

WHEELLOCK

PROPERTIES

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

UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2014

TABLE OF CONTENTS

ITEM NO.	DESCRIPTION	PAGE NO.
1(a)(i)	CONSOLIDATED STATEMENT OF PROFIT OR LOSS	2
1(a)(ii)	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
1(a)(iii)	NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS	4
1(b)(i)	STATEMENTS OF FINANCIAL POSITION	5
1(b)(ii)	BORROWINGS	6
1(c)	CONSOLIDATED STATEMENT OF CASH FLOWS	7
1(d)(i)	STATEMENTS OF CHANGES IN EQUITY	9
1(d)(ii)	SHARE CAPITAL	11
2	REVIEW OF RESULTS BY AUDITORS	11
3	AUDITORS' REPORT	12
4	BASIS OF PREPARATION	12
5	EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS	12
6	EARNINGS PER SHARE	12
7	NET ASSET VALUE PER SHARE	12
8	REVIEW OF PERFORMANCE	13
9	FORECAST STATEMENT	16
10	CURRENT YEAR'S PROSPECTS	16
11	DIVIDEND	17
12	SEGMENTAL INFORMATION	18
13	COMMENTS ON SEGMENT RESULTS	20
14	INTERESTED PERSON TRANSACTIONS	20
15	NOTIFICATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL	20
16	BREAKDOWN OF GROUP REVENUE AND PROFIT AFTER TAXATION FOR FIRST HALF AND SECOND HALF YEAR	21

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

1(a)(i) CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Quarter ended			Year ended		
	31 Dec 2014	31 Dec 2013	Change	31 Dec 2014	31 Dec 2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	26,898	28,982	(7.2)	99,015	117,074	(15.4)
Cost of sales	(3,404)	(5,673)	(40.0)	(23,706)	(27,873)	(14.9)
Gross profit	23,494	23,309	0.8	75,309	89,201	(15.6)
Other income						
- Changes in fair value on investment properties	0	4,799	(100.0)	0	4,803	(100.0)
- Gain on disposal of investments	0	0	NA	309	94,489	(99.7)
- Others	1,034	867	19.3	3,663	3,787	(3.3)
	1,034	5,666	(81.8)	3,972	103,079	(96.1)
Selling and marketing expenses	(1,340)	(1,103)	21.5	(3,092)	(3,120)	(0.9)
Administrative and corporate expenses	(2,180)	(2,752)	(20.8)	(9,528)	(9,728)	(2.1)
Other operating expenses						
- Allowance for diminution in value of development properties	(74,986)	(110,000)	(31.8)	(74,986)	(110,000)	(31.8)
- Changes in fair value on investment properties	(50,732)	0	NA	(51,521)	0	NA
- Others	(7,182)	(5,163)	39.1	(9,090)	(19,121)	(52.5)
	(132,900)	(115,163)	15.4	(135,597)	(129,121)	5.0
Finance costs	(107)	0	NA	(107)	0	NA
Share of profit of associates, net of tax						
- Share of profit	7,248	0	NA	10,314	0	NA
- Negative goodwill	6,736	0	NA	115,780	0	NA
	13,984	0	NA	126,094	0	NA
(Loss)/Profit before taxation	(98,015)	(90,043)	8.9	57,051	50,311	13.4
Tax expense	(5,124)	(1,278)	300.9	(13,925)	(10,271)	35.6
(Loss)/Profit for the period	(103,139)	(91,321)	12.9	43,126	40,040	7.7

