WHEELOCK PROPERTIES

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

AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2011

TABLE OF CONTENTS

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

1(a)(i) CONSOLIDATED INCOME STATEMENT

	Quarter ended			Year ended		
	31 Dec 2011	**31 Dec 2010**	**Change**	**31 Dec 2011**	**31 Dec 2010**	**Change**
	$'000	$'000	%	$'000	$'000	%
		(Restated)			(Restated)	
Revenue	55,677	126,177	(55.9)	390,493	571,666	(31.7)
Cost of sales	(20,925)	(53,321)	(60.8)	(141,428)	(242,099)	(41.6)
Gross profit	34,752	72,856	(52.3)	249,065	329,567	(24.4)
Other income						
- Changes in fair value on investment properties	100,308	55,186	81.8	99,147	54,925	80.5
- Others	3,548	609	482.6	4,683	2,064	126.9
	103,856	55,795	86.1	103,830	56,989	82.2
Selling and marketing expenses	(2,034)	(149)	NM	(2,718)	(698)	289.4
Administrative and corporate expenses	(5,107)	(2,956)	72.8	(13,908)	(9,879)	40.8
Other operating expenses	(3,160)	(65)	NM	(3,461)	(291)	NM
Profit from operations	128,307	125,481	2.3	332,808	375,688	(11.4)
Finance costs	0	(12)	(100.0)	0	(60)	(100.0)
Profit before taxation	128,307	125,469	2.3	332,808	375,628	(11.4)
Income tax expense	(7,259)	(8,204)	(11.5)	(41,640)	(50,007)	(16.7)
Profit for the period	121,048	117,265	3.2	291,168	325,621	(10.6)

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

	Quarter ended			Year ended		
	31 Dec 2011	31 Dec 2010	Change	31 Dec 2011	31 Dec 2010	Change
	$'000	$'000	%	$’000	$’000	%
		(Restated)			(Restated)	
Profit for the period	121,048	117,265	3.2	291,168	325,621	(10.6)
Other comprehensive income:						
Available-for-sale financial assets - net change in fair value	(40,581)	6,485	(725.8)	(155,549)	54,992	(382.9)
Exchange differences arising on consolidation of foreign subsidiaries and available-for-sale financial assets	3,502	210	NM	9,718	(2)	NM
Other comprehensive income for the period, net of income tax*	(37,079)	6,695	(653.8)	(145,831)	54,990	(365.2)
Total comprehensive income for the period	83,969	123,960	(32.3)	145,337	380,611	(61.8)

* 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			Year ended		
	31 Dec 2011	**31 Dec 2010**	**Change**	**31 Dec 2011**	**31 Dec 2010**	**Change**
	$'000	$'000	%	$'000	$'000	%
Exchange gain (net)						
- net change in fair value of forward exchange contract	0	218	(100.0)	0	0	0
- others	0	(287)	(100.0)	0	(382)	(100.0)
	0	(69)	(100.0)	0	(382)	(100.0)
Interest income	(857)	(459)	86.7	(1,969)	(1,490)	32.1
Gain on disposal of investment	(2,647)	0	NA	(2,647)	(17)	NM
Gain on disposal of property, plant and equipment	0	0	0	0	(48)	(100.0)
Others	(44)	(81)	(45.7)	(67)	(127)	(47.2)
Other income - others	(3,548)	(609)	482.6	(4,683)	(2,064)	126.9
Exchange loss (net)						
- net change in fair value of forward exchange contract	(289)	0	NA	45	0	NA
- revaluation of bank loan and cash balances held in foreign currencies	2,582	0	NA	2,575	0	NA
- others	338	0	NA	(134)	0	NA
	2,631	0	NA	2,486	0	NA
Fixtures, plant and equipment included in investment property written off	473	0	NA	752	0	NA
Loss on disposal of investment	0	12	(100.0)	0	0	0
Others	56	53	5.7	223	291	(23.4)
Other operating expenses	3,160	65	NM	3,461	291	NM
Depreciation of property, plant and equipment	81	56	44.6	256	230	11.3
Dividend income from investments	(106)	0	NA	(8,528)	(3,182)	168.0
Under/(Over) provision of tax in prior years	755	(3,828)	119.7	(232)	(3,996)	(94.2)

