

WHEELOCK

PROPERTIES

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

UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014

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

1(a)(i) CONSOLIDATED INCOME STATEMENT

	Quarter ended			Period ended		
	30 Sep 2014	30 Sep 2013	Change	30 Sep 2014	30 Sep 2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	22,760	27,570	(17.4)	72,117	88,092	(18.1)
Cost of sales	(5,902)	(9,188)	(35.8)	(20,302)	(22,200)	(8.5)
Gross profit	16,858	18,382	(8.3)	51,815	65,892	(21.4)
Other income						
- Gain on disposal of investments	0	0	NA	309	94,489	(99.7)
- Others	927	819	13.2	2,629	2,920	(10.0)
	927	819	13.2	2,938	97,409	(97.0)
Selling and marketing expenses	(321)	(597)	(46.2)	(1,752)	(2,017)	(13.1)
Administrative and corporate expenses	(2,696)	(2,340)	15.2	(7,348)	(6,976)	5.3
Other operating expenses	(3,505)	(1,303)	169.0	(2,697)	(13,954)	(80.7)
Share of results of associates, net of tax						
- Share of profit	2,700	0	NA	3,066	0	NA
- Negative goodwill	0	0	NA	109,044	0	NA
	2,700	0	NA	112,110	0	NA
Profit before taxation	13,963	14,961	(6.7)	155,066	140,354	10.5
Income tax expense	(2,961)	(3,106)	(4.7)	(8,801)	(8,993)	(2.1)
Profit for the period	11,002	11,855	(7.2)	146,265	131,361	11.3

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

	Quarter ended			Period ended		
	30 Sep 2014	30 Sep 2013	Change	30 Sep 2014	30 Sep 2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Profit for the period	11,002	11,855	(7.2)	146,265	131,361	11.3
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Available-for-sale financial assets						
- net change in fair value *	(995)	14,731	(106.8)	106,060	(10,310)	NM
- transfer to profit or loss on disposal	(145)	0	NA	(309)	(95,663)	(99.7)
Exchange differences arising on consolidation of foreign subsidiaries	6,044	232	NM	(1,534)	15,327	(110.0)
Share of other comprehensive income of associates, net of tax	1,882	0	NA	1,491	0	NA
Other comprehensive income for the period, net of income tax	6,786	14,963	(54.6)	105,708	(90,646)	216.6
Total comprehensive income for the period	17,788	26,818	(33.7)	251,973	40,715	518.9

* 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 INCOME STATEMENT

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

	Quarter ended			Period ended		
	30 Sep 2014	30 Sep 2013	Change	30 Sep 2014	30 Sep 2013	Change
	\$'000	\$'000	%	\$'000	\$'000	%
Interest income	(439)	(548)	(19.9)	(1,388)	(1,900)	(26.9)
Others	(488)	(271)	80.1	(1,241)	(1,020)	21.7
Other income - others	(927)	(819)	13.2	(2,629)	(2,920)	(10.0)
Exchange loss (net)						
- net change in fair value of forward exchange contracts	685	(5,123)	113.4	(7,515)	(94)	NM
- others	1,723	6,333	(72.8)	8,482	13,957	(39.2)
	2,408	1,210	99.0	967	13,863	(93.0)
Allowance for impairment loss on trade receivables	383	0	NA	931	0	NA
Changes in fair value on investment properties	501	46	989.1	789	(4)	NM
Loss on disposal of property, plant and equipment	1	14	(92.9)	1	44	(97.7)
Loss on disposal of investment	210	0	NA	0	0	NA
Others	2	33	(93.9)	9	51	(82.4)
Other operating expenses	3,505	1,303	169.0	2,697	13,954	(80.7)
Depreciation of property, plant and equipment	83	72	15.3	250	214	16.8
Dividend income from investments	(1,193)	(1,033)	15.5	(7,496)	(12,913)	(41.9)
Interest income from investments	(3,026)	(3,558)	(15.0)	(9,903)	(10,116)	(2.1)
Under/(Over) provision of tax in prior years	164	(22)	845.5	163	(255)	163.9