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

	Quarter ended			Year ended		
	31 Dec 2014	31 Dec 2013	Change	31 Dec 2014	31 Dec 2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
(Loss)/Profit for the period	(103,139)	(91,321)	12.9	43,126	40,040	7.7
Other comprehensive income:						
Items that will not be reclassified subsequently to profit or loss:						
Share of other comprehensive income of associates, net of tax	(52)	0	NA	(52)	0	NA
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets						
- net change in fair value *	36,361	(8,456)	530.0	142,421	(18,766)	858.9
- transfer to profit or loss on disposal	0	0	NA	(309)	(95,663)	(99.7)
Exchange differences arising on consolidation of foreign subsidiaries	13,393	4,999	167.9	11,859	20,326	(41.7)
Share of other comprehensive income of associates, net of tax	3,394	0	NA	4,885	0	NA
Other comprehensive income for the period, net of income tax	53,096	(3,457)	NM	158,804	(94,103)	268.8
Total comprehensive income for the period	(50,043)	(94,778)	(47.2)	201,930	(54,063)	473.5

* Mainly due to the increase in value of Hotel Properties Limited (“HPL”) shares of \$97 million (from \$3.11 per share to \$4.05 per share) for the period up to 30 May 2014.

On 30 May 2014, the Group’s investment in HPL, which was previously recorded as available-for-sale financial assets, was recorded as interest in an associate.

1(a)(iii) NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

	Quarter ended			Year ended		
	31 Dec 2014	31 Dec 2013	Change	31 Dec 2014	31 Dec 2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Interest income	(497)	(509)	(2.4)	(1,885)	(2,409)	(21.8)
Others	(537)	(358)	50.0	(1,778)	(1,378)	29.0
Other income - others	(1,034)	(867)	19.3	(3,663)	(3,787)	(3.3)
Exchange (gain)/loss (net)						
- effective portion of changes in fair value of fair value hedge	(8,303)	0	NA	(7,827)	0	NA
- net change in fair value of forward exchange contracts	(739)	8,445	(108.8)	(8,254)	8,351	(198.8)
- revaluation of bank loan and cash balances held in foreign currencies	4,884	1,013	382.1	5,324	5,238	1.6
- realised forward exchange contracts (net)	10,810	(4,198)	357.5	18,396	5,673	224.3
- others	(61)	(98)	(37.8)	(81)	(237)	(65.8)
	6,591	5,162	27.7	7,558	19,025	(60.3)
Allowance for impairment loss on trade receivables	124	0	NA	1,055	0	NA
Loss on disposal of property, plant and equipment	1	1	0	2	45	(95.6)
Fixtures, plant and equipment included in investment property written off	466	0	NA	466	0	NA
Others	0	0	NA	9	51	(82.4)
Other operating expenses - others	7,182	5,163	39.1	9,090	19,121	(52.5)
Depreciation of property, plant and equipment	83	85	(2.4)	333	299	11.4
Dividend income from investments	(4,988)	(4,683)	6.5	(12,484)	(17,596)	(29.1)
Interest income from investments	(3,129)	(3,714)	(15.8)	(13,032)	(13,830)	(5.8)
Under/(Over) provision of tax in prior years	947	(531)	278.3	1,110	(786)	241.2

NA: Not Applicable

NM: Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	2,015	1,636	1,667	1,363
Investment properties	1,175,000	1,227,000	260,000	312,000
Amounts due from subsidiaries	0	0	1,162,429	1,249,794
Interests in subsidiaries	0	0	255,366	252,139
Interests in associates	547,968	7	0	0
Investments	591,828	871,322	0	0
Deferred tax assets	0	1,427	0	0
Other non-current assets	540	540	540	540
	2,317,351	2,101,932	1,680,002	1,815,836
Current assets				
Development properties	1,176,381	1,224,592	66,907	67,703
Trade and accrued receivables	8,571	1,371	612	912
Amounts due from subsidiaries	0	0	214	202
Amounts due from related corporations	36	25	36	25
Other receivables	7,508	8,427	952	1,507
Cash and cash equivalents	408,515	457,289	365,165	420,812
	1,601,011	1,691,704	433,886	491,161
Total assets	3,918,362	3,793,636	2,113,888	2,306,997
Equity attributable to owners of the Company				
Share capital	1,055,901	1,055,901	1,055,901	1,055,901
Reserves	2,076,725	1,946,589	769,739	961,120
Total equity	3,132,626	3,002,490	1,825,640	2,017,021
Non-current liabilities				
Interest-bearing liabilities (Ref: 1(b)(ii))	315,063	631,872	0	0
Deferred tax liabilities	15,977	14,149	2,136	1,557
	331,040	646,021	2,136	1,557
Current liabilities				
Trade payables	67,602	71,024	12,539	26,246
Other payables	32,818	38,960	10,750	18,503
Amounts due to subsidiaries	0	0	261,663	217,505
Interest-bearing liabilities (Ref: 1(b)(ii))	343,360	0	0	0
Current tax liabilities	10,916	35,141	1,160	26,165
	454,696	145,125	286,112	288,419
Total liabilities	785,736	791,146	288,248	289,976
Total equity and liabilities	3,918,362	3,793,636	2,113,888	2,306,997