NA : Not Applicable
NM : Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	Group			Company	
	31 Dec 2011	31 Dec 2010	31 Dec 2009	31 Dec 2011	31 Dec 2010
	$'000	$'000	$'000	$'000	$'000
		(Restated)	(Restated)		
Non-current assets					
Property, plant and equipment	1,382	1,379	1,011	1,126	1,174
Investment properties	1,260,000	1,141,811	1,052,500	360,000	291,811
Amounts due from subsidiaries	0	0	0	591,424	486,315
Interests in subsidiaries	0	0	0	236,490	229,696
Interests in an associate	7	7	7	0	0
Investments	250,104	394,271	334,420	0	0
Other non-current assets	540	540	540	540	540
	1,512,033	1,538,008	1,388,478	1,189,580	1,009,536
Current assets					
Development properties	366,682	623,799	683,720	73,747	328,644
Trade and accrued receivables	165,591	102,437	47,835	161,704	7,141
Amounts due from subsidiaries	0	0	0	33,816	54,619
Amounts due from related corporations	25	24	21	25	24
Deposits and other receivables	153,946	2,627	968	3,008	1,753
Cash and cash equivalents	1,081,625	860,702	759,427	986,790	830,001
	1,767,869	1,589,589	1,491,971	1,259,090	1,222,182
Total assets	3,279,902	3,127,597	2,880,449	2,448,670	2,231,718
Equity attributable to owners of the Company					
Share capital	1,055,901	1,055,901	1,055,901	1,055,901	1,055,901
Reserves	1,839,464	1,765,921	1,457,104	917,042	732,540
Total equity	2,895,365	2,821,822	2,513,005	1,972,943	1,788,441
Non-current liabilities					
Interest-bearing liabilities (Ref:1(b)(ii))	160,274	0	103,028	0	0
Deferred tax liabilities	35,208	78,645	52,219	24,802	53,286
	195,482	78,645	155,247	24,802	53,286
Current liabilities					
Trade payables	71,239	63,437	49,571	43,969	26,321
Other payables	32,510	33,156	27,208	15,095	13,836
Amounts due to subsidiaries	0	0	0	331,022	349,834
Interest-bearing liability (Ref:1(b)(ii))	0	103,925	130,612	0	0
Current tax payable	85,306	26,612	4,806	60,839	0
	189,055	227,130	212,197	450,925	389,991
Total liabilities	384,537	305,775	367,444	475,727	443,277
Total equity and liabilities	3,279,902	3,127,597	2,880,449	2,448,670	2,231,718

REVIEW OF FINANCIAL POSITION

Group

Increase in investment properties of $118 million was mainly due to the increase in fair value of Scotts Square retail and Wheelock Place and construction costs incurred for Scotts Square retail.

Decrease in investments of $144 million was mainly due to the decrease in market value of the Group's investments in Hotel Properties Limited ("HPL") and SC Global Developments Ltd ("SC Global"). This was partially offset by purchase of equity investments.

Decrease in development properties of $257 million was mainly due to the recognition of the balance 40% of sales consideration upon completion of Scotts Square and sale of completed units from Scotts Square and Orchard View. This was partially offset by profit recognition on Scotts Square and construction costs incurred on Scotts Square and Ardmore Three.

Increase in trade and accrued receivables of $63 million was mainly due to the recognition of the remaining 15% of sales consideration as accrued receivables upon completion of Scotts Square in financial year ("FY") 2011. This was partially offset by the accrued receivables of Ardmore II, Orchard View and Scotts Square as at 31 December 2010, which were subsequently billed and received in FY2011.

Increase in deposits and other receivables of $151 million was mainly due to the payment of 50% deposit for the 5 sites at Fuyang City, People's Republic of China, which the Group was successful in bidding.

Increase in cash and cash equivalents of $221 million was mainly due to the sales proceeds received from the development properties. This was partially offset by the payment of 50% deposit for the sites in Fuyang City and dividends.

Increase in reserves of $74 million was mainly due to the profits recognised in FY2011. This was partially offset by the decrease in market value of the Group's investments in HPL and SC Global and payment of dividends.

Increase in interest-bearing liabilities of $56 million was mainly due to the drawdown of bank loans to finance the acquisition of sites in Fuyang City and payment of construction costs for Ardmore Three.

Decrease in deferred tax liabilities of $43 million was mainly due to the reclassification of tax liabilities to current tax payable upon the completion of Scotts Square, billing of 15% and 13% sales consideration on Ardmore II and Orchard View respectively. This was partially offset by the recognition of deferred tax liabilities on the remaining 15% sales consideration to be billed upon completion of Scotts Square.

Increase in current tax payable of $59 million was mainly due to the reclassification of tax liabilities from deferred tax liabilities upon the completion of Scotts Square, billing of 15% and 13% sales consideration on Ardmore II and Orchard View respectively and increased profits recognised from Scotts Square in FY2011. This was partially offset by tax payments.

Company

Increase in investment properties of $68 million was mainly due to the increase in fair value and construction costs incurred for Scotts Square retail.

Increase in amounts due from subsidiaries of $84 million was mainly due to inter-company loans to a subsidiary to acquire the sites in Fuyang City. This was partially offset by repayment of inter-company loans by subsidiaries and impairment loss on an inter-company loan to a subsidiary as a result of the decrease in the net asset value of the subsidiary due to the decrease in market value of its investment in SC Global.

Decrease in development properties of $255 million was mainly due to the recognition of the balance 40% of sales consideration upon completion of Scotts Square and sale of completed units from Scotts Square. This was partially offset by profit recognition on Scotts Square and construction costs incurred.

Increase in trade and accrued receivables of $155 million was mainly due to the recognition of the remaining 15% of sales consideration as accrued receivables upon completion of Scotts Square in FY2011. This was partially offset by the accrued receivables of Scotts Square as at 31 December 2010, which were subsequently billed and received in FY2011.

Increase in cash and cash equivalents of $157 million was mainly due to the sales proceeds received from Scotts Square and the transfer of surplus funds from subsidiaries. This was partially offset by an inter-company loan to a subsidiary to acquire the sites in Fuyang City and the payment of dividends.

Increase in reserves of $185 million was mainly due to the profits recognised in FY2011. This was partially offset by payment of dividends.

Decrease in deferred tax liabilities of $28 million was mainly due to the reclassification of tax liabilities to current tax payable upon the completion of Scotts Square. This was partially offset by the recognition of deferred tax liabilities on the remaining 15% sales consideration to be billed upon completion of Scotts Square.

Increase in current tax payable of $61 million was mainly due to the reclassification of tax liabilities from deferred tax liabilities upon the completion of Scotts Square and increased profits recognised from Scotts Square in FY2011.

1(b)(ii) BORROWINGS

	Group	
	31 Dec 2011	**31 Dec 2010**
	$'000	$'000
Repayable within 1 year: Interest-bearing liability (secured)	0	103,925
Repayable after 1 year but within 5 years: Interest-bearing liability (secured) Interest-bearing liability (unsecured)	 119,628 40,646	 0 0
	160,274	0

During the year, the Group refinanced its bank loan arrangements and accordingly, reclassified the secured bank loan from current to non-current as it is not due for repayment within the next 12 months. 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 $263,513,000 (31 December 2010: $100,701,000). The interest-bearing liability is secured on the following asset:

	Group	
	31 Dec 2011	**31 Dec 2010**
	$'000	$'000
Development property	233,857	222,302

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	Quarter ended		Year ended	
	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
	$'000	$'000	$'000	$'000
		(Restated)		(Restated)
Operating activities				
Profit for the period	121,048	117,265	291,168	325,621
Adjustments for:				
Income tax expense	7,259	8,204	41,640	50,007
Depreciation of property, plant and equipment	81	56	256	230
Net change in fair value of forward exchange contract	(289)	218	45	0
Exchange loss/(gain) (net)	1,510	0	1,510	(2)
Gain on disposal of property, plant and equipment	0	0	0	(48)
Interest income	(857)	(459)	(1,969)	(1,490)
Fixtures, plant and equipment included in investment property written off	473	0	752	0
Changes in fair value on investment properties	(100,308)	(55,186)	(99,147)	(54,925)
(Gain)/Loss on disposal of investment	(2,647)	12	(2,647)	(17)
Dividend income from investments	(106)	0	(8,528)	(3,182)
Operating profit before working capital changes	26,164	70,110	223,080	316,194
Changes in working capital:				
Development properties	12,860	(75,554)	258,749	60,891
Trade and accrued receivables	223,550	9,588	(63,154)	(54,602)
Amounts due from related corporations	1	(12)	(1)	(3)
Deposits and other receivables	154,370	635	(145,029)	(1,622)
Trade payables	(4,890)	(12,589)	7,802	13,866
Other payables	187	4,399	(804)	5,996
Cash generated from/(utilised in) operations	412,242	(3,423)	280,643	340,720
Interest received	891	585	2,535	2,731
Income tax paid	(3,252)	2,024	(26,384)	(1,775)
Dividends paid	0	0	(71,794)	(71,794)
Cash flows from operating activities	409,881	(814)	185,000	269,882

	Quarter ended		Year ended	
	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
	$'000	$'000	$'000	$'000
		(Restated)		(Restated)
Investing activities				
Proceeds from sale of property, plant and equipment	0	0	0	86
Proceeds from sale of investment	11,025	6,164	11,025	10,345
Purchase of property, plant and equipment	(111)	(94)	(328)	(708)
Expenditure on investment properties	(550)	(16,446)	(19,794)	(34,162)
Acquisition of investments	(19,721)	0	(19,721)	(15,187)
Dividends received	106	0	8,528	3,182
Cash flows from investing activities	(9,251)	(10,376)	(20,290)	(36,444)
Financing activities				
Repayment of bank loan	0	0	(104,000)	(132,147)
Drawdown of bank loans	56,817	0	160,817	1,295
Finance costs	(1,465)	(193)	(3,312)	(1,311)
Deposit pledged	0	0	0	10,388
Cash flows from financing activities	55,352	(193)	53,505	(121,775)
Net increase/(decrease) in cash and cash equivalents	455,982	(11,383)	218,215	111,663
Cash and cash equivalents at beginning of the period	619,431	867,705	856,322	744,659
Effect of exchange rate changes on balances held in foreign currencies	1,832	0	2,708	0
Cash and cash equivalents at end of the period (Note 1)	1,077,245	856,322	1,077,245	856,322

	Quarter ended		Year ended	
	31 Dec 2011	31 Dec 2010	31 Dec 2011	31 Dec 2010
	$'000	$'000	$'000	$'000
Note 1				
Cash and cash equivalents in the statements of financial position	1,081,625	860,702	1,081,625	860,702
Less: Deposit pledged	(4,380)	(4,380)	(4,380)	(4,380)
Cash and cash equivalents in the statement of cash flows	1,077,245	856,322	1,077,245	856,322

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

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

	Share Capital	Translation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	$'000	$'000	$'000	$'000	$'000
Group					
At 1 January 2011, as previously reported	1,055,901	(3)	270,323	1,432,641	2,758,862
Effect of early adoption of the amendments to FRS 12 (refer to section 5)	0	0	0	62,960	62,960
At 1 January 2011, restated	1,055,901	(3)	270,323	1,495,601	2,821,822
Total comprehensive income for the year					
Profit for the year	0	0	0	291,168	291,168
Other comprehensive income					
Available-for-sale financial assets - net change in fair value	0	0	(155,549)	0	(155,549)
Exchange differences arising on consolidation of foreign subsidiaries and available-for-sale financial assets	0	9,718	0	0	9,718
Total other comprehensive income	0	9,718	(155,549)	0	(145,831)
Total comprehensive income for the year	0	9,718	(155,549)	291,168	145,337
Transactions with owners of the Company, recorded directly in equity					
Distributions to owners					
Dividends to owners	0	0	0	(71,794)	(71,794)
Total transactions with owners	0	0	0	(71,794)	(71,794)
At 31 December 2011	1,055,901	9,715	114,774	1,714,975	2,895,365

	Share Capital	Translation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	$'000	$'000	$'000	$'000	$'000
Group					
At 1 January 2010, as previously reported	1,055,901	(1)	215,331	1,188,249	2,459,480
Effect of early adoption of the amendments to FRS 12 (refer to section 5)	0	0	0	53,525	53,525
At 1 January 2010, restated	1,055,901	(1)	215,331	1,241,774	2,513,005
Total comprehensive income for the year					
Profit for the year	0	0	0	325,621	325,621
Other comprehensive income					
Available-for-sale financial assets					
- net change in fair value	0	0	54,992	0	54,992
Exchange differences arising on consolidation of foreign subsidiaries	0	(2)	0	0	(2)
Total other comprehensive income	0	(2)	54,992	0	54,990
Total comprehensive income for the year	0	(2)	54,992	325,621	380,611
Transactions with owners of the Company, recorded directly in equity					
Distributions to owners					
Dividends to owners	0	0	0	(71,794)	(71,794)
Total transactions with owners	0	0	0	(71,794)	(71,794)
At 31 December 2010	1,055,901	(3)	270,323	1,495,601	2,821,822

	Share Capital	Retained Earnings	Total Equity
	$'000	$'000	$'000
Company			
At 1 January 2011	1,055,901	732,540	1,788,441
Total comprehensive income for the year			
Profit for the year	0	256,296	256,296
Dividends paid	0	(71,794)	(71,794)
At 31 December 2011	1,055,901	917,042	1,972,943

	Share Capital	Retained Earnings	Total Equity
	$'000	$'000	$'000
Company			
At 1 January 2010	1,055,901	604,037	1,659,938
Total comprehensive income for the year			
Profit for the year	0	200,297	200,297
Dividends paid	0	(71,794)	(71,794)
At 31 December 2010	1,055,901	732,540	1,788,441

1(d)(ii) SHARE CAPITAL

Since the last financial year ended 31 December 2010, 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 2011, there were no unissued shares of the Company or its subsidiaries under option (31 December 2010: nil).

1(e) SHARE PURCHASE

The Company has not made any purchase of its shares during the year ended 31 December 2011.

2. REVIEW OF RESULTS BY AUDITORS

The figures have been audited by the auditors.

3. AUDITORS' REPORT

Refer to auditors' report attached.

4. BASIS OF PREPARATION

Except as disclosed in Section 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements for the year ended 31 December 2011, as compared with the Group's audited financial statements for the year ended 31 December 2010.

5. EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS

In the current financial year, the Group adopted Interpretation of Financial Reporting Standard ("INT FRS") 115 *Agreements for the Construction of Real Estate,* revised FRS 24 *Related Party Disclosures (2010),* the improvements to FRS 2010 and early adopted the amendments to FRS 12 *Income Taxes* which are to be applied for annual periods beginning on or after 1 January 2012.

The application of INT FRS 115, revised FRS 24 and the improvements to FRS 2010 does not have any financial effect on the Group's financial position or results.

On 23 February 2011, FRS 12 was amended to provide an exception to the measurement principle in respect of investment property measured using the fair value model in accordance with FRS 40 *Investment Property*. Under the exception, the measurement of deferred tax assets and liabilities is based on a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale.

Following the early adoption of the amendments to FRS 12 by the Group with effect from 1 January 2011, the Group has retrospectively accounted for the reversal of the deferred tax liability recognised on the fair value gain of an investment property against the opening retained earnings of the Group of $63 million (1 January 2010: $54 million).

The changes in accounting policies, to the extent that it is applied retrospectively, have the following impact:

	As previously stated	**Adjustments**	**Restated**
	2010	**2010**	**2010**
	$'000	$'000	$'000
Group			
Consolidated statement of financial position			
Deferred tax liabilities	141,605	(62,960)	78,645
Reserves	1,702,961	62,960	1,765,921
Consolidated income statement			
Income tax expense	(59,442)	9,435	(50,007)

	As previously stated	**Adjustments**	**Restated**
	2009	**2009**	**2009**
	$'000	$'000	$'000
Group			
Consolidated statement of financial position			
Deferred tax liabilities	105,744	(53,525)	52,219
Reserves	1,403,579	53,525	1,457,104

As a result of the early adoption of the amendments to FRS 12, the profit for the year ended 31 December 2010 was restated from $316,186,000 to $325,621,000. Accordingly, the earnings per share were restated from 26.42 cents to 27.21 cents.

6. EARNINGS PER SHARE

	Quarter ended		**Year ended**	
	31 Dec 2011	**31 Dec 2010**	**31 Dec 2011**	**31 Dec 2010**
		(Restated)		(Restated)
Basic earnings per share	10.12 cents	9.80 cents	24.33 cents	27.21 cents
Diluted earnings per share	10.12 cents	9.80 cents	24.33 cents	27.21 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 2011 of 1,196,559,876 (2010: 1,196,559,876).

