Print this page

Unaudited First Quarter 2013 * 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 *	Enid Ling Peek Fong
Designation *	Company Secretary
Date & Time of Broadcast	13-May-2013 19:38:29
Announcement No.	00163

>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	31-03-2013

Description	

Attachments

13052013_CDL_Q12013.pdf
Total size = **153K**
(2048K size limit recommended)

Close Window

CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2013

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 Three months ended 31 March		
	2013	**2012**	**Incr/ (Decr)**
	S$'000	**S$'000**	**%**
Revenue	763,485	846,733	(9.8)
Cost of sales	(402,783)	(479,430)	(16.0)
Gross profit	360,702	367,303	(1.8)
Other operating income [(2)]	32,093	45,820	(30.0)
Administrative expenses [(3)]	(128,040)	(123,085)	4.0
Other operating expenses [(4)]	(85,868)	(80,078)	7.2
Profit from operating activities	178,887	209,960	(14.8)
Finance income [(5)]	9,936	11,078	(10.3)
Finance costs [(6)]	(16,978)	(20,213)	(16.0)
Net finance costs	(7,042)	(9,135)	(22.9)
Share of after-tax profit of associates [(7)]	6,434	7,257	(11.3)
Share of after-tax profit of jointly-controlled entities	8,192	7,538	8.7
Profit before income tax [(1)]	186,471	215,620	(13.5)
Income tax expense [(8)]	(20,017)	(19,379)	3.3
Profit for the period	166,454	196,241	(15.2)
Attributable to:			
Owners of the Company	**137,647**	**156,751**	(12.2)
Non-controlling interests	28,807	39,490	(27.1)
Profit for the period	166,454	196,241	(15.2)
Earnings per share			
- basic	15.1 cents	17.2 cents	(12.2)
- diluted	14.4 cents	16.4 cents	(12.2)

Notes to the Group's Income Statement:

(1) Profit before income tax includes the following:

	The Group Three months ended 31 March	
	2013 S$'000	2012 S$'000
Interest income	6,133	8,038
Profit on sale of investments, investment properties and property, plant and equipment (net)	28,450	40,877
Gain on dilution of investment in an associate	603	-
Investment income	172	256
Write-back of allowance for foreseeable losses on development properties	-	1,193
Net change in fair value of financial assets held for trading	2,612	3,040
Net exchange gain	4,234	5,202
Depreciation and amortisation	(38,441)	(35,244)
Interest expenses	(15,673)	(17,641)
Impairment loss on loans to a jointly-controlled entity	(276)	(237)

(2) Other operating income comprises mainly management fee, miscellaneous income and profit on sale of investments, investment properties and property, plant and equipment. This had decreased by $13.7 million to $32.1 million (Q1 2012: $45.8 million) in Q1 2013. This was primarily due to the fact that gains on the realisation of a private real estate fund were substantially lower in this quarter. The decrease was partially mitigated by gains recognised on disposal of several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II in Q1 2013. No such gains were recorded in Q1 2012.

(3) Administrative expenses, which comprise primarily depreciation, hotel administrative expenses, operating lease expenses and salaries and related expenses. This had increased by $4.9 million to $128.0 million (Q1 2012: $123.1 million) for Q1 2013. The increase was mainly due to higher salaries and related expenses incurred and increased depreciation following the commencement of operations of W Singapore Sentosa Cove Hotel in October 2012.

(4) Other operating expenses comprise mainly property taxes and insurance on hotels, other operating expenses on hotels, net exchange differences and professional fees. This had increased by $5.8 million to $85.9 million (Q1 2012: $80.1 million) in Q1 2013 mainly due to lower net exchange gains recognised in Q1 2013 coupled with hotel operating expenses incurred by W Singapore Sentosa Cove Hotel.

(5) Finance income comprises mainly interest income and fair value gain on financial assets held for trading, decreased by $1.2 million to $9.9 million (Q1 2012: $11.1 million) for Q1 2013 due to lower interest income earned in this quarter.

(6) Finance costs comprise primarily interest on borrowings, fair value loss on financial assets held for trading and amortisation of capitalised transaction costs on borrowings. Finance costs decreased by $3.2 million to $17.0 million (Q1 2012: $20.2 million) for Q1 2013 due to lower interest expenses incurred on borrowings.

(7) Share of after-tax profit of associates relates primarily to the Group's share of results of CDL Hospitality Trusts (CDLHT) and First Sponsor Capital Limited, remained relatively flat at $6.4 million (Q1 2012: $7.3 million) for Q1 2013.

(8) Income tax expense for the period 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, and after adjustment for overprovision of taxation in prior periods of $7.6 million (Q1 2012: $18.3 million).

The overall effective tax rate of the Group for Q1 2013 was 10.7% (Q1 2012: 9.0%). Excluding the over provision in respect of prior periods, the effective tax rate of the Group for Q1 2013 would be 14.8% (Q1 2012: 17.5%).