REVIEW OF FINANCIAL POSITION

Group

Increase in interests in associates and decrease in investments were mainly due to the Group's disposal of its investment in Hotel Properties Limited to its 40% associated company, 68 Holdings Pte. Ltd ("68 Holdings"). The investment in 68 Holdings gave rise to a negative goodwill of \$116 million.

Decrease in cash and cash equivalents of \$49 million was mainly due to the payment of dividends and income tax. This was partially offset by the proceeds from The Panorama.

Increase in reserves of \$130 million was mainly due to the increase in fair value reserve relating to the recognition of fair value gain for the Group's investment in quoted securities, profit for the current financial year and exchange differences arising on consolidation of foreign subsidiaries. This was partially offset by the payment of dividends.

Decrease in current tax payable of \$24 million was mainly due to the payment of income tax for year of assessment 2014. This was partially offset by provision of tax in respect of profit recognised in the current financial year.

Company

Decrease in cash and cash equivalents of \$56 million was mainly due to the payment of dividends, income tax and provision of inter-company loans to subsidiaries to invest in quoted securities. This was partially offset by the transfer of surplus funds from subsidiaries.

Decrease in reserves of \$191 million was mainly due to the recognition of impairment loss on inter-company loan to the subsidiaries, the payment of dividends and the recognition of fair value loss on Scotts Square Retail.

Decrease in current tax payable of \$25 million was mainly due to the payment of income tax for year of assessment 2014. This was partially offset by provision of tax in respect of profit recognised in the current financial year.

1(b)(ii) BORROWINGS

	Group	
	31 Dec 2014	31 Dec 2013
	\$'000	\$'000
Repayable within 1 year:		
Interest-bearing liability (secured)	185,740	0
Interest-bearing liability (unsecured)	157,620	0
	343,360	0
Repayable after 1 year but within 5 years:		
Interest-bearing liabilities (secured)	315,063	480,984
Interest-bearing liability (unsecured)	0	150,888
	315,063	631,872

The secured 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. Corporate guarantees are issued by the Company for the secured and unsecured bank loans and the repayment in respect of the amounts due to the Company by certain subsidiaries are subordinated to the bank loans.

