484)	0
Reportable segment profit before taxation	41,676	21,878	6,102	1,472	1,835	72,963

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Period ended 30 Jun 2011						
Total revenue from external customers	138,897	23,103	8,422	0	0	170,422
Inter-segment revenue	0	1,158	0	2,486	(3,644)	0
Reportable segment profit/ (loss) before taxation	83,232	16,488	8,408	(167)	(1,058)	106,903

13. COMMENTS ON SEGMENT RESULTS

The increase in revenue and profit for property development for the 2nd quarter ended 30 June 2012 was mainly due to the higher sales from Orchard View, partially offset by lower sales from Scotts Square.

The decrease in revenue and profit for property development for the 6-month ended 30 June 2012 was mainly due to the completion of Scotts Square in the 3rd quarter of 2011 and lower sales from Scotts Square compared to the same period last year. This was partially offset by higher sales from Orchard View.

The increase in revenue and profit for property investment for the 2nd quarter and 6-month ended 30 June 2012 was mainly due to revenue and profit from Scotts Square retail in the current period, where majority of the leases commenced after November 2011.

14. INTERESTED PERSON TRANSACTIONS

The Company has not obtained a general mandate from shareholders for interested person transactions.

15. CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

The Board of Directors of the Company confirms that to the best of its knowledge, nothing has come to the attention of the Board which may render the financial statements for the 2nd quarter ended 30 June 2012 to be false or misleading in any material respects.

By Order of the Board

Tan Ling Ling
Company Secretary
13 August 2012



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The Board of Directors
Wheelock Properties (Singapore) Limited
501 Orchard Road #11-01
Wheelock Place
Singapore 238880

13 August 2012

Dear Sirs

**Wheelock Properties (Singapore) Limited and its subsidiaries
Review of interim financial information for the three months and six months ended
30 June 2012**

Introduction

We have reviewed the accompanying condensed financial information of Wheelock Properties (Singapore) Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 30 June 2012, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the statement of changes in equity of the Company for the three-month period and six-month period then ended and certain explanatory notes as set out on pages FS1 to FS18 (the "Interim Financial Information"). Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with Singapore Financial Reporting Standard ("FRS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Financial Information is not prepared, in all material respects, in accordance with FRS 34 *Interim Financial Reporting*.

Restriction on use

Our report is provided on the basis that it is solely for the information of the directors and for the inclusion of our report in the Company's second quarter announcement to its shareholders and should not be quoted or referred to, in whole or in part, without our prior written permission, for any other purposes. We do not assume any responsibility or liability for losses occasioned to the directors, the Company or any other parties as a result of the circulation, publication, reproduction or use of the report contrary to the provisions of this paragraph.

Yours faithfully

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore