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Unaudited Full Year * Financial Statement And Related Announcement

* Asterisks denote mandatory information

Name of Announcer *	CITY DEVELOPMENTS LIMITED
Company Registration No.	196300316Z
Announcement submitted on behalf of	CITY DEVELOPMENTS LIMITED
Announcement is submitted with respect to *	CITY DEVELOPMENTS LIMITED
Announcement is submitted by *	Shufen Loh @ Catherine Shufen Loh
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-12-2009

Description	

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CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

UNAUDITED FULL YEAR FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

These figures have not been audited.

	The Group Fourth Quarter Ended 31 December		Incr/ (Decr)	The Group Full Year Ended 31 December		Incr/ (Decr)
	2009	**2008**		**2009**	**2008**	
	S$'000	**S$'000**	**%**	**S$'000**	**S$'000**	**%**
Revenue	922,423	717,509	28.6	3,272,825	2,945,229	11.1
Cost of sales	(431,052)	(315,360)	36.7	(1,637,637)	(1,271,410)	28.8
Gross profit	491,371	402,149	22.2	1,635,188	1,673,819	(2.3)
Other operating income [(2)]	2,218	84,360	(97.4)	7,896	138,083	(94.3)
Administrative expenses [(3)]	(126,362)	(125,814)	0.4	(460,566)	(504,569)	(8.7)
Other operating expenses [(4)]	(97,408)	(213,487)	(54.4)	(375,612)	(527,523)	(28.8)
Profit from operations	269,819	147,208	83.3	806,906	779,810	3.5
Finance income [(5)]	4,008	9,865	(59.4)	31,844	30,760	3.5
Finance costs [(6)]	(16,781)	(28,302)	(40.7)	(70,077)	(115,273)	(39.2)
Net finance costs	(12,773)	(18,437)	(30.7)	(38,233)	(84,513)	(54.8)
Share of after-tax profit of associates [(7)]	6,430	4,514	42.4	17,437	19,006	(8.3)
Share of after-tax (loss)/profit of jointly-controlled entities [(8)]	(11,193)	(1,586)	605.7	45,478	119,504	(61.9)
Profit before income tax [(1)]	252,283	131,699	91.6	831,588	833,807	(0.3)
Income tax expense [(9)]	(51,199)	(14,304)	257.9	(160,956)	(152,132)	5.8
Profit for the period/year	201,084	117,395	71.3	670,632	681,675	(1.6)
Attributable to:						
Equity holders of the Company	**176,671**	**99,990**	76.7	**593,421**	**580,944**	2.1
Minority interests	24,413	17,405	40.3	77,211	100,731	(23.3)
Profit for the period/year	201,084	117,395	71.3	670,632	681,675	(1.6)
Earnings per share						
- basic	18.7 cents	10.3 cents	81.6	63.8 cents	62.5 cents	2.1
- diluted	18.3 cents	10.3 cents	77.7	61.6 cents	60.9 cents	1.1

Notes to the Group's Income Statement:

(1) Profit before income tax includes the following:

	The Group Fourth Quarter Ended 31 December		The Group Full Year Ended 31 December	
	2009 S$'000	2008 S$'000	2009 S$'000	2008 S$'000
Interest income	5,677	9,865	18,830	30,627
(Loss)/profit on sale of investment properties and property, plant and equipment (net)	(737)	1,167	(590)	48,259
Profit on aborted sale of a subsidiary	-	73,241	-	73,241
Investment income	6,039	272	9,042	7,262
Gains on disposal of a jointly-controlled entity and an associate	69	-	1,118	-
Depreciation and amortisation	(35,106)	(32,960)	(134,362)	(132,036)
Interest expenses	(14,951)	(22,627)	(65,145)	(92,354)
Net exchange (losses)/gains	(206)	(5,671)	6,848	(7,902)
Mark-to-market (losses)/gains on financial assets held for trading (net)	(1,669)	(4,727)	13,014	(19,845)
Property, plant and equipment and investment properties written off	(265)	(15,301)	(478)	(23,016)
Impairment losses made on an investment property	(8,346)	(8,994)	(8,346)	(8,994)
Impairment losses on property, plant and equipment	(2,124)	(62,311)	(2,124)	(62,311)
Impairment losses on loans to a jointly-controlled entity	(64)	(19,456)	(3,016)	(19,456)

(2) Other operating income, comprising mainly management fee, miscellaneous income and profit on sale of investments, investment properties and property, plant and equipment, decreased by $82.1 million for Q4 2009 and $130.2 million for FY 2009 as compared to the corresponding periods in 2008. The decreases were due to a profit of £31.4 million (approximately S$73.2 million) recognised in Q4 2008 on the aborted sale of CDL Hotels (Korea) Limited, a wholly-owned subsidiary of Millennium & Copthorne Hotels plc (M&C) and gain from disposal of Commerce Point in Q3 2008.

(3) Administrative expenses comprise mainly depreciation, hotel administrative expenses, operating lease expenses and salaries and related expenses. This had decreased by $44.0 million for FY 2009 due to lower hotel administrative expenses and decline in rental expenses incurred on the leasing of hotels from CDL Hospitality Trusts (CDLHT).

(4) Other operating expenses comprise mainly property taxes and insurance on hotels, hotel other operating expenses, professional fees, net exchange differences and impairment losses on an investment property, property, plant and equipment and loans to a jointly-controlled entity. Other operating expenses decreased by $116.1 million and $151.9 million for Q4 2009 and FY 2009 respectively primarily due to lower professional fees as well as impairment losses amounted to $90.8 million accounted in Q4 2008 on some assets held by M&C, an investment property and loans to a joint venture in Bangkok. For Q4 2009, impairment losses of $10.5 million were made on a land in India, an investment property in Japan and loans to the aforesaid joint venture. In addition, lower hotel other operating expense incurred for the hotel operations, which was in line with the decline of full year hotel revenue, has also attributed to the decrease.

(5) Finance income comprises mainly interest income and mark-to-market gain on financial assets held for trading. This had decreased by $5.9 million in Q4 2009 on account of lower interest income earned.

(6) Finance costs, comprising primarily interest on borrowings, mark-to-market loss on financial assets held for trading and amortisation of capitalised transaction costs on borrowings and debt securities, decreased by $11.5 million for Q4 2009 and $45.2 million for FY 2009 on account of lower interest expenses incurred. The mark-to-market losses on financial assets held for trading recognised in FY 2008 vis-à-vis mark-to-market gains for FY 2009 had also attributed to the decline.

(7) Share of after-tax profit of associates relates mainly to the Group's share of results of CDLHT.

(8) For Q4 2009, share of after-tax losses from jointly-controlled entities increased by $9.6 million to $11.2 million (Q4 2008: $1.6 million). For FY 2009, share of after-tax profit of jointly-controlled entities decreased by $74.0 million to $45.5 million (FY 2008: $119.5 million). These were due to lower contribution from St. Regis Residences, The Sail @ Marina Bay, Ferraria Park and The Oceanfront @ Sentosa Cove and an impairment loss made on a project in Russia in Q4 2009.

(9) Income tax expense for the period/year is derived at by applying the varying statutory tax rates on the taxable profits/(losses) and taxable/deductible temporary differences of the different countries in which the Group operates.

	The Group Fourth Quarter Ended 31 December		**The Group Full Year Ended 31 December**	
	2009	**2008**	**2009**	**2008**
	S$'m	**S$'m**	**S$'m**	**S$'m**
The tax charge relates to the following:				
Profit for the period/year	62.6	30.7	172.5	152.7
Overprovision in respect of prior periods/years	(11.4)	(16.4)	(11.5)	(0.6)
	51.2	14.3	161.0	152.1

The overall effective tax rate of the Group for Q4 2009 was 20.3% (Q4 2008: 10.9%) and FY 2009 was 19.4% (FY 2008: 18.2%). Excluding the overprovision in respect of prior periods/years, the effective tax rate for the Group for Q4 2009 was 24.8% (Q4 2008: 23.3%) and FY 2009 was 20.7% (FY 2008: 18.3%).

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	The Group		The Company	
		As at 31.12.2009 S$'000	As at 31.12.2008 S$'000	As at 31.12.2009 S$'000	As at 31.12.2008 S$'000
Non-current assets					
Property, plant and equipment	(1)	3,616,768	4,161,527	8,010	166,945
Investment properties	(2)	3,063,766	2,312,675	540,212	277,115
Investments in subsidiaries		-	-	2,259,199	2,258,199
Investments in associates		345,725	348,644	-	-
Investments in jointly-controlled entities	(3)	675,702	693,860	36,360	35,204
Investments in financial assets	(4)	393,660	162,718	33,543	23,387
Other non-current assets	(5)	121,243	18,569	638,260	105,218
		8,216,864	**7,697,993**	**3,515,584**	**2,866,068**
Current assets					
Development properties		3,278,635	2,920,056	1,157,075	1,534,891
Consumable stocks		10,143	11,220	-	-
Financial assets		32,671	19,727	-	-
Trade and other receivables		757,820	1,098,648	2,592,156	2,592,840
Cash and cash equivalents		981,486	775,882	407,571	159,490
Assets classified as held for sale	(6)	14,782	-		-
		5,075,537	**4,825,533**	**4,156,802**	**4,287,221**
Total assets		**13,292,401**	**12,523,526**	**7,672,386**	**7,153,289**
Equity attributable to equity holders of the Company					
Share capital		1,991,397	1,991,397	1,991,397	1,991,397
Reserves		3,981,077	3,438,311	2,622,005	2,417,943
		5,972,474	5,429,708	4,613,402	4,409,340
Minority interests		1,691,707	1,592,609	-	-
Total equity		**7,664,181**	**7,022,317**	**4,613,402**	**4,409,340**
Non-current liabilities					
Interest-bearing borrowings*		3,197,816	3,286,610	1,753,286	1,640,280
Employee benefits		40,682	27,259	-	-
Other liabilities		89,301	84,388	92,542	26,343
Provisions		1,818	2,400	-	-
Deferred tax liabilities		433,797	410,616	81,889	65,922
		3,763,414	**3,811,273**	**1,927,717**	**1,732,545**
Current liabilities					
Trade and other payables		795,599	641,218	777,938	469,481
Interest-bearing borrowings*		818,312	860,063	244,962	490,068
Employee benefits		15,383	14,536	2,067	1,804
Other liabilities		75	2,099	-	-
Provision for taxation		230,528	167,130	106,300	50,051
Provisions		4,335	4,890	-	-
Liabilities classified as held for sale	(6)	574	-	-	-
		1,864,806	**1,689,936**	**1,131,267**	**1,011,404**
Total liabilities		**5,628,220**	**5,501,209**	**3,058,984**	**2,743,949**
Total equity and liabilities		**13,292,401**	**12,523,526**	**7,672,386**	**7,153,289**

** These balances are stated at amortised cost after taking into consideration their related transaction costs.*

Notes to the Balance Sheet of the Group

1) The decrease was mainly due to the Group's adoption of *Amendments to Financial Reporting Standard (FRS) 40 – Investment Property* which took effect on 1 January 2009, whereby properties under construction for future use as investment properties are classified as investment properties. Accordingly, the Group and the Company had reclassified the carrying value of such properties to Investment Properties.

2) The increase for the Group and the Company was due to the reclassification of the carrying value of properties under construction from property, plant and equipment to investment properties and additional costs incurred for such investment properties in 2009.

3) The decrease for the Group was due to dividend income received, partially mitigated by the capitalisation of loans given to a jointly-controlled entity.

4) The increase for the Group was due to the subscription, by an indirect wholly-owned subsidiary of the Company, of $199 million out of the $408 million secured convertible notes issued by South Beach Consortium Pte. Ltd., a joint venture consortium to develop the South Beach project.

5) The increase for the Company was due to loan granted to a wholly-owned subsidiary to subscribe partially for the secured convertible notes issued by South Beach Consortium Pte. Ltd. as mentioned in Note (4) above. In addition, there was also a reclassification of certain loans to subsidiaries from current assets to non-current assets as settlement of these loans is neither planned nor likely to occur in the foreseeable future.

   The increase for the Group was due to reclassification of loans to a jointly-controlled entity from current assets to non-current assets as settlement of these loans is neither planned nor likely to occur in the foreseeable future.

6) The assets and liabilities held for sale arose from the following transactions entered into in relation to the Group's non-core investment properties:

   (a) In November 2009, the Group entered into an agreement to sell its 60 strata subdivided units (including the related on-going leases) in North Bridge Commercial Complex for a consideration of $46 million. The sale transaction is expected to be completed by March 2010.

   (b) In December 2009, the Group granted an "Option to purchase" to a potential purchaser to sell Office Chamber for a consideration of $13.2 million. The "Option to purchase" was exercised on 12 January 2010 and the sale transaction is expected to be completed by April 2010.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

The Group's net borrowings refer to aggregate borrowings from banks, financial institutions and finance lease creditors, after deducting cash and cash equivalents. It excludes deferred real estate taxes payable, retention sums payable, other payables and deposits received. Unamortised balance of transaction costs have not been deducted from the gross borrowings.

		As at 31.12.2009 S$'000	As at 31.12.2008 S$'000
Unsecured			
- repayable within one year		520,895	666,581
- repayable after one year		2,219,360	2,331,677
	(a)	2,740,255	2,998,258
Secured			
- repayable within one year		297,912	193,755
- repayable after one year		996,061	961,453
	(b)	1,293,973	1,155,208
Gross borrowings	(a) + (b)	4,034,228	4,153,466
Less: cash and cash equivalents		(981,486)	(775,882)
Net borrowings		3,052,742	3,377,584

Details of any collateral

Where secured, borrowings are collateralised by:

- mortgages on the borrowing companies' development, investment and hotel properties; and
- assignment of all rights and benefits to sale, lease and insurance proceeds in respect of development, investment and hotel properties.

CITY DEVELOPMENTS LIMITED
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1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Fourth Quarter Ended 31 December		Full Year Ended 31 December	
	2009	**2008**	**2009**	**2008**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Operating Activities				
Profit before income tax	252,283	131,699	831,588	833,807
Adjustments for:				
Depreciation and amortisation	35,106	32,960	134,362	132,036
Dividend income	(6,039)	(272)	(9,042)	(7,262)
Finance costs	16,781	28,302	70,077	115,273
Finance income	(4,008)	(9,865)	(31,844)	(30,760)
Impairment losses on loans to a jointly-controlled entity	64	19,456	3,016	19,456
Impairment losses made on an investment property	8,346	8,994	8,346	8,994
Impairment losses on property, plant and equipment	2,124	62,311	2,124	62,311
Gain on disposal of a jointly-controlled entity and an associate	(69)	-	(1,118)	-
Loss/(gain) on liquidation of jointly-controlled entities	-	375	(8)	29
Profit from aborted sale of a subsidiary	-	(73,241)	-	(73,241)
Profit on disposal of interest in a subsidiary	-	(29)	-	(29)
Loss/(profit) on sale of property, plant and equipment and investment properties	737	(1,167)	590	(48,259)
Property, plant and equipment and investment properties written off	265	15,301	478	23,016
Share of after-tax profit of associates	(6,430)	(4,514)	(17,437)	(19,006)
Share of after-tax loss/(profit) of jointly-controlled entities	11,193	1,586	(45,478)	(119,504)
Units in an associate received and receivable in lieu of fee income	(1,755)	(1,664)	(6,456)	(7,373)
Equity settled share-based transactions	353	1,006	3,674	2,996
Operating profit before working capital changes	308,951	211,238	942,872	892,484
Changes in working capital				
Development properties	(167,977)	(27,948)	20,453	(340,768)
Stocks, trade and other receivables	(30,289)	14,581	(31,896)	(87)
Trade and other payables	5,276	(51,656)	119,102	(21,901)
Employee benefits	(3,838)	(11,120)	7,884	(13,112)
Cash generated from operations	112,123	135,095	1,058,415	516,616
Income tax refunded/(paid)	21,511	(10,831)	(72,399)	(78,789)
Cash flows from operating activities carried forward	**133,634**	**124,264**	**986,016**	**437,827**

	Fourth Quarter Ended 31 December		Full Year Ended 31 December	
	2009	2008	2009	2008
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities brought forward	**133,634**	**124,264**	**986,016**	**437,827**
Investing Activities				
Acquisition of minority interests	-	(4,876)	-	(4,876)
Acquisition of subsidiaries (net of cash acquired)	-	-	(35,043)	-
Capital expenditure on investment properties	(24,526)	(9,695)	(241,943)	(18,855)
(Purchase)/disposal of financial assets [1]	(9,076)	(1,106)	(215,961)	19,108
Dividends received				
- an associate	-	-	28,033	32,255
- financial investments	6,039	272	9,042	7,262
- jointly-controlled entities	62,500	12,900	248,850	27,050
Interest received	2,346	736	8,143	20,989
Payments for purchase of property, plant and equipment	(23,001)	(159,307)	(62,158)	(442,804)
Proceeds from sale of property, plant and equipment and investment properties	264	2,979	690	182,179
Proceeds from disposal of a jointly-controlled entity	69	-	882	-
Proceeds from liquidation of a jointly-controlled entity	-	-	33	-
Proceeds from disposal of an associate	-	-	5,765	-
Proceeds less expenses from aborted sale of a subsidiary	-	-	-	73,241
Increase in investments in an associate	-	-	-	(63,926)
Increase in investments in jointly-controlled entities	(39)	(5,388)	(98)	(58,264)
Cash flows from investing activities [2]	14,576	(163,485)	(253,765)	(226,641)
Financing Activities				
Advances from related parties	8,814	64,275	35,965	111,982
Dividends paid	(9,706)	-	(96,454)	(235,979)
Finance lease payments	(2)	(20)	(7)	(196)
Interest paid (including amounts capitalised as property, plant and equipment and development properties)	(24,076)	(36,243)	(94,799)	(124,634)
Net proceeds from/(repayments of) revolving credit facilities and short-term bank borrowings	12,011	130,404	(142,799)	62,338
Payment of financing transaction costs	(2,851)	(1,215)	(15,054)	(2,682)
Proceeds from bank borrowings	111,246	80,419	311,246	381,953
Proceeds from issuance of bonds and notes	100,000	-	400,000	326,387
Capital contribution by/(return of capital to) minority shareholders (net)	577	(8,786)	583	(23,456)
Repayment of bank borrowings	(214,081)	(59,554)	(382,085)	(389,017)
Repayment of bonds and notes	(126,722)	(173,604)	(542,155)	(223,604)
Repayment of other long-term liabilities	(2,510)	(23)	(2,482)	(2,487)
Cash flows from financing activities	(147,300)	(4,347)	(528,041)	(119,395)
Net increase/(decrease) in cash and cash equivalents carried forward	**910**	**(43,568)**	**204,210**	**91,791**

	Fourth Quarter Ended 31 December		Full Year Ended 31 December	
	2009	2008	2009	2008
	S$'000	S$'000	S$'000	S$'000
Net increase/(decrease) in cash and cash equivalents brought forward	**910**	**(43,568)**	**204,210**	**91,791**
Cash and cash equivalents at beginning of the period/year	978,676	828,619	769,859	710,566
Effect of exchange rate changes on balances held in foreign currencies	548	(15,192)	6,065	(32,498)
Cash and cash equivalents at end of the year	**980,134**	**769,859**	**980,134**	**769,859**
Cash and cash equivalents comprise:-				
Cash and cash equivalents as shown in the Balance Sheet	981,486	775,882	981,486	775,882
Less: Bank overdrafts	(1,352)	(6,023)	(1,352)	(6,023)
	980,134	**769,859**	**980,134**	**769,859**

Note to the Consolidated Cash Flow Statement

(1) The purchase of financial assets for FY 2009 relates primarily to the subscription of $199 million out of the $408 million secured convertible notes issued by South Beach Consortium Pte. Ltd., a joint venture consortium to develop the South Beach project.

(2) The Group had a net cash inflow from investing activities for Q4 2009 of $14.6 million (Q4 2008: cash outflow of $163.5 million). This was attributable to higher dividends received from jointly-controlled entities and lower payments for purchase of property, plant and equipment, partially offset by increase in capital expenditure on investment properties.

1(d) Consolidated Statement of Comprehensive Income

	Fourth Quarter Ended 31 December		Full Year Ended 31 December	
	2009	**2008**	**2009**	**2008**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Profit for the period/year	201,084	117,395	670,632	681,675
Other comprehensive income:				
Actuarial (losses)/gains on defined benefit plans	(1,661)	1,576	(10,892)	1,553
Change in fair value of equity investments available for sale	9,489	(12,314)	17,567	(26,876)
Exchange differences on hedge of net investments in foreign entities	(1,270)	33,025	(21,964)	43,069
Exchange differences on monetary items forming part of net investments in foreign entities	1,740	4,065	920	(13,913)
Exchange differences realised on disposal of a jointly-controlled entity and an associate	-	-	96	-
Share of other reserves movement of associates	(557)	9	11	(340)
Translation differences arising on consolidation of foreign subsidiaries	(29,465)	(146,832)	74,297	(313,694)
Other comprehensive (expense)/income for the period/year, net of tax	**(21,724)**	**(120,471)**	**60,035**	**(310,201)**
Total comprehensive income/(expense) for the period/year	**179,360**	**(3,076)**	**730,667**	**371,474**
Total comprehensive income/(expense) attributable to:				
Equity holders in the Company	**162,125**	**40,631**	**613,057**	**424,795**
Minority interests	17,235	(43,707)	117,610	(53,321)
	179,360	**(3,076)**	**730,667**	**371,474**

CITY DEVELOPMENTS LIMITED

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1(e)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<--------Attributable to equity holders of the Company-------->							
The Group	**Share Capital S$m**	**Cap. Res. S$m**	**Other Res.* S$m**	**Exch. Fluct. Res. S$m**	**Accum. Profits S$m**	**Total S$m**	**Minority Interests S$m**	**Total Equity S$m**
At 1 January 2008	1,991.4	147.2	31.6	36.1	2,992.5	5,198.8	1,717.6	6,916.4
Total comprehensive income/(expenses) for the year	-	-	(27.1)	(129.8)	581.7	424.8	(53.4)	371.4
Transactions with owners, recorded directly in equity								
Change of interest in subsidiaries	-	1.5	-	-	-	1.5	(5.0)	(3.5)
Net return of capital to minority interest	-	-	-	-	-	-	(24.8)	(24.8)
Share-based payment transactions	-	-	(0.6)	-	-	(0.6)	(0.6)	(1.2)
Dividends	-	-	-	-	(194.8)	(194.8)	(41.2)	(236.0)
At 31 December 2008	1,991.4	148.7	3.9	(93.7)	3,379.4	5,429.7	1,592.6	7,022.3
Total comprehensive income for the year	-	-	17.7	7.8	587.6	613.1	117.6	730.7
Transactions with owners, recorded directly in equity								
Change of interest in subsidiaries	-	(1.1)	-	2.9	5.3	7.1	(7.1)	-
Net capital contribution from minority interest	-	-	-	-	-	-	0.6	0.6
Share-based payment transactions	-	-	3.7	-	-	3.7	3.4	7.1
Dividends	-	-	-	-	(81.1)	(81.1)	(15.4)	(96.5)
At 31 December 2009	1,991.4	147.6	25.3	(83.0)	3,891.2	5,972.5	1,691.7	7,664.2

** Other reserves comprise mainly share option reserve and fair value reserve arising from available-for-sale investments.*

The Company	**Share Capital S$m**	**Capital Res. S$m**	**Fair Val. Res. S$m**	**Accum. Profits S$m**	**Total S$m**
At 1 January 2008	1,991.4	63.7	19.5	2,260.2	4,334.8
Total comprehensive income/(expenses) for the year	-	-	(13.1)	282.4	269.3
Transactions with owners, recorded directly in equity					
Dividends	-	-	-	(194.8)	(194.8)
At 31 December 2008	1,991.4	63.7	6.4	2,347.8	4,409.3
Total comprehensive income for the year	-	-	8.5	276.7	285.2
Transactions with owners, recorded directly in equity					
Dividends	-	-	-	(81.1)	(81.1)
At 31 December 2009	**1,991.4**	**63.7**	**14.9**	**2,543.4**	**4,613.4**

1(e)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the Company, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

<u>Ordinary share capital</u>

There was no change in the Company's issued share capital during the year ended 31 December 2009.

<u>Preference share capital</u>

There was no change in the Company's issued preference share capital during the year ended 31 December 2009.

As at 31 December 2009, the maximum number of ordinary shares that may be issued upon full conversion of all the non-redeemable convertible non-cumulative preference shares of the Company ("Preference Shares") at the sole option of the Company is 44,998,898 ordinary shares (31 December 2008: 44,998,898 ordinary shares).

1(e)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The Company did not hold any treasury shares as at 31 December 2009 and 31 December 2008.

The total number of issued ordinary shares (excluding treasury shares) as at 31 December 2009 and 31 December 2008 is 909,301,330.

The total number of issued Preference Shares as at 31 December 2009 and 31 December 2008 is 330,874,257.

1(e)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the year ended 31 December 2009.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have neither been audited nor reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those applied in the Group's most recently audited financial statements for the year ended 31 December 2008.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted *Amendments to Financial Reporting Standard (FRS) 40 – Investment Property* which became effective on 1 January 2009. This FRS has been amended to cover property that is being constructed or developed for future use as investment property which previously was accounted for under *FRS 16 – Property, Plant and Equipment*. On adoption of this amendment, the Group has reclassified the carrying value of properties which are under construction for future use as investment properties from property, plant and equipment to investment properties. This amendment has been applied prospectively in accordance with the Amendments to FRS 40.

Other than the above, the Group adopted various new and revised FRSs and Interpretations of FRSs which took effect for financial year beginning on 1 January 2009. These do not have a significant impact on the Group's financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Fourth Quarter Ended 31 December		Full Year Ended 31 December	
	2009	2008	2009	2008
Basic Earnings per share (cents)	18.7	10.3	63.8	62.5
Diluted Earnings per share (cents)	18.3	10.3	61.6	60.9
Earnings per share is calculated based on:				
a) Profit attributable to equity holders of the parent (S$'000) (*)	170,166	93,503	580,517	568,038
b) Profit used for computing diluted earnings per share (S$'000) (**)	174,356	93,503	588,152	580,944
c) Weighted average number of ordinary shares in issue:				
- basic	909,301,330	909,301,330	909,301,330	909,301,330
- diluted (***)	954,300,228	909,301,330	954,300,228	954,300,228

* *After deducting preference dividends declared and paid in Q4 2009 of $6,505,000 (Q4 2008: $6,487,000) and in full year 2009 of $12,904,000 (FY 2008: $12,906,000).*

** *After adjusting for the dilutive effect on the secured convertible notes issued by South Beach Consortium Pte. Ltd..*

*** *For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the conversion of the non-redeemable convertible non-cumulative preference shares, with the potential ordinary shares weighted for the period outstanding. For Q4 2008, the non-redeemable convertible non-cumulative preference shares were anti-dilutive and were excluded in the calculation of diluted earnings per share.*

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares (excluding treasury shares) of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	The Group		The Company	
	31.12.2009 S$	31.12.2008 S$	31.12.2009 S$	31.12.2008 S$
Net Asset Value per ordinary share based on the number of issued 909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2009 (909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2008)	6.57	5.97	5.07	4.85

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Group Performance

For the fourth quarter under review, the Group delivered a set of sterling results with attributable profit after tax and minority interests increasing by 76.7% to $176.7 million (Q4 2008: $100.0 million). This was backed by the continued strong organic growth from the property development segment which boosted the Group's revenue by 28.6% to $922.4 million (Q4 2008: $717.5 million).

For the year ended 31 December 2009, the Group achieved revenue of $3,272.8 million (2008: $2,945.2 million) and posted after-tax profit attributable to shareholders of $593.4 million (2008: $580.9 million). This performance exceeded the previous year and registers as the second highest set of results since its inception in 1963. Accordingly, the basic earnings per share increased to 63.8 cents (2008: 62.5 cents).

Given the global economic recession and challenging operating market conditions, the Group's property development and hotel operations segments were affected, particularly in the first quarter of 2009. In the subsequent quarters of 2009, the residential property market rebounded sharply, with the Group achieving very strong sales for its residential launches. Even though the Group's performance, particularly for the property development segment, improved each quarter thereafter as compared to Q1 2009, this is not reflected proportionately in the Group's attributable profit after tax and minority interest for full year 2009 performance. This is primarily due to the decline in contribution from the hotel operations segment as RevPAR (which is a key measure of performance for the hotel industry) was down and did not recover until Q4 2009, due to competitive pricing in the hospitality market. In addition, the strengthening of the Singapore dollar, particularly against the Sterling Pound, also had a negative impact on the Group's performance when the exchange rate translation was factored in the consolidation at Group level. Furthermore, from the property development segment, the Group was unable to recognise profit for some of its launched projects as construction had either not commenced or construction has not reached the recognition stage yet.

The property development segment, being the main contributor to the Group's core earnings, contributed 70.7% and 65.5% to the Group's profit before tax for Q4 2009 and full year 2009 respectively. Profit before tax for this segment has increased by 107.2% and 14.2% respectively for Q4 and full year 2009, compared to the corresponding previous period.

The Group's balance sheet continued to remain healthy in spite of the tightened credit market and challenging market conditions. This did not take into consideration any fair value gains on investment properties as the Group adopted the conservative policy of stating investment properties (including those held under joint ventures and associates such as CDL Hospitality Trusts (CDLHT)) at cost less accumulated depreciation and impairment losses.

Without resorting to any equity fund raising, the cash flow from operating activities before tax amounted to about $1 billion for the full year 2009 (2008: $516.6 million). The Group reduced its net gearing ratio from 48.0% in 2008 to 40.0% in 2009. Interest cover had also improved to 14.5 times as compared to 11.0 times for the financial year ended 31 December 2008. Had the Group adopted a revaluation policy, the net gearing ratio would be further driven down to 27.0%. As the Group has pre-sold its residential developments, and with quite a number of its projects likely to be completed in 2010, cash flow is expected to be healthy.

The Board has recommended a final ordinary dividend of 8.0 cents (2008: 7.5 cents) per share.

Property

For Q4 2009, the Singapore economy grew by 4.0% on a year-on-year basis. Besides the growth in the electronics and chemical clusters, there was a broad based recovery in the services sector with trade- and tourism-related sectors posting the strongest gains compared to the previous quarter.

The Singapore economy contracted by 2.0% in 2009, in line with the Ministry of Trade and Industry (MTI)'s forecast of a contraction between 2.0% to 2.5%. This is far better than the original estimate of a contraction between 2.0% to 5.0%.

After a difficult initial three months in 2009, the economy rebounded strongly in the second quarter. Coupled with pent-up demand, this led to a spike in activities in the residential property market. The momentum in strong primary sales resulted in monthly sales exceeding 1,000 units between February to September. The enthusiastic primary sales activity built itself up to a crescendo in July, with a record 2,767 units sold in a single month. The quarterly sales of 5,578 units achieved in Q3 2009 were also a record high for any quarter. The number of private home sales by developers fell to 1,860 units in the final quarter, most likely impacted by the abolition of the Interest Absorption Scheme (IAS) announced on 14 September 2009 as well as the Singapore Government's subsequent comments that it had a wide range of measures it could introduce to moderate the property cycle if it is deemed over exuberant. Sentiment was also weighed down by similar comments by government officials in Hong Kong and China, who were also seeking to avoid asset bubbles in their markets. For the whole of 2009, developers sold a total of 14,688 units in Singapore, more than three times that of the 4,264 units sold a year ago and just shy of the record 14,811 units sold in 2007.

Urban Redevelopment Authority's (URA) real estate statistics indicate that for the whole of 2009, prices of private residential properties increased by 1.8% after rebounding by 24.2% in the second half of 2009. This comes on the back of a contraction of 4.7% in 2008. The recovery in the Singapore residential market this time round was led mainly by mass market projects. This was a result of strong sentiment, a wide range of housing choices at various locations, low interest rate environment, high liquidity and affordable pricing which helped to sustain interest among buyers. Encouraged by signs of an economic recovery, buyers' interest filtered to the mid-tier and high-end projects.

The Group continued to sell the remaining units in Livia, The Arte, Volari at Balmoral, Hundred Trees and Shelford Suites in Q4 2009. To-date, its joint venture 724-unit Livia project is fully sold. The Group's Volari and The Arte projects are sold out except for one and three penthouses respectively. The 396-unit Hundred Trees development is 97% sold and Shelford Suites is over 60% sold.

During Q4 2009, the Group booked in profits from Cliveden at Grange, The Arte, One Shenton, Shelford Suites, The Solitaire, Tribeca and Wilkie Studio. Profits were also booked in from joint-venture projects like Livia and The Oceanfront @ Sentosa Cove.

Profits from the 85-unit Volari at Balmoral and the 396-unit Hundred Trees which are almost completely sold have not been booked in yet due to the early stage of the construction. Likewise, no profit has been booked in yet from the 329-unit joint-venture project, The Gale, which is also substantially sold.

For the whole of 2009, the Group sold a total of 1,508 residential units with sales revenue of $1.868 billion (including joint venture share). This is a sharp contrast when compared to the Group's sales turnover of 368 units and sales revenue of $348 million achieved in the whole of 2008.

In view of the improved conditions in the property market and to meet the strong demand for private housing, the Government reinstated the Confirmed List and replenished the supply of Reserve List sites in the Government Land Sales Programme for the first half of 2010 in November 2009.

The office sector reversed four consecutive quarters of negative take-up by posting a slightly higher 87.9% island wide occupancy rate in Q4 2009 as compared to 87.8% the previous quarter and 91.2% a year ago. On the back of peak vacancy rates, office rental for office space continued to decline, but at a more moderate pace of 3.3% in the final quarter of the year compared with a decrease of 4.1% in Q3 2009. For the whole of 2009, rentals of office space decreased by 23.6%. Total potential supply of office space in the pipeline declined by about 30% year-on-year to about 1.06 million sq m GFA, as at the end of December 2009.

The Group achieved a healthy occupancy rate of 92.4% for its office portfolio at the end of Q4 2009.

On the retail front, City Square Mall, Singapore's first Eco-mall, is now fully open for business with most of the rental space being taken up. Footfalls to the complex are good and the Group expects the footfalls to improve further as the mall becomes more established. Within a year or two, the Group expects better income from the mall's operations and is confident that the mall will perform well in the competitive retail environment.

Hotel

Millennium & Copthorne Hotels plc (M&C), in which the Group has a 53.8% interest, achieved a net profit after tax and minority interests for Q4 2009 of £29.7 million (Q4 2008: £5.8 million), exceeding its expectations. The increase was primarily due to 2008 one-off costs including impairment and share of revaluation deficit of CDLHT's investment properties.

For 2009, despite the economic conditions which were particularly difficult in the first half of the year for the hospitality industry, M&C delivered a solid performance and further strengthened its financial position. M&C's net profit after tax and minority interests for 2009 increased by 9.5% to £70.1 million (2008: £64.0 million).

In response to sharp RevPAR declines in most markets at the beginning of the year, M&C implemented a profit protection plan which focused on cost control and cash management. This tough, prudent and analytical management approach has proven successful for M&C's owner-operator business model. M&C also benefited from ownership of a wide geographical spread of properties which has smoothed the overall impact of the economic crisis.

At constant rates of exchange, M&C delivered savings of £72.7 million in operating costs (including hotel fixed charges, non-hotel expenses and central costs) against a revenue fall of £132.2 million resulting in a recovery rate of 55.0% (the recovery at hotel level was 51.1%). This was achieved through a combination of head count reduction, careful redesign of key processes, basic attention to details, and solid performances by the hotel management teams.

During the year under review, M&C opened three new hotels under management contracts; one in Europe (the 158-room Copthorne Hotel Sheffield), and two in China (the 306-room Millennium Wuxi and the 343-room Millennium Chengdu, which soft opened in December 2009). The 299-room owned hotel, Wynfield Inn Orlando Convention Centre (US), was closed and the management contract for the 304-room Millennium Oy Oun Hotel Sharm el Sheikh (Egypt) ended.

Another 15 hotel management contracts were also signed; two in the UK, six in the United Arab Emirates, three in Iraq, two in Saudi Arabia, one in Yemen and one in Taiwan. These properties are due to open between 2010 and 2013 and account for 4,368 additional rooms, bringing the number of rooms in M&C's worldwide pipeline to 8,361 rooms in 27 hotels.

In November 2009, M&C unveiled the new Studio M brand aimed at the discerning guests, which offers both urban contemporary style and access to integrated technology and high connectivity. The first Studio M hotel in Singapore is scheduled to soft-open in the second quarter of 2010.

In line with M&C's asset management initiatives, it has obtained provisional permission to redevelop Copthorne Orchid Hotel Singapore into condominiums. This is expected to generate cash and profit from an alternative use of an asset and save an estimated £10 million of maintenance expenditure required to retain the property in its current use.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's performance for the year under review is in line with its expectations as disclosed in the announcement of results for the third quarter and nine months ended 30 September 2009.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

<u>Property</u>

2009 will be remembered as a year in which the global economy was paralysed with the fear that the world will suffer a recession, worse than the Great Depression. Fortunately, this fear was short-lived. The severity of the downturn was alleviated by the swift fiscal and monetary policy responses which helped to mitigate the magnitude of the fall-out. Fortunately, many governments globally reacted swiftly with concerted efforts by rolling out massive stimulus measures to counter the severe condition. The quick global recovery helped bolster recent economic data in the region and most of the advanced economies have since reported that they have pulled out of recession. The U.S. Commerce Department reported that the world's largest economy showed economic expansion of 5.7% in Q4 2009. Looking ahead at 2010, policy makers remain cautious about the economic recovery and they debate over inflationary and asset bubble concerns as well as an appropriate timing of when to withdraw monetary expansion stimulus measures.

According to MTI, Asian Development Bank upgraded growth projections for Asia from 6.0% to 6.4% in 2010 and commented that the region will be "poised to lead the recovery". In February 2010, MTI had also upgraded its forecast for the Singapore economy to grow by 4.5% to 6.5% in 2010, compared to its earlier forecast of 3.0% to 5.0%, as major economies globally have emerged from recession, financial markets stablised and with trade flows and industrial production picking up strongly. MTI's latest consumer price index inflation forecast for 2010 is 2.0% to 3.0%.

On 22 February 2009, in its Budget 2010, the Singapore Government committed a $5.5 billion investment over the next five years, to fuel initiatives aimed at helping enterprises and workers raise productivity, through deepening skills, innovation and economic restructuring. The Budget is geared towards helping Singapore achieve productivity growth of 2.0% to 3.0% per year over the next decade, which will allow Singapore to maintain a healthy GDP growth of 3.0% to 5.0% annually. This forward-looking blueprint charts the way for sustained growth and prosperity, providing good long-term prospects for Singapore's economy.

The healthy take-up of residential units in new sales launches in the mid-tier to high-end markets since the beginning of 2010 indicates that residential drivers remain strong as underlying demand is sufficient to support current pricing. Besides GDP growth, other demand drivers on the uptrend include job security as unemployment rate fell significantly to 2.1% in Q4 2009 from 3.4% in Q3 2009 with strong job creation and fewer layoffs. MTI had reported that as at June 2009, Singapore's population grew by 3.1% year-on-year or 148,200 to 4,987,600 in 2009. The population growth in Singapore has exceeded 100,000 annually since 2006.

In view of the positive sentiments, the Group launched Cube 8 – the elegant 177-unit 36-storey condominium located next to the highly successful The Arte at Thomson. It was met with overwhelming response and was almost sold out within two weeks of its soft-launch. To-date, all of the units have been sold, except for three penthouses.

The Group has planned several more new launches for the year. With the recent soft opening of Resorts World Sentosa at the end of January 2010, interest in residential properties in Sentosa Cove is growing and prices are firming up. The Group is likely to launch its branded residential project consisting of 228 units at the Quayside Collection site. The show suite is almost ready and the Group intends to launch this project by the first half of this year to cater to the rekindled and growing demand for exclusive residences on Sentosa. The Group is pleased to announce its tie-up with Starwood Asia Pacific Hotels & Resorts Pte. Ltd. to introduce a new lifestyle experience under its renowned 'W' brand. The residential development will be known as "The Residences at W Singapore Sentosa Cove" and adjacent to the residences will be the hotel that will bear the name, the "W Singapore Sentosa Cove", comprising of about 240 guest rooms.

Uniquely, the Group was awarded this coveted Quayside Collection site in 2006, based not only on price, but other pertinent factors like architectural design, concept, tourism appeal and strengths of the prospective lessee and operator. The site is to be developed as an integrated development which will comprise not only the branded residences and hotel, but also a specialty retail component – the only one at the Cove.

Since the Group's successful tender, the value of property in Sentosa Cove has appreciated significantly. Subsequent tenders for residential land parcels at the Cove were awarded at record prices in 2007, with most of them tripling the Group's purchase price. The Group is confident that with the launch of the six-storey, ultra-luxurious residential development, this award-winning architectural masterpiece will herald the arrival of a new branded 'W' lifestyle, complementing the Cove's vision to become one of the world's most exclusive and affluent integrated marina residential community. Residents of "The Residences at W Singapore Sentosa Cove" will also be offered an array of à la carte services extended from the hotel, when the hotel is open.

"The Residences at W Singapore Sentosa Cove" will cater to the sophisticated and discerning palates of clients who enjoy the serenity of living on an exclusive tropical resort island, yet being close to the excitement of the buzz on the island and its proximity to the city.

When completed, likely by 2012, the hotel and specialty retail component will offer a smorgasbord of chic F&B choices for residents of Sentosa Cove, patrons of Sentosa Island as well as the spill over visitors from Resorts World Sentosa and Universal Studios Singapore. The exclusive ambience at Sentosa Cove will appeal to those seeking an intimate dining enclave.

Another residential project planned for launch in the first half of 2010 is at Chestnut Avenue. This site, set amidst expansive greenery, was purchased in August 2009 in the URA tender. The Group plans to develop a 24-storey condominium with 429 units.

Other projects in the pipeline include a condominium development at Pasir Ris next to Livia, comprising about 642 units, as well as a 158-unit condominium at the former Concorde Residences site at Thomson Road, near Cube 8 and The Arte.

The stabilisation of the office sector during the last quarter of 2009 had coincided with the recovery of the economy. History has often demonstrated that the recovery of the office sector will largely depend on the global economy as well as changes in financial services employment. There was approximately 93,000 sq m of new office supply within the CBD Core in 2009 and another estimated 198,000 sq m of new completions in 2010. It has been reported that most of the new office supply in 2009 have seen healthy take-up while new office completions in 2010 have already received high pre-commitment for space by tenants, mostly from the financial and business sectors.

The Group's office portfolio is expected to maintain reasonably healthy occupancy due to already committed leases.

Planning and design refining for the integrated South Beach project is in progress as scheduled. The development has up till 2016 to be completed. The project partners have recently appointed a new Chief Executive Officer and special structural consultants have also been engaged to assist with value engineering with the aim to maximise the value of this asset. The development was previously deferred due to high construction cost with the two Integrated Resorts (IRs) and other major construction projects in full swing. The project partners are working towards commencing construction by next year since most of the mega projects are near completion. Based on a recent external valuation for the year ended 31 December 2009, there is no impairment required for this South Beach development.

In line with the Group's selective land replenishment policy, the Group has submitted the winning bid of $200.5 million for the 182,975 sq ft site at Sengkang West Avenue / Fernvale Link. It was keenly contested with a total of 10 tenderers. With a plot ratio of 3, the site can be developed into a condominium of about 550,000 sq ft. It is located in an up and coming popular location at the Sengkang New Town and adjoining the LRT station. The Group will continue to look out for good opportunities to strategically replenish its land bank.