7. NET ASSET VALUE PER SHARE

Group		**Company**	
31 Dec 2011	**31 Dec 2010**	**31 Dec 2011**	**31 Dec 2010**
$	$	$	$
	(Restated)		
2.42	2.36	1.65	1.49

8. REVIEW OF PERFORMANCE

Revenue and Profit

The Group achieved revenue of $56 million and profit after tax of $121 million for the 4th quarter ended 31 December 2011, a decrease of 56% and an increase of 3% respectively compared to the same period last year.

The Group achieved revenue of $390 million and profit after tax of $291 million for the year ended 31 December 2011, a decrease of 32% and 11% respectively compared to last year.

The decrease in revenue for the 4th quarter and year ended 31 December 2011 was mainly due to lower revenue recognition from Scotts Square based on the progress of construction works in financial year ("FY") 2011. The completion of Ardmore II and Orchard View in the 2nd quarter of 2010 further contributed to the lower revenue in FY2011.

The Group achieved higher gross profit margin of 62% and 64% for the 4th quarter and year ended 31 December 2011 respectively, compared to 58% for the same period last year. The increase was mainly due to the higher profit margin at Scotts Square compared to our other developments.

The decrease in cost of sales for the 4th quarter and year ended 31 December 2011 was in line with the decrease in revenue.

The Group's investment properties were each valued by a firm of independent professional valuers. Wheelock Place was revalued from $850 million to $900 million with a fair value gain of $50 million (2010: $55.5 million). Scotts Square retail was revalued from $292 million before completion to $360 million upon completion with a fair value gain of $51 million (2010: nil). The total fair value gain of $101 million has been accounted for in the income statement under other income.

Copies of the revaluation reports are available for inspection at the Company's registered office, 501 Orchard Road #11-01, Wheelock Place, Singapore 238880, during normal business hours for 3 months from 20 February 2012.

The increase in selling and marketing expenses, administrative and corporate expenses for the 4th quarter and year ended 31 December 2011 was mainly due to the expenses incurred on Scotts Square charged to the income statement after its completion.

The higher other operating expenses in FY2011 was mainly due to the exchange loss on revaluation of bank loan and cash balances held in foreign currencies and fixtures, plant and equipment included in investment property written off.

The decrease in income tax expense for the 4th quarter and year ended 31 December 2011 was mainly due to lower taxable profits.

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 31 December 2011 were higher at $3.3 billion compared to $3.1 billion as at 31 December 2010. The increase in total assets was mainly attributed to the increase in cash position, largely from sales proceeds from the development properties and the increase in fair value of the Group's investment properties. Return on assets (based on profit for the year) for the year ended 31 December 2011 was 8.9% (year ended 31 December 2010 (restated): 10.4%).

Shareholders' Equity

The shareholders' equity as at 31 December 2011 was higher at $2.9 billion compared to $2.8 billion as at 31 December 2010. The increase was mainly attributed to the profit from operations in FY2011 and increase in fair value of the Group's investment properties. Return on shareholders' equity (based on profit for the year) for the year ended 31 December 2011 was 10.1% (year ended 31 December 2010: 11.5%).

Borrowings

The Group's borrowings as at 31 December 2011 were $160 million compared to $104 million as at 31 December 2010. The higher borrowings were mainly due to the drawdown of bank loans to finance the acquisition of sites in Fuyang City, People's Republic of China and payment of construction costs for Ardmore Three. The debt-equity ratio as at 31 December 2011 was 5.5% (as at 31 December 2010 (restated): 3.7%).

Net Cash Flow

Net cash flow from operating activities for the year ended 31 December 2011 was $185 million, mainly due to the sales proceeds received from the development properties, partially offset by the payment of 50% deposit for the sites in Fuyang City and dividends. For investing activities, the Group incurred $20 million on construction of Scotts Square retail and upgrading of Wheelock Place. For financing activities, net loan drawdown was $57 million.