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	Quarter ended		Year ended	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	\$'000	\$'000	\$'000	\$'000
Operating activities				
(Loss)/Profit for the period	(103,139)	(91,321)	43,126	40,040
Adjustments for:				
Tax expense	5,124	1,278	13,925	10,271
Depreciation of property, plant and equipment	83	85	333	299
Net change in fair value of forward exchange contracts	(739)	8,445	(8,254)	8,351
Exchange gain (net)	(8,168)	(314)	(6,848)	(600)
Loss on disposal of property, plant and equipment	1	1	2	45
Interest income	(497)	(509)	(1,885)	(2,409)
Interest income from investments	(3,129)	(3,714)	(13,032)	(13,830)
Fixtures, plant and equipment included in investment property written off	466	0	466	0
Finance costs	107	0	107	0
Allowance for diminution in value of development properties	74,986	110,000	74,986	110,000
Changes in fair value on investment properties	50,732	(4,799)	51,521	(4,803)
Gain on disposal of investments	0	0	(309)	(94,489)
Dividend income from investments	(4,988)	(4,683)	(12,484)	(17,596)
Share of profit of associates, net of tax	(7,248)	0	(10,314)	0
Negative goodwill arising from investment in associate	(6,736)	0	(115,780)	0
	(3,145)	14,469	15,560	35,279
Changes in:				
Development properties	(17,412)	(77,661)	(4,469)	(689,909)
Trade and accrued receivables	(3,535)	(645)	(7,200)	150,441
Amounts due from related corporations	6	(12)	(11)	12
Other receivables	524	1,450	615	5,469
Trade payables	13,365	7,913	(2,007)	14,833
Other payables	(127)	1,437	1,501	(1,698)
Cash (utilised in)/generated from operations	(10,324)	(53,049)	3,989	(485,573)
Interest received	523	518	1,949	2,555
Income tax paid	(6,552)	(2,979)	(34,875)	(16,332)
Dividends paid	0	0	(71,794)	(71,794)
Cash flows from operating activities	(16,353)	(55,510)	(100,731)	(571,144)

	Quarter ended		Year ended	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
	\$'000	\$'000	\$'000	\$'000
Investing activities				
Proceeds from sale of property, plant and equipment	0	0	0	2
Proceeds from sale of investments	0	0	37,971	166,493
Purchase of property, plant and equipment	(99)	(203)	(747)	(519)
Expenditure on investment properties	(953)	(21)	(1,788)	(633)
Acquisition of investments	(669)	(670)	(19,787)	(228,368)
Dividends received	4,979	4,929	12,467	17,596
Interest received	762	2,169	13,574	11,695
Investment in associates	0	0	(95)	0
Cash flows from investing activities	4,020	6,204	41,595	(33,734)
Financing activities				
Drawdown of bank loans	5,236	43,301	18,037	349,957
Finance costs	(1,681)	(1,877)	(7,533)	(9,159)
Cash flows from financing activities	3,555	41,424	10,504	340,798
Net decrease in cash and cash equivalents	(8,778)	(7,882)	(48,632)	(264,080)
Cash and cash equivalents at beginning of the period	417,196	464,787	457,289	720,649
Effect of exchange rate changes on balances held in foreign currencies	97	384	(142)	720
Cash and cash equivalents at the end of the period	408,515	457,289	408,515	457,289

Significant non-cash transactions

During the year, the Group disposed of its investment in Hotel Properties Limited at a consideration of \$360 million to its associated company, 68 Holdings Pte. Ltd. The proceeds were reinvested as shareholder's loan to the associated company.

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

	Share Capital	Other Reserves	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000
Group				
At 1 January 2014	1,055,901	271,866	1,674,723	3,002,490
Total comprehensive income for the year				
Profit for the year	0	0	43,126	43,126
Other comprehensive income				
Available-for-sale financial assets				
- net change in fair value	0	142,421	0	142,421
- transfer to profit or loss on disposal	0	(309)	0	(309)
Exchange differences arising on consolidation of foreign subsidiaries	0	11,859	0	11,859
Share of other comprehensive income of associates, net of tax	0	4,833	0	4,833
Total other comprehensive income	0	158,804	0	158,804
Total comprehensive income for the year	0	158,804	43,126	201,930
Transfer				
Transfer of reserve to retained earnings (Ref: 8)	0	(318,209)	318,209	0
Transaction with owners of the Company, recorded directly in equity				
Distribution to owners				
Dividends to owners	0	0	(71,794)	(71,794)
Total transaction with owners	0	0	(71,794)	(71,794)
At 31 December 2014	1,055,901	112,461	1,964,264 *	3,132,626

* This comprised unrealised revaluation gains of \$434 million from the investment in 68 Holdings Pte. Ltd. which should not be considered as available for distribution.

	Share Capital	Other Reserves	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000	\$'000
Group				
At 1 January 2013	1,055,901	365,969	1,706,477	3,128,347
Total comprehensive income for the year				
Profit for the year	0	0	40,040	40,040
Other comprehensive income				
Available-for-sale financial assets				
- net change in fair value	0	(18,766)	0	(18,766)
- transfer to profit or loss on disposal	0	(95,663)	0	(95,663)
Exchange differences arising on consolidation of foreign subsidiaries	0	20,326	0	20,326
Total other comprehensive income	0	(94,103)	0	(94,103)
Total comprehensive income for the year	0	(94,103)	40,040	(54,063)
Transaction with owners of the Company, recorded directly in equity				
Distribution to owners				
Dividends to owners	0	0	(71,794)	(71,794)
Total transaction with owners	0	0	(71,794)	(71,794)
At 31 December 2013	1,055,901	271,866	1,674,723	3,002,490

	Share Capital	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1 January 2014	1,055,901	961,120	2,017,021
Total comprehensive income for the year			
Loss for the year	0	(119,587)	(119,587)
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 31 December 2014	1,055,901	769,739	1,825,640

	Share Capital	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1 January 2013	1,055,901	1,128,029	2,183,930
Total comprehensive income for the year			
Loss for the year	0	(95,115)	(95,115)
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 31 December 2013	1,055,901	961,120	2,017,021

1(d)(ii) SHARE CAPITAL

Since the last financial year ended 31 December 2013, there has been no change in the issued and paid-up share capital of the Company (1,196,559,876 shares).

As at 31 December 2014, there were no unissued shares of the Company or its subsidiaries under option (31 December 2013: nil).

2. AUDIT OR REVIEW OF RESULTS BY AUDITORS

The figures have neither been audited nor reviewed by the Group's auditors.

3. AUDITORS' REPORT

Not applicable.

4. BASIS OF PREPARATION

The Group has adopted the same accounting policies and methods of computation in the financial statements for the year ended 31 December 2014, as compared with the Group's audited financial statements for the year ended 31 December 2013, except as explained in Section 5 below.

5. EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS

The Group hedges its foreign currency denominated available-for-sale equity instruments. Exchange differences arising from the hedging were recognised in statement of profit or loss whereas the foreign currency differences on the available-for-sale equity instruments were recognised in fair value reserve. On 1 January 2014, the Group adopted hedge accounting policy. As a result, the foreign currency differences on the available-for-sale equity instruments are recognised in statement of profit or loss to offset the exchange differences arising from the hedging.

6. EARNINGS PER SHARE

	Quarter ended		Year ended	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
Basic earnings per share	(8.62) cents	(7.63) cents	3.60 cents	3.35 cents
Diluted earnings per share	(8.62) cents	(7.63) cents	3.60 cents	3.35 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 4th quarter and year ended 31 December 2014 of 1,196,559,876 (2013: 1,196,559,876).

7. NET ASSET VALUE PER SHARE

Group		Company	
31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013
\$2.62	\$2.51	\$1.53	\$1.69

8. REVIEW OF PERFORMANCE

Highlights

The Group, similar with property developers in Singapore, experienced a most challenging operating environment in light of the cooling measures and credit tightening policies in the past 2 years. These pressures on the Group's core profit are expected to continue in the current year.

This situation was exacerbated by slow economic conditions in the countries in which the Group operates.

An allowance for diminution in value of \$75 million was made on the Fuyang project (雍景山) in the People's Republic of China ("PRC"). This is a realistic approach taken by the Group in the face of slower pace of development in the broad neighbourhood which was unexpected thus causing uncertain market conditions and timing of the project. Comparable sales statistics in the area is also a key factor.