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 31.03.2013 S$'000	As at 31.12.2012 S$'000	As at 31.03.2013 S$'000	As at 31.12.2012 S$'000
Non-current assets					
Property, plant and equipment		3,418,029	3,405,474	9,479	9,772
Investment properties		2,877,733	2,916,193	518,263	518,651
Lease premium prepayment		83,938	82,798	-	-
Investments in subsidiaries		-	-	2,223,435	2,223,435
Investments in associates		416,395	417,855	-	-
Investments in jointly-controlled entities		815,629	806,956	36,360	36,360
Investments in financial assets	(1)	89,197	102,132	29,883	27,687
Other non-current assets		81,385	79,072	429,117	428,227
		7,782,306	**7,810,480**	**3,246,537**	**3,244,132**
Current assets					
Development properties		4,397,311	4,310,685	571,235	651,687
Lease premium prepayment		2,537	2,484	-	-
Consumable stocks		8,269	8,838	12	32
Financial assets		34,926	32,585	-	-
Assets classified as held for sale	(2)	136,783	103,698	-	-
Trade and other receivables		1,360,385	1,182,731	5,190,314	4,936,376
Cash and cash equivalents		2,255,269	2,156,827	1,099,818	1,040,004
		8,195,480	**7,797,848**	**6,861,379**	**6,628,099**
Total assets		**15,977,786**	**15,608,328**	**10,107,916**	**9,872,231**
Equity attributable to Owners of the Company					
Share capital		1,991,397	1,991,397	1,991,397	1,991,397
Reserves		5,460,332	5,312,251	3,428,967	3,402,160
		7,451,729	7,303,648	5,420,364	5,393,557
Non-controlling interests		1,997,916	1,953,407	-	-
Total equity		**9,449,645**	**9,257,055**	**5,420,364**	**5,393,557**
Non-current liabilities					
Interest-bearing borrowings*		3,746,397	3,468,764	2,614,001	2,381,248
Employee benefits		34,511	34,774	-	-
Other liabilities		149,715	145,522	168,342	124,254
Provisions		15,654	15,415	-	-
Deferred tax liabilities		358,521	352,637	35,084	45,842
		4,304,798	**4,017,112**	**2,817,427**	**2,551,344**
Current liabilities					
Trade and other payables		1,058,997	1,034,134	1,488,744	1,444,302
Interest-bearing borrowings*		857,355	998,164	286,301	408,448
Employee benefits		17,799	16,279	2,575	2,477
Other liabilities		280	266	-	-
Provision for taxation		224,465	221,360	92,505	72,103
Provisions		23,727	23,816	-	-
Liabilities classified as held for sale	(2)	40,720	40,142	-	-
		2,223,343	**2,334,161**	**1,870,125**	**1,927,330**
Total liabilities		**6,528,141**	**6,351,273**	**4,687,552**	**4,478,674**
Total equity and liabilities		**15,977,786**	**15,608,328**	**10,107,916**	**9,872,231**

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

Notes to the statement of financial position of the Group

1) This decrease in financial assets was mainly due to the realisation of investments in a private real estate fund.

2) As at 31 March 2013, these relate to assets and liabilities associated with the following:

   a) an industrial site at Pasir Panjang where the Group had entered into an agreement to sell this site.
   b) an indirect wholly-owned subsidiary of the Group holding an investment property in China. The Group had entered into an equity transfer agreement in February 2013 to dispose its entire interest in this subsidiary.

   These transactions are expected to be completed in 2013.

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. Unamortised balance of transaction costs have not been deducted from the gross borrowings.

		As at 31.03.2013 S$'000	As at 31.12.2012 S$'000
Unsecured			
- repayable within one year		589,203	750,790
- repayable after one year		3,018,757	2,676,832
	(a)	3,607,960	3,427,622
Secured			
- repayable within one year		287,849	249,248
- repayable after one year		760,569	841,834
	(b)	1,048,418	1,091,082
Gross borrowings	(a) + (b)	4,656,378	4,518,704
Less: cash and cash equivalents as shown in the statement of financial position		(2,255,269)	(2,156,827)
Less: cash and cash equivalents included in assets classified as held for sale		(5,175)	(5,204)
Net borrowings		2,395,934	2,356,673

Details of any collateral

Where secured, borrowings are collateralised by:

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

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

	Three months ended 31 March	
	2013	**2012**
	S$'000	**S$'000**
Operating Activities		
Profit for the period	166,454	196,241
Adjustments for:		
Depreciation and amortisation	38,441	35,244
Dividend income	(172)	(256)
Equity settled share-based transactions	1,176	1,198
Finance costs	16,978	20,213
Finance income	(9,936)	(11,078)
Gain on dilution of investment in an associate	(603)	-
Impairment loss on loans to a jointly-controlled entity	276	237
Income tax expense	20,017	19,379
Profit on sale of property, plant and equipment and investment properties	(23,827)	(48)
Profit on sale of investments	(4,623)	(40,829)
Share of after-tax profit of associates	(6,434)	(7,257)
Share of after-tax profit of jointly-controlled entities	(8,192)	(7,538)
Units in an associate received in lieu of fee income	(2,487)	(2,488)
Operating profit before working capital changes	187,068	203,018
Changes in working capital		
Development properties	(71,388)	20,665
Stocks, trade and other receivables and assets classified as held for sale	(178,429)	(96,576)
Trade and other payables and liabilities classified as held for sale	27,359	56,445
Employee benefits	1,323	148
Cash (used in)/generated from operations	(34,067)	183,700
Income tax paid	(14,984)	(14,123)
Cash flows (used in)/from operating activities carried forward [(1)]	**(49,051)**	**169,577**

CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

	Three months ended 31 March	
	2013	**2012**
	S$'000	**S$'000**
Cash flows (used in)/from operating activities brought forward	**(49,051)**	**169,577**
Investing Activities		
Acquisition of subsidiaries, net of cash acquired	-	(208,017)
Capital expenditure on investment properties	(3,827)	(15,885)
Decrease in investments in associates	1,505	-
Dividends received		
- an associate	19,238	19,457
- financial investments	172	256
- jointly-controlled entities	130	13,356
Interest received	4,906	5,109
Increase in investments in jointly-controlled entities	-	(3,544)
Payments for purchase of property, plant and equipment	(37,036)	(42,050)
Proceeds from sale of property, plant and equipment and investment properties	30,234	463
Proceeds from sale of investments	22,160	90,375
Cash flow from/(used in) investing activities (2)	**37,482**	**(140,480)**
Financing Activities		
Net advances from/Repayment by related parties	4,674	39,261
Capital contribution by non-controlling interests	511	18
Finance lease payments	(2)	(3)
Interest paid (including amounts capitalised as investment properties, property, plant and equipment and development properties)	(24,105)	(22,516)
Net proceeds from revolving credit facilities and short-term bank borrowings	115,467	67,122
Payment of financing transaction costs	(1,677)	(318)
Payment for settlement of financial instruments	(4,132)	-
Proceeds from bank borrowings	66,996	-
Proceeds from issuance of bonds and notes	211,755	100,000
Repayment of bank borrowings	(58,740)	(170,299)
Repayment of bonds and notes	(203,510)	-
(Repayment of)/Increase in other long-term liabilities	(475)	10
Cash flows from financing activities (3)	**106,762**	**13,275**
Net increase in cash and cash equivalents	**95,193**	**42,372**
Cash and cash equivalents at beginning of the period	2,127,160	2,487,580
Effect of exchange rate changes on balances held in foreign currencies	5,909	(3,437)
Cash and cash equvialents at end of the period	**2,228,262**	**2,526,515**
Cash and cash equivalents comprise:-		
Cash and cash equivalents as shown in the statement of financial position	2,255,269	2,642,000
Cash and cash equivalents included in assets classified as held for sale	5,175	-
Less: Bank overdrafts	(32,182)	(115,485)
	2,228,262	**2,526,515**

Notes to the statement of cash flows

(1) The Group had a net cash outflow from operating activities of $49.1 million (Q1 2012: net cash inflow of $169.6 million) for Q1 2013 largely due to the payment of land cost for the site located at Fernvale Link/Sengkang West Way.

(2) The Group had a net cash inflow from investing activities of $37.5 million (Q1 2012: net cash outflow of $140.5 million) for Q1 2013. The net cash inflow for Q1 2013 was primarily due to the proceeds from the sale of several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II. The net cash outflow for Q1 2012 was due to acquisition of a group of foreign entities which had interests in 2 retail developments and a hotel. This was partially offset by proceeds from realisation of investments in a private real estate fund.

(3) The Group had a net cash inflow from financing activities of $106.8 million (Q1 2012: $13.3 million) for Q1 2013 due to net proceeds received from bank borrowings and issuance of bonds and notes of $132.0 million in current quarter as compared to a net repayment of bank borrowings and issuance of bonds and notes of $3.2 million in the corresponding quarter in 2012.

1(d) Consolidated Statement of Comprehensive Income

	The Group Three months ended 31 March	
	2013	**2012**
	S$'000	**S$'000**
Profit for the period	166,454	196,241
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Actuarial gains/(losses) on defined benefit plans	19	(861)
Items that may be reclassified subsequently to profit or loss:		
Change in fair value of equity investments available for sale	3,279	3,678
Effective portion of changes in fair value of cash flow hedges	(252)	435
Exchange differences on hedges of net investment in foreign entities	(12,192)	5,026
Exchange differences on monetary items forming part of net investment in foreign entities	11,580	146
Share of other reserve movements of associates	(57)	243
Translation differences arising on consolidation of foreign entities	22,073	(47,527)
	24,431	(37,999)
Other comprehensive income for the period, net of income tax	**24,450**	**(38,860)**
Total comprehensive income for the period	**190,904**	**157,381**
Attributable to:		
Owners of the Company	**147,439**	**136,056**
Non-controlling interests	43,465	21,325
Total comprehensive income for the period	**190,904**	**157,381**

CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

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.

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	Non-controlling Interests S$m	Total Equity S$m
	Attributable to owners of the Company							
At 1 January 2013	1,991.4	149.0	12.0	(392.1)	5,543.4	7,303.7	1,953.4	9,257.1
Profit for the period	-	-	-	-	137.6	137.6	28.8	166.4
Other comprehensive income								
Change in fair value of equity investments available for sale	-	-	3.3	-	-	3.3	-	3.3
Effective portion of changes in fair value of cash flow hedges	-	-	(0.1)	-	-	(0.1)	(0.1)	(0.2)
Exchange differences on hedges of net investment in foreign entities	-	-	-	(6.7)	-	(6.7)	(5.5)	(12.2)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	13.2	-	13.2	(1.6)	11.6
Share of other reserve movement of associates				-	-	-	(0.1)	(0.1)
Translation differences arising on consolidation of foreign entities	-	-	-	0.1	-	0.1	22.0	22.1
Other comprehensive income for the period, net of income tax	-	-	3.2	6.6	-	9.8	14.7	24.5
Total comprehensive income for the period	-	-	3.2	6.6	137.6	147.4	43.5	190.9
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital contribution from non-controlling interests	-	-	-	-	-	-	0.5	0.5
Share-based payment transactions	-	-	0.6	-	-	0.6	0.5	1.1
Total contributions by and distribution to owners	-	-	0.6	-	-	0.6	1.0	1.6
Total transactions with owners	-	-	0.6	-	-	0.6	1.0	1.6
At 31 March 2013	**1,991.4**	**149.0**	**15.8**	**(385.5)**	**5,681.0**	**7,451.7**	**1,997.9**	**9,449.6**
At 1 January 2012	1,991.4	148.9	7.4	(320.2)	4,999.3	6,826.8	1,869.2	8,696.0
Profit for the period	-	-	-	-	156.7	156.7	39.5	196.2
Other comprehensive income								
Actuarial losses on defined benefit plans	-	-	-	-	(0.4)	(0.4)	(0.4)	(0.8)
Change in fair value of equity investments available for sale	-	-	3.7	-	-	3.7	-	3.7
Effective portion of changes in fair value of cash flow hedges	-	-	0.2	-	-	0.2	0.2	0.4
Exchange differences on hedges of net investment in foreign entities	-	-	-	2.7	-	2.7	2.3	5.0
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	1.2	-	1.2	(1.0)	0.2
Share of other reserve movement of associates	-	-	0.1	-	-	0.1	0.1	0.2
Translation differences arising on consolidation of foreign entities	-	-	-	(28.1)	-	(28.1)	(19.4)	(47.5)
Other comprehensive income for the period, net of income tax	-	-	4.0	(24.2)	(0.4)	(20.6)	(18.2)	(38.8)
Total comprehensive income for the period	-	-	4.0	(24.2)	156.3	136.1	21.3	157.4
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Share option exercised	-	-	(0.3)	-	-	(0.3)	0.3	-
Share-based payment transactions	-	-	0.5	-	-	0.5	0.5	1.0
Total contributions by and distribution to owners	-	-	0.2	-	-	0.2	0.8	1.0
Changes in ownership interests in subsidiaries								
Acquisition of a subsidiary with non-controlling interests	-	-	-	-	-	-	1.6	1.6
Total transactions with owners	-	-	0.2	-	-	0.2	2.4	2.6
At 31 March 2012	**1,991.4**	**148.9**	**11.6**	**(344.4)**	**5,155.6**	**6,963.1**	**1,892.9**	**8,856.0**

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

CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

The Company	Share Capital S$m	Capital Reserve S$m	Fair Value Reserve S$m	Other Reserve S$m	Accumulated Profits S$m	Total S$m
At 1 January 2013	1,991.4	63.7	12.2	-	3,326.3	5,393.6
Profit for the period	-	-	-	-	24.6	24.6
Other comprehensive income						
Change in fair value of equity investments available for sale	-	-	2.2	-	-	2.2
Other comprehensive income for the period, net of income tax	-	-	2.2	-	-	2.2
Total comprehensive income for the period	-	-	2.2	-	24.6	26.8
At 31 March 2013	**1,991.4**	**63.7**	**14.4**	**-**	**3,350.9**	**5,420.4**
At 1 January 2012	1,991.4	63.7	6.8	5.7	3,308.4	5,376.0
Profit for the period	-	-	-	-	21.9	21.9
Other comprehensive income						
Change in fair value of equity investments available for sale	-	-	3.2	-	-	3.2
Other comprehensive income for the period, net of income tax	-	-	3.2	-	-	3.2
Total comprehensive income for the period	-	-	3.2	-	21.9	25.1
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Loan forgiveness by subsidiaries	-	-	-	20.0	-	20.0
Total transactions with owners	-	-	-	20.0	-	20.0
At 31 March 2012	**1,991.4**	**63.7**	**10.0**	**25.7**	**3,330.3**	**5,421.1**

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 period ended 31 March 2013.

<u>Preference share capital</u>

There was no change in the Company's issued preference share capital during the period ended 31 March 2013.

As at 31 March 2013, the maximum number of ordinary shares that may be issued upon full conversion of all of 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 March 2012: 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 March 2013, 31 December 2012 and 31 March 2012.

The total number of issued ordinary shares (excluding treasury shares) as at 31 March 2013 and 31 December 2012 is 909,301,330.

The total number of issued Preference Shares as at 31 March 2013 and 31 December 2012 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 period ended 31 March 2013.

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 period as those applied in the Group's most recently audited financial statements for the year ended 31 December 2012.

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 adopted the following relevant new standards, amendments to standards and interpretations that are effective for financial period beginning on 1 January 2013.

Amendments to FRS 1 *Presentation of Items of Other Comprehensive income*
FRS 19 *Employee Benefits (revised 2011)*
FRS 113 *Fair Value Measurement*

Amendments to FRS 1 *Presentation of Items of Other Comprehensive Income* requires those items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met to be separated from those that would never be reclassified to profit and loss. This amendment only affects the presentation of the consolidated statement of comprehensive income in the financial statement.

Except for the Amendments to FRS 1 *Presentation of Items of Other Comprehensive Income,* the adoption of these FRSs did not result in any significant impact on the financial statements of the Group.

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.

	Three months ended 31 March	
	2013	**2012**
Basic Earnings per share (cents)	15.1	17.2
Diluted Earnings per share (cents)	14.4	16.4
Earnings per share is calculated based on:		
a) Profit attributable to owners of the Company (S$'000)	137,647	156,751
b) Weighted average number of ordinary shares in issue:		
- basic	909,301,330	909,301,330
- diluted (*)	954,300,228	954,300,228

** For computation of diluted earnings per share, the weighted average number of ordinary shares has been adjusted for any dilutive effect of potential ordinary shares arising from the conversion of all preference shares.*

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	
	31.03.2013 S$	31.12.2012 S$	31.03.2013 S$	31.12.2012 S$
Net Asset Value per ordinary share based on the number of issued 909,301,330 ordinary shares (excluding treasury shares) as at 31 March 2013 (909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2012)	8.20	8.03	5.96	5.93

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 quarter ended 31 March 2013 (Q1 2013), the Group reported revenue of $763.5 million (Q1 2012: $846.7 million) and attributable profit after tax and non-controlling interests of $137.6 million (Q1 2012: $156.8 million). The basic earnings per share for Q1 2013 stood at 15.1 cents (Q1 2012: 17.2 cents).

The property development segment was the lead contributor of profit before tax for Q1 2013 as 48.9% of the total pre-tax profits is attributable to this segment, despite that Q1 2013 revenue for this segment showed a decrease of 20.1%. The main reason for the drop in revenue was due to the Tagore Avenue warehouse that was disposed off and included in Q1 2012. Without the revenue from Tagore Avenue asset, on a like-for-like comparison between Q1 2013 versus Q1 2012, the revenue for this segment would show an increase that was comparable with that of pre-tax profits.

Rental properties segment was the next biggest contributor to the Group's pre-tax profit, recording a significant increase of 65.7%. This was mainly attributable to gains recognised from the disposal of several strata units in non-core industrial properties namely Elite Industrial Building I, Elite Industrial Building II and Citimac Industrial Complex. The profit contribution from hotel operations was lower in Q1 2013, impacted by the subdued trading conditions particularly in Asia and Europe regions due to political, economic and other challenges. The ongoing refurbishment programme had also affected the performance of the hotel operations.

The business segment for others, which comprises mainly management fee income, dividend income, changes in fair value of financial assets held for trading and returns from long-term financial assets, reported a pre-tax profit for Q1 2013 at $9.7 million (Q1 2012: $51.5 million). This was primarily due to significant gains recorded in Q1 2012, from the realisation of certain assets held by a private real estate fund which the Group had invested in.

Without factoring any fair value gains on investment properties, the Group's net gearing ratio as at 31 March 2013 remained low at 25% with interest cover at 12.9 times.

Property

Advance estimates indicate that Singapore's economy contracted by 0.6% in Q1 2013 compared to the 1.5% growth in the previous quarter on a year-on-year basis. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.4%, compared to the 3.3% expansion in the preceding quarter.

On a year-on-year basis, the construction sector grew by 7.0%, compared to 5.8% in the preceding quarter. The rebound was mainly due to a recovery in private sector building activities.

On a quarter-on-quarter basis, overall prices of private residential properties increased by 0.6% in Q1 2013 compared with a 1.8% increase in the previous quarter.

Private homes sales continued to remain buoyant in Q1 2013 powered by new launches and strong demand. Developers sold a total of 5,412 private residential units, excluding Executive Condominiums (ECs) in Q1 2013. This is 24% higher than the 4,353 units sold in Q4 2012 but 17% lower than the 6,526 units sold by developers in Q1 2012.

The Singapore Government announced additional property cooling measures on 11 January 2013. These measures include raising Additional Buyer's Stamp Duty (ABSD) rates, lowering Loan-to-Value (LTV) limits, tightening mortgage and HDB ownership for Permanent Residents. Seller's Stamp Duty (SSD) for industrial properties was also introduced for the first time to discourage speculative activity in the sector. This is the seventh round of cooling measures announced by the Government since 2009 and it is the most comprehensive set of measures so far. The latest round of property measures focuses on dampening speculative demand further, sparing only the first time home purchasers and genuine upgraders. The Government has highlighted that the new ABSDs and housing loan rules are significant, but are temporary and will be reviewed in the future.

For the quarter under review, the Group launched two new projects. In mid-March, D'Nest, a 912-unit condominium located at Pasir Ris Grove, within walking distance to Pasir Ris MRT was launched. This is the Group's fourth joint venture development in this exclusive estate following its successful projects nearby, which include the fully sold Livia, NV Residences and The Palette. D'Nest comprises 12 blocks of 11 to 13-storey apartments, ranging from one to five-bedroom apartments and spacious penthouses. This project has been very well received with over 87% of the project sold to date.

In end-March, the Group also successfully launched Bartley Ridge, a 868-unit joint-venture development located along Bartley Road / Mount Vernon Road. Comprising one to four-bedroom apartments and dual key units, this project is within a two-minute walk to Bartley MRT station. It is also diagonally across the consortium's Bartley Residences which was launched successfully last year and is now fully sold. To date, about 83% of the 650 units released have been sold.

Other ongoing projects continued to sell reasonably well. The 508-unit Echelon, a joint venture project at Alexandra View designed by award-winning SCDA Architects, is now 93% sold.

Over 93% of the 521-unit riverfront project, the H_2O Residences at Sengkang has been sold. The 501-unit joint venture project, Hedges Park located at Pasir Ris / Changi area is almost sold out.