Commitments

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

	Group	
	31 Dec 2011	**31 Dec 2010**
	$'000	$'000
Commitments contracted but not provided	227,400	44,950

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

	Group	
	31 Dec 2011	**31 Dec 2010**
	$'000	$'000
Within 1 year	51,455	38,090
After 1 year, but within 5 years	105,109	37,720
After 5 years	126	0
	156,690	75,810

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 private residential property price index rose by 0.2% in the 4th quarter of 2011 compared to 1.3% increase in the 3rd quarter. Prices of non-landed private residential properties increased 0.5% in the Core Central Region versus a 0.7% increase in the preceding quarter. *(Source: URA's real estate statistics for 4th quarter 2011 dated 27 January 2012)*

On 8 December 2011, the Government implemented the Additional Buyers' Stamp Duties ("ABSD"). This latest round of cooling measure imposes a stamp duty to be paid over and above the current Buyer's stamp duty of 3%. Foreigners will have to pay 10% ABSD for any residential property. Permanent Residents owning one and buying second and subsequent properties will pay 3% ABSD whilst Singaporeans owning two and buying a third and subsequent residential properties will pay 3% ABSD.

Orchard View

Orchard View is a luxury 36-storey development, comprising 30 units of four-bedroom apartments, located on Angullia Park, off Orchard Boulevard. All the units enjoy virtually 360 degree views.

The development has obtained Subsidiary Strata Certificates of Title on 5 December 2011. Marketing is on-going for the unsold units.

As at 31 December 2011, 13 units have been sold at an average price of $3,210 psf.

Scotts Square

As at 31 December 2011, Scotts Square is 78% (262 units) sold. This represents 84% of the net saleable area, sold at an average of $4,000 psf.

The development obtained its Temporary Occupation Permit ("TOP") on 22 August 2011. Handover of the units to owners commenced on 10 October 2011 and as at 31 December 2011, almost 92% of the sold units have been successfully handed over.

Of the unsold units, 11 one-bedroom apartments were selected for lease, of which 9 are fully furnished and 2 unfurnished. Leasing activity commenced in November 2011. Sales and leasing efforts are on-going on site.

Ardmore Three

Ardmore Three is a freehold 36-storey luxury development located along Ardmore Park comprising 84 three-bedroom apartments. Building construction has commenced and is expected to be completed by 2014. Construction and fit-out of the showflat has been completed and preparation in readiness for the launch is in progress.

Investment Properties

Office and Retail Market

The overall retail rentals increased by 0.5% in the 4th quarter of 2011, a similar increase registered in the 3rd quarter of 2011.

Island-wide rentals for office space rose 0.3% in the 4th quarter of 2011, lower than the increase of 0.9% in the 3rd quarter of 2011. Overall vacancy rate of office space as at end of the 4th quarter of 2011 decreased to 11.3% from 11.7% as at the end of 3rd quarter of 2011.

(Source: URA's real estate statistics for 4th quarter 2011 dated 27 January 2012)

Wheelock Place

The occupancy rate of Wheelock Place was 89% as at 31 December 2011 due to vacancy at level 1 as a result of the closure of Borders in August 2011. The replacement tenant, Marks & Spencer, will open their flagship store in 2nd quarter 2012. The average rental achieved for the building was $12 psf per month.

We have completed renewal of office leases due in the 1st quarter of 2012. 3 out of the 4 office tenants have renewed their leases and the renewal rate was committed at higher rental levels. This represents 61% retention rate based on area.

Lease renewals for retail tenants due in the 1st quarter of 2012 have been completed. 5 out of the 7 tenants have renewed their leases, which represents a retention rate of 79% based on area.

Scotts Square Retail

Scotts Square retail has a total net lettable area of approximately 75,000 sq. ft. over 4 floors from basement 1 to level 3. The development obtained its TOP on 22 August 2011.

As at 31 December 2011, 92% of the net lettable area has been committed with majority of the leases commencing after November 2011. Based on this, the average monthly rental for December 2011 was $17 psf. American label, Michael Kors located on ground floor is the first tenant to open on 1 November 2011. Key tenants include Hermès, Anne Fontaine, Sincere Fine Watches, On Pedder, United Overseas Bank and Fairprice Finest.

Active marketing for the remaining vacant units are on-going with a handful currently under negotiations.

9. FORECAST STATEMENT

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

10. CURRENT YEAR'S PROSPECTS

Scotts Square obtained its Temporary Occupation Permit in August 2011 and the remaining profits on all sold units were recognised in financial year ("FY") 2011.

Progress billings for the development properties are on-going. 85% of progress billings have been served on Scotts Square and the balance 15% are expected to be served in FY2012. 93% - 98% of progress billings have been collected on Orchard View and the balance are expected to be collected in FY2012.