NA: Not Applicable

NM: Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	2,005	1,636	1,679	1,363
Investment properties	1,227,046	1,227,000	312,000	312,000
Amounts due from subsidiaries	0	0	1,229,220	1,249,794
Interests in subsidiaries	0	0	252,372	252,139
Interests in associates	530,642	7	0	0
Investments	541,052	871,322	0	0
Deferred tax assets	1,423	1,427	0	0
Other non-current assets	540	540	540	540
	2,302,708	2,101,932	1,795,811	1,815,836
Current assets				
Development properties	1,217,006	1,224,592	67,866	67,703
Trade and accrued receivables	5,036	1,371	709	912
Amounts due from subsidiaries	0	0	214	202
Amounts due from related corporations	42	25	43	25
Other receivables	5,444	8,427	1,363	1,507
Cash and cash equivalents	417,196	457,289	377,669	420,812
	1,644,724	1,691,704	447,864	491,161
Total assets	3,947,432	3,793,636	2,243,675	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	2,126,768	1,946,589	894,386	961,120
Total equity	3,182,669	3,002,490	1,950,287	2,017,021
Non-current liabilities				
Interest-bearing liabilities (Ref: 1(b)(ii))	460,644	631,872	0	0
Deferred tax liabilities	14,923	14,149	1,995	1,557
	475,567	646,021	1,995	1,557
Current liabilities				
Trade payables	55,613	71,024	25,762	26,246
Other payables	33,070	38,960	10,904	18,503
Amounts due to subsidiaries	0	0	248,874	217,505
Interest-bearing liability (Ref: 1(b)(ii))	185,668	0	0	0
Current tax payable	14,845	35,141	5,853	26,165
	289,196	145,125	291,393	288,419
Total liabilities	764,763	791,146	293,388	289,976
Total equity and liabilities	3,947,432	3,793,636	2,243,675	2,306,997

REVIEW OF FINANCIAL POSITION

Group

Increase in interests in associates and decrease in investments was 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 provisional negative goodwill of \$109 million.

Decrease in cash and cash equivalents of \$40 million was mainly due to the payment of dividends. This was partially offset by the proceeds from The Panorama.

Increase in reserves of \$180 million was mainly attributed to the negative goodwill from the investment in 68 Holdings, increase in fair value reserve relating to the recognition of market value for the Group's investment in quoted securities and profit for the current period, partially offset by the payment of dividends.

Decrease in trade payables of \$15 million was mainly due to lower construction costs billed according to the construction progress of Ardmore Three and the Fuyang project.

Decrease in current tax payable of \$20 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 period.

Company

Decrease in cash and cash equivalents of \$43 million was mainly due to the payment of dividends and income tax. This was partially offset by the transfer of surplus funds from subsidiaries.

Decrease in reserves of \$67 million was mainly due to the payment of dividends. This was partially offset by recognition of profit for the current period.

Decrease in current tax payable of \$20 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 period.

1(b)(ii) BORROWINGS

	Group	
	30 Sep 2014	31 Dec 2013
	\$'000	\$'000
Repayable within 1 year: Interest-bearing liability (secured)	185,668	0
Repayable after 1 year but within 5 years: Interest-bearing liabilities (secured)	308,807	480,984
Interest-bearing liability (unsecured)	151,837	150,888
	460,644	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		Period ended	
	30 Sep 2014	30 Sep 2013	30 Sep 2014	30 Sep 2013
	\$'000	\$'000	\$'000	\$'000
Operating activities				
Profit for the period	11,002	11,855	146,265	131,361
Adjustments for:				
Income tax expense	2,961	3,106	8,801	8,993
Depreciation of property, plant and equipment	83	72	250	214
Net change in fair value of forward exchange contracts	685	(5,123)	(7,515)	(94)
Exchange (gain)/loss (net)	(1,399)	(139)	1,320	(286)
Loss on disposal of property, plant and equipment	1	14	1	44
Interest income	(439)	(548)	(1,388)	(1,900)
Interest income from investments	(3,026)	(3,558)	(9,903)	(10,116)
Changes in fair value on investment properties	501	46	789	(4)
Loss/(Gain) on disposal of investments	210	0	(309)	(94,489)
Dividend income from investments	(1,193)	(1,033)	(7,496)	(12,913)
Share of profit of associates, net of tax	(2,700)	0	(3,066)	0
Negative goodwill arising from investment in associate	0	0	(109,044)	0
	6,686	4,692	18,705	20,810
Changes in working capital:				
Development properties	3,812	(25,399)	12,943	(612,248)
Trade and accrued receivables	8,783	1,137	(3,665)	151,086
Amounts due from related corporations	(24)	18	(17)	24
Other receivables	199	340	77	4,019
Trade payables	(601)	3,332	(15,372)	6,920
Other payables	(743)	(3,424)	1,628	(3,135)
Cash generated from/ (utilised in) operations	18,112	(19,304)	14,299	(432,524)
Interest received	450	565	1,426	2,037
Income tax paid	(9,924)	(4,872)	(28,323)	(13,353)
Dividends paid	0	0	(71,794)	(71,794)
Cash flows from operating activities	8,638	(23,611)	(84,392)	(515,634)