Hotel

Although it is too early to predict the trading performance for 2010, M&C's RevPAR increased by 3.5% in the first 5 weeks of trading this year, with encouraging signs of stability in key markets like New York (RevPAR increased by 4.3%) and Singapore (RevPAR increased by 18.8%), though RevPAR for London declined by 7.6%.

In 2009, the strategic focus on cash management gave rise to a reduction of M&C's net debt by £82.6 million to £202.5 million (2008: £285.1 million) and all of the facilities that matured in 2009 were refinanced from other existing facilities and surplus cash. It also generated £66.0 million (2008: £46.6 million) free cash flow. At 31 December 2009, M&C had £135.5 million cash and £178.8 million of undrawn and committed bank facilities available, comprising revolving credit facilities which provide M&C with financial flexibility. The net book value of M&C's unencumbered properties as at 31 December 2009 was £1,891.6 million, approximately S$4,246.6 million (31 December 2008: £1,986.2 million, approximately S$4,234.6 million). Gearing also further reduced to 11.6% (31 December 2008: 16.4%), which is substantially lower than the hospitality sector generally.

Through the combination of rigorous cost control, a focus on maximising returns on assets and an enviable balance sheet, M&C is now well positioned to tackle any challenges and to grasp new opportunities. When the trading environment improves, M&C expects to deliver benefits through its resilient owner-operator business model.

Group Prospects

The global economic recovery is better than expected. The Group is of the view that the underlying rationale for the paced recovery is largely due to the swift and co-operative efforts taken by governments globally, working collaboratively to mitigate a global meltdown. For the first time in history, this collective worldwide intervention and the prompt implementation of fiscal measures have helped to mitigate the severity of an economic calamity and enabled economic fundamentals to be stabilised.

In view of the surge in demand for private residential properties which had rebounded sharply, outpacing previous recoveries, this has led to a concern that the property market may be overheating. As a pre-emptive move to prevent the risks of a property bubble forming, on 19 February 2009, the Singapore Government announced two new measures. With immediate effect, it will be introducing a Seller's Stamp Duty on all residential properties and residential lands that are bought and sold within a year from the date of the purchase, plus it will also be lowering the Loan-to-Value limit to 80% for all housing loans provided by financial institutions regulated by the Monetary Authority of Singapore. The Government highlighted that these measures are not meant to deter genuine buyers who have the financial means to hold a property.

The Group welcomes these measures as they have been implemented to curb speculation and to foster prudence. The Group has always advocated that buyers must be able to afford their monthly housing loan instalments as property investments has to be viewed with a medium to long-term perspective. The Group believes that the measures will not affect the residential market significantly as the positive sentiment for Singapore residential property is likely to remain strong amongst genuine investors, fuelled by several factors. Firstly, with the improving economic conditions and a greater sense of job security, home buyers are eager to pick up good purchases now as property prices are beginning to move in an upward trend. Secondly, bank deposit interest rates are low. Savvy investors will diversify their holdings to get a better yield and property in Singapore has often been a good investment. Thirdly, property has always been a good hedge against inflation and pegged with the attractive housing interest rates offered by banks presently, it is an alluring proposition. Finally, compared to major cities in this region like Hong Kong and Shanghai where property prices have escalated considerably, Singapore residential properties continue to remain attractive as the price increase has not been as sharp, offering an excellent investment opportunity.

There are signs indicating that the hospitality sector is improving in certain geographical locations. While some of the Group's hotels are doing better, their performance has not reached its peak of 2008. In Singapore, there has been much debate over concerns of potential oversupply of hotel rooms with the two IRs opening and jitters in the hospitality industry have led to an emergence of a price-war. The Group takes the view that this may be overreacting, as all hotel operators should be cognisant that yield management is critical for the hospitality sector. It is far better to have a lower occupancy at a higher room rate, compared to achieving a high occupancy, but at a marginalised rate. It believes that the IRs are catering to a different target audience and supply of hotel rooms will be paced, as the two IRs are officially opening at different times and in phases.

The Group remains optimistic that with improved economies, greater positive sentiments should follow, which augurs well for the residential, hospitality and commercial sectors. The Group is expected to remain profitable over the next 12 months.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

The Company had paid the following tax-exempt (one-tier) non-cumulative preference dividends to holders of City Developments Limited Non-redeemable Convertible Non-cumulative Preference Shares ("Preference Shares").

Name of Dividend	Tax-exempt (One-tier) Preference Dividend	
Date of payment	30 June 2009	31 December 2009
Dividend Type	Cash	Cash
Dividend Amount per Preference Share (in cents)	1.93 cents^	1.97 cents^
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share	3.9% per annum on the issue price of each Preference Share
Dividend period	From 31 December 2008 to 29 June 2009 (both dates inclusive)	From 30 June 2009 to 30 December 2009 (both dates inclusive)
Issue price of Preference Shares	$1.00 per Preference Share	$1.00 per Preference Share

^ *Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of $1.00 for each Preference Share on the basis of the actual number of days comprised in the dividend period divided by 365 days.*

Subject to ordinary shareholders' approval at the Annual General Meeting to be held on 28 April 2010, the following Ordinary dividend has been proposed:

Name of Dividend	Proposed Tax-exempt (One-tier) Final Dividend
Dividend Type	Cash
Dividend Amount (in cents)	8.0 cents per Ordinary Share

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Tax-exempt (One-tier) Final Ordinary Dividend	Tax-exempt (One-tier) Preference Dividend	
Date of payment	22 May 2009	30 June 2008	31 December 2008
Dividend Type	Cash	Cash	Cash
Dividend Amount (in cents)	7.5 cents per Ordinary Share	1.94 cents per Preference Share^^	1.96 cents per Preference Share^^
Dividend rate (in %)	N.A.	3.9% per annum on the issue price of each Preference Share	3.9% per annum on the issue price of each Preference Share
Dividend period	N.A.	From 31 December 2007 to 29 June 2008 (both dates inclusive)	From 30 June 2008 to 30 December 2008 (both dates inclusive)
Issue price	N.A.	$1.00 per Preference Share	$1.00 per Preference Share

^^ *Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of $1.00 for each Preference Share on the basis of the actual number of days comprised in the dividend period divided by 366 days.*

(c) Date payable

Subject to ordinary shareholders' approval at the Annual General Meeting to be held on 28 April 2010, the proposed final Ordinary dividend for financial year ended 31 December 2009 will be payable on 21 May 2010.