Several recently launched projects are now 100% sold. They include the 97-unit landed property project known as HAUS@SERANGOON GARDEN, the 702-unit Bartley Residences and 892-unit The Palette at Pasir Ris.

During the period under review, profits were booked in from pre-sold projects such as 368 Thomson, Cube 8, Buckley Classique, H_2O Residences and Hundred Trees.

Profits were also booked in from The Glyndebourne which is being developed by Millennium & Copthorne Hotels plc (M&C), the Group's subsidiary in which it has a 55% interest, as well as several other joint venture projects namely, NV Residences, The Palette, Tree House, Bartley Residences, The Gale and Hedges Park.

However, no profit was realised from HAUS@SERANGOON GARDEN, UP@Robertson Quay, Echelon, Bartley Ridge and D'Nest, as they are either in the early stages of construction or building works have not commenced yet. Profits could not be realised from the two fully sold ECs – Blossom Residences and The Rainforest, due to current accounting treatments required for ECs.

In February 2013, the Group with its joint venture partners were successful in its bid for a prime site at Commonwealth Avenue for $562.8 million. The 12,086.8 square metre (sq m) land parcel is nestled in the heart of Queenstown, conveniently located next to Queenstown MRT station. The Group is familiar with this city-fringe excellent locale; having successfully launched the nearby Echelon project end of last year. It is planning a high-rise residential development with about 690 units on this site.

Demand for office space held up in positive territory in Q1 2013. According to Urban Redevelopment Authority (URA) statistics, the net absorption for Q1 2013 was approximately 269,000 square feet (sq ft) as the amount of occupied space increased from 70.91 million sq ft in Q4 2012 to 71.18 million sq ft in Q1 2013. This positive take up led to higher occupancy rate from 90.6% in Q4 2012 to 90.8% in Q1 2013, registering the highest island wide occupancy rate recorded since Q4 2008 at 91.2%.

Competitive occupational cost and low interest rate environment has helped generate demand for office space. URA statistics showed that prices of office space maintained its upward momentum and increased by 2.1% in Q1 2013, compared with an increase of 0.3% in the previous quarter. Rentals for office space remained stable with a slight decline of 0.2% quarter-on-quarter in Q1 2013.

In the quarter under review, the Group's office portfolio continued to enjoy healthy occupancy of about 94% as compared to national average of 90.8%.

Hotel

While global RevPAR had increased by 1.6% for Q1 2013, M&C's revenue was £169.2 million (Q1 2012: £175.5 million) and net profit after tax and minority interest decreased by 28.6% to £13.0 million in Q1 2013 (Q1 2012: £18.2 million) due to difficult trading conditions.

M&C's biggest hospitality markets in Asia and Europe, which together account for two-thirds of its business, slowed during the opening weeks of 2013. For the quarter under review, the impact on its revenue and profit was due to a combination of several factors. These include M&C's ongoing refurbishment programme which removed over 100,000 room nights from its network. In particular, at Grand Hyatt Taipei, 461 rooms were closed for refurbishment and some of its hotels like Millennium Hotel Minneapolis were also temporarily closed for renovations. Although the refurbishment of ONE UN's west tower in 2012 will help the hotel's rate growth, it has yet to re-build occupancy to previous levels.

In Singapore, subdued trading reflects a slowing economy, continued restraint in corporate travel budgets as well as an increased supply in available hotel rooms. Singapore is also facing a labour squeeze, following government restrictions on use of migrant labour in the country, thereby putting pressure on operating costs in the hospitality sector. Elsewhere in Asia, regional geo-political tensions affected Millennium Seoul Hilton, while severe weather conditions resulted in travel disruptions and deterred travellers in Europe and the United States (US).

The slower performance in Asia and Europe was partially offset by improved trading in Regional US and Australasia, which helped overall RevPAR to increase by 1.6% to £60.14 compared to the same period last year (Q1 2012: £59.17). In anticipation of harsher trading conditions, M&C's management adjusted trading strategies in some markets to limit the impact on RevPAR. Average room rate increased by 1.7% to £89.34 (Q1 2012: £87.81) while occupancy decreased slightly by 0.1 percentage point.

Despite the challenging environment, M&C further strengthened its financial position in Q1 2013, with net cash at 31 December 2012 of £52.2 million increasing to £56.5 million at 31 March 2013. This was before payment of the 2012 final dividend on 17 May 2013, totalling £37.3 million. As at 31 March 2013, M&C had cash reserves of £410.9 million and £273.3 million undrawn committed bank facilities. Most of the facilities are unsecured with unencumbered assets representing 87.0% of its fixed assets and investment properties.

As one of the world's largest owner/operator hospitality companies, M&C aims to invest in its hotels so as to reposition them in an innovative manner that preserves and enhances the value of the property portfolio. Asset management is inextricably linked to hotel operations because it recognises that its brand and the experience that it provides for customers are key drivers of both returns and asset value. The programme comprises a range of initiatives, including alternative use, refurbishment, and hotel construction.

The £240.0 million refurbishment programme for M&C's existing hotels, which is in addition to underlying run rate capital expenditure, is making progress with several initiatives under way and a number of others in the planning stage. As at 31 March 2013, £58.0 million of the £240.0 million has been spent, of which £12.0 million was spent in Q1 2013. In total, £75.0 million is expected to be spent in 2013. The timing of the investment will be dependent on planning and other consents.

Renovation of the 461-room west wing of the Grand Hyatt Taipei is scheduled to complete during Q2 2013, after which M&C will commence renovation of the 392-room east wing, which is scheduled for completion in mid-2014. Further investment is being planned for the lobby and food and beverage (F&B) outlets. Planning is also underway for the renovation of the east wing of ONE UN in New York.

Detailed discussions are continuing with M&C's freeholder, Grosvenor Estates, to refurbish and reposition the Millennium Hotel London Mayfair. Timing and cost of this development will depend on the outcome of negotiations and obtaining necessary planning consents. Discussions have taken place with M&C's freeholder, Cadogan Estates for the non-structural remodelling of the interior of Millennium Hotel London Knightsbridge in 2013. Work is at an early stage with both architects and designers preparing draft proposals.

Other works ongoing include the renovation of the 321-room Millennium Hotel Minneapolis which started at the end of 2012. The hotel is scheduled to reopen in May 2013.

In terms of new hotel development projects, construction of M&C's new hotel in Tokyo's Ginza district is proceeding according to plan with construction costs of £38.8 million, as previously announced. The land was acquired in 2011 for a consideration of £73.0 million.

On 2 April 2013, M&C announced that it completed the acquisition of a plot of land with a total area of 1,563.7 sq m, adjacent to the Millennium Seoul Hilton Hotel in South Korea for a consideration of £17.2 million. M&C is currently developing detailed plans to build hospitality facilities on the site which will complement the Millennium Seoul Hilton, following further studies with architects and other external consultants.

Construction and fitting work at The Glyndebourne condominium project (the site of the former Copthorne Orchid Hotel) is almost complete. As at 31 March 2013, 144 of the 150 apartments for sale have been sold, with sales value amounting to $522.5 million (£272.3 million). Sales proceeds collected to date total $249.9 million (£130.2 million) representing approximately 47.83% of the sales value. Judging from current progress, the project is expected to be completed earlier than anticipated. Marketing of The Glyndebourne was well-timed, preceding the recent slowdown in Singapore's economy, and achieved good prices.

First Sponsor Capital Limited (FSCL), M&C's associate, is making good progress on its projects in China. The first phase of the 195-room M Hotel Chengdu, part of the Cityspring project, is scheduled to soft-open in mid-2013 and will be managed by M&C.

Development of FSCL's latest project, Millennium Waterfront in Chengdu is proceeding satisfactorily. Of the five blocks comprising 779 residential units launched since 24 November 2012, 627 units have been sold either under option agreements or sale and purchase agreements, with approximately 57% of the sales proceeds collected. FSCL launched another two more blocks comprising 376 residential units for sale in late April 2013. Further development and sales launches will be phased according to demand. FSCL plans to commence construction of a Millennium-branded hotel with convention facilities at Millennium Waterfront in the second half of 2013 (2H 2013) which will be financed by cash flows from residential sales.

FSCL was not affected directly by last month's earthquake in Sichuan. However, it recognises that there is likely to be some impact arising from this disaster.

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 period under review is in line with its expectations as disclosed in the announcement of results for year ended 31 December 2012.

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>

The outlook for the global economy appears to have improved slightly, bolstered by steady growth in Asian countries besides Japan but it is still in a fragile state. The Singapore Government cautioned that prospects for a modest recovery in Singapore over the rest of this year are accompanied by some downside risks.

The Singapore Government has maintained a modest growth forecast, with GDP estimated at between 1.0% and 3.0% this year. It expects the Singapore economy to see a gradual improvement for the rest of the year, on the back of a recovery in external demand, even though the economy experienced some consolidation and headwinds in Q1 2013.

For the private residential property market, there was moderation in price growth of non-landed properties, as the Government introduced the seventh round of cooling measures in the residential sector in January 2013.

The latest round of cooling measures, which took effect from 12 January 2013, affected most buyers. The only group that is not affected by the new rules are Singaporeans who are buying their first properties. The temporary calibrated measures are intended to stabilise the prices of private properties to pre-empt any bubble from forming and not to cause a collapse in the property market. The Group is confident that the Government will monitor and review these measures closely and would react promptly when there is a change in market conditions.

Investment sentiment in residential high-end segments is still subdued. However, the buying interest in mass and mid-market projects has remained strong due to abundant liquidity in the market, supported by the low interest rate environment. New and innovative mass and mid-tier market residential projects that are located near MRT stations and shopping amenities should continue to be popular.

The Group is planning to launch several projects over the next few months, subject to market conditions. The first is the Jewel @ Buangkok, a condominium located in Buangkok Drive / Sengkang Central, just three-minutes' walk to the Buangkok MRT station and conveniently connected to the expressways. The locale is also well served by amenities such as Compass Point and Hougang Mall. This sought-after project will yield 616 units within six blocks, providing a good selection of one to five-bedroom types and penthouses. The project's facilities feature a Clubhouse, 50-metre lap pool, family and spa pools and cabanas. Designed with lifestyle cabins such as gourmet, pet-lover, adventure and gardener's cabins, this project creates a unique landscape layout for its residents.

The second project is the 380-unit EC at Fernvale Link / Sengkang West Way, a few minutes' walk to the Layar LRT station. It is a stone's throw from the upcoming Seletar Mall and a short drive to Compass Point. It will be housed in four blocks of 22 to 25-storeys high and demand is expected to be healthy.