	Quarter ended		Period ended	
	30 Sep 2014	30 Sep 2013	30 Sep 2014	30 Sep 2013
	\$'000	\$'000	\$'000	\$'000
Investing activities				
Proceeds from sale of property, plant and equipment	0	2	0	2
Proceeds from sale of investments	6,543	0	37,985	166,493
Purchase of property, plant and equipment	(396)	(150)	(648)	(316)
Expenditure on investment properties	(501)	(258)	(835)	(612)
Acquisition of investments	(12,679)	(31,663)	(19,118)	(227,698)
Dividends received	1,185	787	7,488	12,667
Interest received	5,263	4,640	12,812	9,526
Investment in associates	(95)	0	(95)	0
Cash flows from investing activities	(680)	(26,642)	37,589	(39,938)
Financing activities				
Drawdown of bank loans	1,139	15,513	12,801	306,656
Finance costs	(1,983)	(1,683)	(5,852)	(7,282)
Cash flows from financing activities	(844)	13,830	6,949	299,374
Net decrease in cash and cash equivalents	7,114	(36,423)	(39,854)	(256,198)
Cash and cash equivalents at beginning of the period	410,029	501,207	457,289	720,649
Effect of exchange rate changes on balances held in foreign currencies	53	3	(239)	336
Cash and cash equivalents at the end of the period	417,196	464,787	417,196	464,787

Significant non-cash transactions

During the period, the Group disposed 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 July 2014	1,055,901	52,579	2,056,401	3,164,881
Total comprehensive income for the period				
Profit for the period	0	0	11,002	11,002
Other comprehensive income				
Available-for-sale financial assets				
- net change in fair value	0	(995)	0	(995)
- transfer to profit or loss on disposal	0	(145)	0	(145)
Exchange differences arising on consolidation of foreign subsidiaries	0	6,044	0	6,044
Share of other comprehensive income of associates, net of tax	0	1,882	0	1,882
Total other comprehensive income	0	6,786	0	6,786
Total comprehensive income for the period	0	6,786	11,002	17,788
At 30 September 2014	1,055,901	59,365	2,067,403 *	3,182,669

* This comprised unrealised revaluation gains of \$427 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 July 2013	1,055,901	260,360	1,754,189	3,070,450
Total comprehensive income for the period				
Profit for the period	0	0	11,855	11,855
Other comprehensive income				
Available-for-sale financial assets				
- net change in fair value	0	14,731	0	14,731
Exchange differences arising on consolidation of foreign subsidiaries	0	232	0	232
Total other comprehensive income	0	14,963	0	14,963
Total comprehensive income for the period	0	14,963	11,855	26,818
At 30 September 2013	1,055,901	275,323	1,766,044	3,097,268

	Share Capital	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1 July 2014	1,055,901	889,653	1,945,554
Total comprehensive income for the period			
Profit for the period	0	4,733	4,733
At 30 September 2014	1,055,901	894,386	1,950,287

	Share Capital	Retained Earnings	Total Equity
	\$'000	\$'000	\$'000
Company			
At 1 July 2013	1,055,901	1,066,920	2,122,821
Total comprehensive income for the period			
Profit for the period	0	4,830	4,830
At 30 September 2013	1,055,901	1,071,750	2,127,651

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 30 September 2014, there were no unissued shares of the Company or its subsidiaries under option (30 September 2013: nil).