Scotts Square Retail was revalued from \$312 million to \$260 million with a fair value loss of \$52 million. Scotts Square is operating under very challenging circumstances as a boutique mall. A substantial tenant and trade mix revamp is underway for the mall and downward revision of rental revenue is expected for the initial years.

In the financial year, a substantial book gain of \$434 million (revalued from the written down cost of \$0.93 per share to \$5.09 per share based on independent valuation) was taken up in the retained earnings arising from the investment in 68 Holdings Pte. Ltd. ("68 Holdings"). The Board of Directors is, on grounds of financial prudence, of the view that these non-cash book gains should not be considered as available for distribution.

The Group's investments in equity and debt securities have provided satisfactory yield return in addition to appreciation of \$45 million from last year.

Revenue and Profit

The Group achieved revenue of \$27 million and loss after tax of \$103 million for the 4th quarter ended 31 December 2014, a decrease of 7% and an increase of 13% when compared to the same period last year.

The Group achieved revenue of \$99 million and profit after tax of \$43 million for year ended 31 December 2014, a decrease of 15% and an increase of 8% when compared to the same period last year.

Revenue for the 4th quarter and year ended 31 December 2014 decreased as the revenue recognised from Ardmore Three based on the progress of construction works was much lower than the revenue recognised in the same period last year. The Group also received lower dividend income from its investments following the disposal of its investment in Hotel Properties Limited ("HPL") to its associated company in the 2nd quarter ended 30 June 2014.

The decrease in gain on disposal of investments for the year ended 31 December 2014 was mainly due to the accounting gain on disposal of SC Global Developments Ltd shares of \$93 million in the same period last year.

In the financial year 2013, an allowance for diminution in value of \$110 million was made on The Panorama.

The Group's investment properties were valued by independent professional valuers. Wheelock Place's valuation maintained at \$915 million (2013: fair value gain of \$5 million).

Lower other operating expenses for the year ended 31 December 2014 was mainly due to lower exchange loss arising from the Group's foreign currency denominated investments.

The Group has completed the purchase price allocation exercise for the investment in its associate, 68 Holdings. The following table summarises the consideration transferred and the proportionate share of the fair value of net assets of 68 Holdings (including HPL) as at the close of the mandatory conditional cash offer ("the offer") for HPL shares:

	\$'000
Total consideration transferred	417,035
Proportionate share of fair value of net assets	<u>(532,815)</u>
Negative goodwill	<u>(115,780)</u>

The negative goodwill was included in the Group's share of profit of associates for the year ended 31 December 2014.

The negative goodwill arose mainly due to the share price of HPL being traded at a discount to its fair value of net assets at the time of the offer.

For further details on the accounting impact of the investment in associated company, 68 Holdings, please refer to the financial announcement for the period ended 30 June 2014.

Nature of business and profit recognition

Profits on pre-sale of development properties in Singapore 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.

For the Group's project in the PRC, profit on the sale of the development property is recognised on completion of the project.

This basis of revenue and profit recognition together with the nature of the Group's business in Singapore and PRC may lead to volatility of earnings between comparable periods.

Assets

The Group's total assets as at 31 December 2014 were higher at \$3.9 billion compared to \$3.8 billion as at 31 December 2013.

Shareholders' Equity

The shareholders' equity as at 31 December 2014 was higher at \$3.1 billion compared to \$3.0 billion as at 31 December 2013.

Borrowings

The Group's borrowings as at 31 December 2014 were \$658 million compared to \$632 million as at 31 December 2013. The higher borrowings were mainly due to the drawdown of bank loan to finance the payment of construction costs for Ardmore Three and the Fuyang project (雍景山).

Net Cash Flow

Net cash flow utilised in operating activities for the year ended 31 December 2014 was \$101 million, mainly due to the payment of dividends and income tax. For financing activities, the loan drawn down was \$18 million.