***(d)* Books Closure Date**

5.00 pm on 6 May 2010.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Segmental Analysis

	The Group			
	Fourth quarter ended 31 December		**Full year ended 31 December**	
	2009 S$'000	**2008 S$'000**	**2009 S$'000**	**2008 S$'000**
Revenue				
Property Development	423,542	175,778	1,447,014	773,107
Hotel Operations	409,277	455,642	1,491,998	1,865,951
Rental Properties	72,787	65,777	280,808	246,466
Others	16,817	20,312	53,005	59,705
	922,423	717,509	3,272,825	2,945,229
Profit before income tax (*)				
Property Development	178,390	86,092	544,666	476,922
Hotel Operations	44,517	47,270	133,109	244,717
Rental Properties	25,028	13,480	123,020	139,153
Others	4,348	(15,143)	30,793	(26,985)
	252,283	131,699	831,588	833,807

** Includes share of after-tax (loss)/profit of associates and jointly-controlled entities.*

Segmental results for full year ended 31 December

	Property Development S$'000	Hotel Operations S$'000	Rental Properties S$'000	Others S$'000	Total S$'000
FY 2009					
External revenue	**1,447,014**	**1,491,998**	**280,808**	**53,005**	**3,272,825**
Results					
Profit from operations	481,283	174,293	131,978	19,352	806,906
Share of after-tax profit/(loss) of associates and jointly-controlled entities	62,579	(20,047)	20,270	113	62,915
Profit before income tax and net finance costs	543,862	154,246	152,248	19,465	869,821
Finance income	9,397	5,291	3,311	13,845	31,844
Finance costs	(8,593)	(26,428)	(32,539)	(2,517)	(70,077)
Net finance income/(costs)	804	(21,137)	(29,228)	11,328	(38,233)
Reportable segment profit before income tax	**544,666**	**133,109**	**123,020**	**30,793**	**831,588**
FY 2008					
External revenue	**773,107**	**1,865,951**	**246,466**	**59,705**	**2,945,229**
Results					
Profit from operations	306,397	322,128	144,009	7,276	779,810
Share of after-tax profit/(loss) of associates and jointly-controlled entities	167,044	(35,618)	21,403	(14,319)	138,510
Profit before income tax and net finance costs	473,441	286,510	165,412	(7,043)	918,320
Finance income	15,443	10,633	1,289	3,395	30,760
Finance costs	(11,962)	(52,426)	(27,548)	(23,337)	(115,273)
Net finance income/(costs)	3,481	(41,793)	(26,259)	(19,942)	(84,513)
Reportable segment profit/(loss) before income tax	**476,922**	**244,717**	**139,153**	**(26,985)**	**833,807**

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Property Development

Revenue surged by more than two-fold for Q4 2009 to $423.5 million (Q4 2008: $175.8 million) and 87.2% for FY 2009 to $1,447.0 million (FY 2008: $773.1 million) respectively. Pre-tax profits for Q4 2009 and FY 2009 were higher by 107.2% to $178.4 million (Q4 2008: $86.1 million) and 14.2% to $544.7 million (FY 2008: $476.9 million) respectively.

Projects that contributed to both revenue and profit for 2009 include Botannia, City Square Residences, Cliveden at Grange, One Shenton, The Pier at Robertson, Livia, The Arte, Shelford Suites, The Solitaire, Tribeca, Wilkie Studio and sale of land banks in New Zealand. In accordance with the Group's policy of equity accounting for the results of its jointly-controlled entities, whilst revenue from The Sail @ Marina Bay, The Oceanfront @ Sentosa Cove, Ferraria Park and St. Regis Residences, had not been consolidated into the Group's total revenue, the Group's share of profits arising from these joint venture developments had been included in pre-tax profit.

The increases in revenue for Q4 2009 and FY 2009 were mainly due to maiden contributions from The Arte, Shelford Suites and Livia in 2009 and higher contributions from Cliveden at Grange, One Shenton, The Solitaire and Tribeca due to more advanced stage of construction. These were, however, partially offset by lower contributions from Botannia and City Square Residences which had obtained Temporary Occupation Permit in 2009.

The increase in pre-tax profit of Q4 2009 and FY 2009 was in tandem with the increase in revenue but was partially offset by lower contributions from St. Regis Residences, The Oceanfront @ Sentosa Cove, The Sail @ Marina Bay and Ferraria Park.

Hotel Operations

Revenue decreased by 10.2% for Q4 2009 to $409.3 million (Q4 2008: $455.6 million) and 20.0% for FY 2009 to $1,492.0 million (FY 2008: $1,866.0 million) respectively.

Pre-tax profit decreased by 5.9% for Q4 2009 to $44.5 million (Q4 2008: $47.3 million) and 45.6% for FY 2009 to $133.1 million (FY 2008: $244.7 million) respectively.

The decrease in both revenue and pre-tax profits for Q4 2009 and FY 2009 were largely due to the difficult global economic conditions, particularly in the first half of 2009, which led to decline in the Group's RevPAR. The gain of £31.4 million (approximately S$73.2 million) on the aborted sale of CDL Hotels (Korea) Limited recorded in Q4 2008 had also further attributed to the decline. This was, however, partially mitigated by lower impairment losses made on hotel assets and loan to a joint venture in Bangkok.

Rental Properties

Revenue increased by 10.6% for Q4 2009 to $72.8 million (Q4 2008: $65.8 million) and 13.9% for FY 2009 to $280.8 million (FY 2008: $246.5 million) respectively, on the back of higher rental rates locked in by the Group on office rental leases when the office market was more robust.

Pre-tax profit increased by 85.2% for Q4 2009 to $25.0 million (Q4 2008: $13.5 million) but decreased by 11.6% to $123.0 million (FY 2008: $139.2 million)

The increase in pre-tax profit for Q4 2009, which was in line with the increase in revenue for the said quarter, was further enhanced by lower impairment losses made. In Q4 2009, impairment loss of $8.3 million was made on an investment property in Japan which was much lower than impairment losses of $23.7 million made in Q4 2008 on the aforesaid investment property in Japan and a land in United States.

Despite the increase in revenue and lower impairment losses for FY 2009, pre-tax profit for full year decreased on account of the absence of a gain recognised on sale of Commerce Point in Q3 2008 and lower profit contribution from CDL Hospitality Trusts.

Others

Revenue comprises mainly building maintenance contracts, project management fee, hospitality related services, club operations and dividend income. This decreased by 17.2% for Q4 2009 to $16.8 million (Q4 2008: $20.3 million) and 11.2% for FY 2009 to $53.0 million (FY 2008: $59.7 million) on account of lower management fees income earned but partially mitigated by higher dividend income received.

Whilst revenue had decreased, pre-tax profits for Q4 2009 of $4.3 million and FY 2009 of $30.8 million were achieved respectively as compared to pre-tax losses of $15.1 million and $27.0 million for the corresponding periods in 2008. This was largely due to mark-to-market gains on financial assets held for trading resulting from the rally in global stock market, contrary to mark-to-market losses recorded in FY 2008.

15. A breakdown of sales

	<------The Group------->		
	2009	**2008**	**Incr/(Decr)**
	S$'000	**S$'000**	%
a) **Revenue**			
- First half	1,409,538	1,539,516	(8.4)
- Second half	1,863,287	1,405,713	32.6
	3,272,825	2,945,229	11.1
b) **Operating profit after tax before deducting minority interests**			
- First half	252,166	392,168	(35.7)
- Second half	418,466	289,507	44.5
	670,632	681,675	(1.6)

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Net Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Full Year 2009 S$'000	**Full Year 2008 S$'000**
Ordinary	72,744	68,198
Special	-	-
Preference	12,904	12,906
Total	**85,648**	**81,104**

The final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2009 of 8.0 cents per ordinary share is subject to the approval of ordinary shareholders at the forthcoming Annual General Meeting and the dividend amounts are based on the number of issued ordinary shares as at 31 December 2009.

17. Interested Person Transactions

Interested Persons	Aggregate value of all interested person transactions conducted in FY2009 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than $100,000)	
Hong Leong Investment Holdings Pte. Ltd. group of companies	Property-related: (a) provision to interested persons of (i) carpark management and operation services, (ii) marketing services and (iii) accounting and administrative services; and (b) leases of premises to interested persons	$ 13,380,175.05
Directors and their immediate family members		Nil

BY ORDER OF THE BOARD

Shufen Loh @ Catherine Shufen Loh
Company Secretary
25 February 2010