2. AUDIT OR REVIEW OF RESULTS BY AUDITORS

The figures have neither been audited nor reviewed by our 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 period ended 30 September 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 income statement 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 income statement to offset the exchange differences arising from the hedging.

6. EARNINGS PER SHARE

	Quarter ended		Period ended	
	30 Sep 2014	30 Sep 2013	30 Sep 2014	30 Sep 2013
Basic earnings per share	0.92 cent	0.99 cent	12.22 cents	10.98 cents
Diluted earnings per share	0.92 cent	0.99 cent	12.22 cents	10.98 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 3rd quarter and period ended 30 September 2014 of 1,196,559,876 (2013: 1,196,559,876).

7. NET ASSET VALUE PER SHARE

Group		Company	
30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
\$2.66	\$2.51	\$1.63	\$1.69

8. REVIEW OF PERFORMANCE

Revenue and Profit

The Group achieved revenue of \$23 million and profit after tax of \$11 million for the 3rd quarter ended 30 September 2014, a decrease of 17% and 7% respectively when compared to the same period last year.

The Group achieved revenue of \$72 million and profit after tax of \$146 million for the 9-month ended 30 September 2014, a decrease of 18% and an increase of 11% (mainly due to the negative goodwill of \$109 million arising from the Group's share of fair value of net assets of 68 Holdings Pte. Ltd. ("68 Holdings") of \$526 million, as valued by the Independent Financial Adviser, which exceeds the consideration of \$417 million)

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. The transfer of \$318 million from fair value reserve to retained earnings and the negative goodwill of \$109 million recorded in the income statement in the 2nd quarter ended 30 June 2014 are unrealised revaluation gains from the investment in 68 Holdings. The Board of Directors is, on grounds of financial prudence, of the view that these gains should not be considered as available for distribution.

Revenue for the 3rd quarter and 9-month ended 30 September 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 to its associated company in the 2nd quarter ended 30 June 2014.

The decrease in gain on disposal of investments for the 9-month ended 30 September 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.

The higher other operating expenses for the 3rd quarter ended 30 September 2014 was mainly due to exchange loss arising from the translation of bank loan denominated in foreign currency recognised in the current period.

The higher other operating expenses for the 9-month ended 30 September 2013 was mainly due to exchange loss arising from hedging of available-for-sale financial assets and the translation of bank loan denominated in foreign currency recognised in the same period last year.

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 People's Republic of China ("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 our business in Singapore and PRC may lead to volatility of earnings between comparable periods.

Assets

The Group's total assets as at 30 September 2014 were higher at \$3.9 billion compared to \$3.8 billion as at 31 December 2013.

Shareholders' Equity

The shareholders' equity as at 30 September 2014 was higher at \$3.2 billion compared to \$3.0 billion as at 31 December 2013.

Borrowings

The Group's borrowings as at 30 September 2014 were \$646 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.

Net Cash Flow

Net cash flow utilised in operating activities for the 9-month ended 30 September 2014 was \$84 million, mainly due to the payment of dividends and income tax, partially offset by sale proceeds received from development properties. For financing activities, the loan drawn down was \$13 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 30 September 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 demand for sales in the luxury sector, our current focus is on leasing. For the same period, 33 units were leased out with average rental above \$5,200 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.

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 in the established Upper Thomson/Ang Mo Kio neighbourhood.

As at 30 September 2014, a total of 282 units or 94% of the 300 units launched have been sold at an average price of \$1,274 psf.

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

雍景山

This residential site situated at Fuyang City, 22 km away from Hangzhou, China, comprises 3.2 million sq. ft. of villas, townhouses, duplexes and apartments.

Construction of Phase 1 is in progress. Showflats and sales office are completed and we are monitoring the market for a sales launch.

Investment Properties

Wheelock Place

The overall occupancy rate was 99.7% as at 30 September 2014 and the blended monthly rent achieved was above \$13.50 psf.

Office

As at 30 September 2014, the occupancy rate was 100% and the average rent achieved was more than \$11.50 psf per month. Leases that expired in the 2nd half of 2014 have mostly been renewed and concluded at higher rent with a 100% retention rate.