Property Review

Development Properties

Scotts Square

Completed in August 2011, Scotts Square comprises 2 freehold luxury residential towers above the boutique Scotts Square mall. As at 31 December 2014, 79% (268 units) of the 338 units were sold, representing 85% of the net saleable area at an average price of \$4,004 psf.

With the weakening sales in the luxury sector, the Group's current focus is on leasing. For the same period, 36 units were leased out with average rental of \$5,250 per month.

Ardmore Three

Ardmore Three is a 36-storey freehold development along Ardmore Park. It comprises 84 luxuriously well-appointed three-bedroom apartments each about 1,800 sq. ft.

Temporary Occupation Permit was obtained on 16 December 2014.

As at 31 December 2014, 3 units were sold in a private preview at an average price of \$3,158 psf.

The Panorama

This 698-unit leasehold development is located on an expansive 198,000 sq. ft. site in the established Upper Thomson/Ang Mo Kio neighbourhood.

As at 31 December 2014, a total of 317 units or about 91% of the 350 units launched have been sold at an average price of \$1,267 psf.

The sales gallery and showflats are located off-site along Ang Mo Kio Avenue 8 and active marketing is on-going.

雍景山

This residential site situated at Fuyang City, 22 km away from Hangzhou, China, comprises villas, townhouses, duplexes and apartments on a site area of 3.2 million sq. ft. Sales office and showflats for Phase 1 sale (target for 1H2015) are completed.

Investment Properties

Wheelock Place

The overall occupancy rate was 99.6% as at 31 December 2014 and the blended monthly rent achieved was above \$13.50 psf.

Office

As at 31 December 2014, the occupancy rate was 100% and the average rent achieved was more than \$11.30 psf per month. A retention rate of 75% on area was achieved for leases expiring in the 1st half of 2015.

Retail

The occupancy rate as at 31 December 2014 was about 99% and the average rent achieved was above \$16 psf per month. Negotiations for leases that are expiring in the 1st half of 2015 are in progress and to-date, the tenant retention rate is about 57% based on area.

The Group is constantly on the lookout for new and exciting retail and food & beverage concepts that will differentiate the mall's offerings. There is also a regular line up of exciting mall promotions to encourage spending and increase footfall.

Scotts Square Retail

As at 31 December 2014, the overall occupancy rate was about 88% and the average monthly rent achieved was about \$16 psf.

The re-tenanting exercise to rejuvenate the mall with leading international fashion powerhouses and interesting food & beverage concepts is on-going.

The Group is extending existing leases on a short term basis and seeking interesting pop up store concepts to maintain trading activities in the mall, while new leases are being finalised. Extensive advertising & promotion programs have been planned for 2015.

9. FORECAST STATEMENT

The Group's performance for the year under review is broadly in line with the prospect statement made when the 3rd quarter of 2014 financial results were announced.

10. CURRENT YEAR'S PROSPECTS

For the financial year 2015, the market is likely to remain challenging for development properties.

Notwithstanding the difficult environment, performance of the Group's prime investment property, Wheelock Place, is expected to be stable.

The other investment property, Scotts Square Retail, will be revamped with new tenants and concept.

Rental income from Wheelock Place and Scotts Square Retail, as well as the dividend and interest income from investments, will continue to contribute to the Group's recurring income.

Construction for The Panorama is in progress and targeted for completion in 2017. Sale of the units is on-going.

For Ardmore Three, 2 showflats and a sales office have been fitted out on site, ready for launch in 2015.

Phase 1 construction for the Fuyang project (雍景山) is in progress and is expected to be completed in 2016.

11. DIVIDEND

	Year ended	Year ended
	31 Dec 2014	31 Dec 2013
Name of Dividend	Proposed First & Final (One-tier)	First & Final (One-tier)
Dividend Type	Cash	Cash
Dividend Rate	6 cents	6 cents
Dividend (\$'000)	71,794	71,794
Total annual dividend (\$'000)	71,794	71,794

The proposed first and final dividend, if approved by the Shareholders at the Annual General Meeting, to be held on 30 April 2015, will be paid on 28 May 2015 to those Shareholders whose names are in the Company's Register of Members up to 5.00pm on 13 May 2015.