The Group will recognise 100% of profits on any additional units sold in Orchard View and Scotts Square in FY2012 as both projects are completed.

The handover of the sites in Fuyang City, People's Republic of China, is scheduled by March 2012. Design of the development is in progress and construction in phases is expected to commence in the 2nd half of 2012.

Wheelock Place, which has achieved good rental rates and high occupancy, is expected to continue to generate good recurring income.

Scotts Square retail is currently 92% leased and marketing is on-going. It is expected to generate good recurring income.

The property cooling measures implemented by the government would have an impact on our revenue from development properties this year. Meantime, the Group remains in a strong financial position to take advantage of investment and development opportunities which may arise locally or overseas.

11. DIVIDEND

	Year ended 31 Dec 2011	**Year ended 31 Dec 2010**
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 20 April 2012, will be paid on 18 May 2012 to those Shareholders whose names are in the Company's Register of Members up to 5.00pm on 2 May 2012.

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 equity 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 2011						
Total revenue from external customers	43,138	12,433	106	0	0	55,677
Inter-segment revenue	0	576	0	1,592	(2,168)	0
Reportable segment profit/(loss) before taxation	22,365	106,190	2,811	(1,750)	(1,309)	128,307

	Property Development	**Property Investment**	**Investments**	**Other Operations**	**Inter-segment Eliminations**	**Total**
	$'000	$'000	$'000	$'000	$'000	$'000
Quarter ended 31 Dec 2010						
Total revenue from external customers	114,452	11,725	0	0	0	126,177
Inter-segment revenue	0	579	0	1,419	(1,998)	0
Reportable segment profit/(loss) before taxation	62,470	63,958	(18)	85	(1,026)	125,469

	Property Development	Property Investment	Investments	Other Operations	Inter-segment Eliminations	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 31 Dec 2011						
Total revenue from external customers	335,222	46,743	8,528	0	0	390,493
Inter-segment revenue	0	2,313	0	5,493	(7,806)	0
Reportable segment profit/(loss) before taxation	197,044	130,131	11,213	(1,860)	(3,720)	332,808

	Property Development	Property Investment	Investments	Other Operations	Inter-segment Eliminations	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Year ended 31 Dec 2010						
Total revenue from external customers	521,847	46,637	3,182	0	0	571,666
Inter-segment revenue	0	2,322	0	5,195	(7,517)	0
Reportable segment profit before taxation	279,624	91,769	3,162	2,659	(1,586)	375,628

13. COMMENTS ON SEGMENT RESULTS

The decrease in revenue and profit for property development for the 4th quarter and year ended 31 December 2011 was mainly due to lower revenue recognition from Scotts Square based on the progress of construction works in financial year ("FY") 2011. The completion of Ardmore II and Orchard View in the 2nd quarter of 2010 further contributed to the lower revenue in FY2011.

The increase in profit for property investment for the 4th quarter and year ended 31 December 2011 was mainly due to the fair value gain on Scotts Square retail.

The increase in revenue and profit for investments for the year ended 31 December 2011 was mainly due to higher dividend income received from the Group's equity investments in FY2011.

The loss incurred for other operations for the 4th quarter and year ended 31 December 2011 was mainly due to the revaluation of bank loan denominated in foreign currency.

14. INTERESTED PERSON TRANSACTIONS

No interested person transactions mandate has been obtained from shareholders.

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 related to the Directors or Chief Executive Officer or Substantial Shareholders of the Company.

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

	Year ended		
	31 Dec 2011	**31 Dec 2010**	**Change**
	$'000	$'000	%
		(Restated)	
Revenue			
- first half	170,422	283,887	(40.0)
- second half	220,071	287,779	(23.5)
Total Revenue	390,493	571,666	(31.7)
Profit After Tax			
- first half	89,351	133,899	(33.3)
- second half	201,817	191,722	5.3
Total Profit After Tax	291,168	325,621	(10.6)

By Order Of the Board

Tan Ling Ling
Company Secretary
20 February 2012

KPMG

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Independent auditors' report

Members of the Company
Wheelock Properties (Singapore) Limited

Report on the financial statements

We have audited the accompanying financial statements 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 31 December 2011, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS57.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2011 and the results, changes in equity and cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
20 February 2012