Retail

The occupancy rate as at 30 September 2014 was close to 100% and the average rent achieved was above \$16 psf per month. The lease renewal exercise for leases expiring in 2014 has been completed. For 2014, tenant retention rate is approximately 87% based on area.

We maintain our objective to retain good performing tenants and introduce exciting and desirable concepts to complement and improve the trade and brand mix of each floor. In addition, the mall continuously runs interesting and innovative advertising and promotion campaigns to stay relevant to our shoppers.

Scotts Square Retail

As at 30 September 2014, the overall occupancy rate was about 93% and the average monthly rent achieved was above \$21 psf.

The re-tenanting exercise to rejuvenate the mall with stronger international luxury labels and F&B concepts is in progress. Advertising and promotion initiatives have been rolled out and planned for the rest of the year to heighten awareness and entice shoppers to do their festive shopping at Scotts Square.

9. FORECAST STATEMENT

The Group's performance for the period under review is broadly in line with the prospect statement made when the 2nd quarter of 2014 financial results were announced.

10. CURRENT YEAR'S PROSPECTS

Temporary Occupation Permit for the Ardmore Three is expected towards the end of 2014. In preparation for marketing launch, we are fitting out 3 showflats and a sales office on site.

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

Phase 1 construction for the Fuyang project is expected to be completed in 2016.

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.

11. DIVIDEND

The Directors do not recommend any interim dividend for the 3rd quarter ended 30 September 2014 (30 September 2013: 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 Sep 2014						
Total revenue from external customers	540	18,001	4,219	0	0	22,760
Inter-segment revenue	0	510	0	1,089	(1,599)	0
Reportable segment (loss)/ profit before taxation	(1,157)	12,761	3,971	(1,968)	(2,344)	11,263
Share of results of associates, net of tax - Share of profit						2,700
Profit before taxation						13,963

	Property	Property	Investments	Other	Inter-	Total
	Development	Investment		Operations	segment	
	\$'000	\$'000	\$'000	\$'000	Eliminations	\$'000
Quarter ended 30 Sep 2013						
Total revenue from external customers	5,281	17,697	4,592	0	0	27,570
Inter-segment revenue	0	509	0	1,155	(1,664)	0
Reportable segment (loss)/ profit before taxation	(374)	13,396	2,292	1,823	(2,176)	14,961

	Property	Property	Investments	Other	Inter-	Total
	Development	Investment		Operations	segment	
	\$'000	\$'000	\$'000	\$'000	Eliminations	\$'000
Period ended 30 Sep 2014						
Total revenue from external customers	1,079	53,639	17,399	0	0	72,117
Inter-segment revenue	0	1,529	0	3,258	(4,787)	0
Reportable segment (loss)/ profit before taxation	(7,305)	38,716	17,517	1,151	(7,123)	42,956
Share of results of associates, net of tax						3,066
- Share of profit						109,044
- Negative goodwill						
Profit before taxation						155,066

	Property Development	Property Investment	Investments	Other Operations	Inter- segment Eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Period ended 30 Sep 2013						
Total revenue from external customers	12,064	52,998	23,030	0	0	88,092
Inter-segment revenue	0	1,569	0	3,092	(4,661)	0
Reportable segment profit/ (loss) before taxation	1,129	39,591	107,178	(1,594)	(5,950)	140,354

13. COMMENTS ON SEGMENT RESULTS

The revenue for property development for the 3rd quarter and 9-month ended 30 September 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 loss incurred for property development for the 3rd quarter and 9-month ended 30 September 2014 was mainly attributed to marketing expenses.

The decrease in revenue for investments for 9-month ended 30 September 2014 was mainly due to the disposal of the Group's investment in Hotel Properties Limited. The decrease in profit for investments for the period ended 30 September 2014 was mainly due to the gain on disposal of SC Global Developments Ltd shares recognised in the same period last year.

The loss incurred for other operations for the 3rd quarter ended 30 September 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. 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 3rd quarter ended 30 September 2014 to be false or misleading in any material respects.

By Order of the Board

Pearly Oon
Company Secretary
14 November 2014