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 31 Dec 2014						
Total revenue from external customers	1,315	17,466	8,117	0	0	26,898
Inter-segment revenue	0	509	0	1,058	(1,567)	0
Reportable segment (loss)/ profit before taxation	(72,827)	(39,664)	7,216	(5,546)	(1,178)	(111,999)
Share of profit of associates, net of tax						7,248
- Share of profit						
- Negative goodwill						6,736
Loss before taxation						(98,015)

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Quarter ended 31 Dec 2013						
Total revenue from external customers	2,849	17,737	8,396	0	0	28,982
Inter-segment revenue	0	509	0	1,063	(1,572)	0
Reportable segment (loss)/ profit before taxation	(108,807)	17,152	4,657	(1,705)	(1,340)	(90,043)

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 Dec 2014						
Total revenue from external customers	2,394	71,105	25,516	0	0	99,015
Inter-segment revenue	0	2,038	0	4,316	(6,354)	0
Reportable segment (loss)/ profit before taxation	(80,132)	(948)	24,733	(4,395)	(8,301)	(69,043)
Share of profit of associates, net of tax						10,314
- Share of profit						
- Negative goodwill						115,780
Profit before taxation						57,051

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 Dec 2013						
Total revenue from external customers	14,913	70,735	31,426	0	0	117,074
Inter-segment revenue	0	2,078	0	4,155	(6,233)	0
Reportable segment (loss)/ profit before taxation	(107,678)	56,743	111,835	(3,299)	(7,290)	50,311

13. COMMENTS ON SEGMENT RESULTS

The revenue for property development for the 4th quarter and year ended 31 December 2014 decreased as the revenue recognised from Ardmore Three based on the progress of construction works was much lower than the revenue recognised in the same period last year.

Loss for property development for the 4th quarter and year ended 31 December 2014 was due to an allowance for diminution in value of \$75 million made on the Fuyang project (雍景山). In the financial year 2013, an allowance for diminution in value of \$110 million was made on The Panorama.

The decrease in profit for property investment was mainly due to a fair value loss of \$52 million on Scotts Square Retail. In the financial year 2013, a fair value gain of \$5 million was recognised on Wheelock Place.

The decrease in revenue for investments for year ended 31 December 2014 was mainly due to the disposal of the Group's investment in Hotel Properties Limited. The decrease in profit for investments for the year ended 31 December 2014 was mainly due to the gain on disposal of SC Global Developments Ltd shares recognised in the last financial year.

The loss incurred for other operations for the 4th quarter and year ended 31 December 2014 was mainly due to the exchange loss arising from the translation of bank loan denominated in foreign currency.

14. INTERESTED PERSON TRANSACTIONS

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

15. NOTIFICATION PURSUANT TO RULE 704(13) OF THE LISTING MANUAL

Pursuant to Rule 704(13) of the Listing Manual, none of the employees occupying managerial positions in Wheelock Properties (Singapore) Limited (the "Company") or any of its principal subsidiaries are relatives of the Directors or Chief Executive Officer or Substantial Shareholders of the Company.

16. BREAKDOWN OF GROUP REVENUE AND PROFIT AFTER TAXATION FOR FIRST HALF AND SECOND HALF YEAR

	Year ended		
	31 Dec 2014	31 Dec 2013	Change
	\$'000	\$'000	%
Revenue			
- first half	49,357	60,522	(18.4)
- second half	49,658	56,552	(12.2)
Total revenue	99,015	117,074	(15.4)
Profit/(Loss) after taxation			
- first half	135,263	119,506	13.2
- second half	(92,137)	(79,466)	15.9
Total profit after taxation	43,126	40,040	7.7

By Order of the Board

Pearly Oon
Company Secretary
24 February 2015