The third project is an exciting mixed development located at the junction of Upper Serangoon Road and MacPherson Road, and only five-minutes' walk to the Potong Pasir MRT station, with easy access to major expressways. It is also only a short drive from bustling shopping malls such as City Square Mall and the Nex. There will be 266 units of one to four-bedroom apartments and penthouses, with 28 retail and F&B units on the ground floor. Surrounded by popular schools such as Cedar Primary and Secondary Schools, St. Andrew's Junior, Secondary and Junior College, Maris Stella High Primary and Secondary Schools, this project will appeal to both investors and end-users.

On the office sector, property consultants have observed strong leasing momentum as evidenced by URA's Q1 2013 statistics which shows an upsurge in net absorption and declining vacancy rates. Despite the continued external economic challenges relating to Eurozone as well as sequestration in the US, Singapore occupier demand is expected to remain healthy with relatively competitive occupational costs.

Occupier demand has been fairly diversified where previously dominant financial industry remained subdued while complementary industries such as insurance, legal and business services will continue to drive demand. This bodes well for the Group's office portfolio which caters to a wide range of market segments.

The physical structures and unique façade of the iconic, joint venture South Beach development is rising up nicely. The main contractor has caught up with its construction schedule despite experiencing some slight delay last quarter due to shortage of manpower. The project remains on track to complete in 2015. Part of the first component of this mixed development to be completed, is the 2,700 sq m South Beach Club at the former NCO club building. The "Piano Bar" of the Club is expected to open in 2H 2013 for internal use and more details will be shared closer to the date.

After spending most of 2012 working closely with the Chongqing Planning Bureau to adjust certain planning parameters for both its projects there, CDL China expects to finally commence construction in the next few months for its luxury residential development at Eling Hill in Yuzhong District, Chongqing. As for Huang Huayuan, its other project in Yuzhong District, planning approval should be forthcoming within the next few months and construction is anticipated to begin in 2H 2013. Likewise, significant progress has been made at CDL China's sizable mixed-use development next to Jinji Lake in Suzhou and construction is also expected to commence in 2H 2013. These projects will be launched at the appropriate time as the China property market improves.

In the last quarter, the Group announced that it will study and strategise new growth platforms and opportunities both domestically and internationally, for a balanced and diversified portfolio. With this in mind, the Group is in the final stage of establishing its plans for property development in London, which will serve as another growth engine for the Group. Approximately £250 million to £300 million would initially be allocated for this purpose. The Group is familiar with the London market having had a 20-year presence there since 1993. M&C's headquarters is based in London and it currently has seven hotels with 2,500 rooms in locations spreading from Kensington to Mayfair. Venturing into real estate in London is a progression of the Group's business presence and an extension of its key capabilities, leveraging on its reputation and track record in real estate development in Singapore. Currently, notwithstanding the large number of buyers from European countries, investors from Singapore, Hong Kong, China, Middle East and Malaysia form the main core of overseas buyers of London properties from Asia and their familiarity with the Group's reputation should augur well for its carefully selected London projects.

Hotel

Trading during the first three months of 2013 was challenging in harsh economic conditions.

Overall RevPAR was up 1.9% in the first four weeks of trading in the current quarter compared to the same period last year, with London up 7.4% and New York up 5.0%. Singapore was down 9.3% and Rest of Asia was down 10.8%.

Asia, which accounted for over 40% of M&C's revenues last year and has led its revenue and profit growth in recent years, is facing a number of political, economic and other challenges. Similarly, Europe also continues to face challenges as a result of austerity programmes and the ongoing fallout from the financial crisis. In addition, M&C's ongoing refurbishment programme will reduce its revenue and profits as rooms are taken out of the network over the course of the programme. These challenges are unlikely to abate in the foreseeable future and are likely going to impact performance in key markets.

While the global economic and political environment remains volatile, M&C's strong financial position enables it to overcome the economic headwinds, so that it can act quickly on attractive acquisition opportunities, while remaining focused on maximising the potential of its asset portfolio, M&C will also continue to strengthen and reinvigorate its management team.

Group Prospects

Moving forward, the Group anticipates some headwinds as the domestic economy continues to undergo restructuring and the global economic outlook remains largely unpredictable for 2013.

Notwithstanding this challenging backdrop, the Group expects to remain profitable in the current year, leveraging on its strong balance sheet, prudent management, the strength of its diversified asset portfolio and identified growth engines.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

On 13 May 2013, the Board of Directors, pursuant to the recommendation of the Audit & Risk Committee, declared the payment of a tax-exempt (one-tier) non-cumulative preference dividend to holders of City Developments Limited Preference Shares in accordance with the terms of issue of the Preference Shares. The 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 182 days, being the actual number of days comprised in the dividend period from 31 December 2012 to 30 June 2013, divided by 365 days.

Name of Dividend	Tax exempt (One-tier) Preference Dividend
Date of payment	1 July 2013
Dividend Type	Cash
Dividend Amount (in cents)	1.94 cents per Preference Share
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share
Dividend period	From 31 December 2012 to 30 June 2013 (both dates inclusive)
Issue price	$1.00 per Preference 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) Preference Dividend
Date of payment	2 July 2012
Dividend Type	Cash
Dividend Amount (in cents)	1.94 cents per Preference Share^
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share
Dividend period	From 31 December 2011 to 29 June 2012 (both dates inclusive)
Issue price	$1.00 per Preference Share

^ The 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

The tax-exempt (one-tier) preference dividend for the period from 31 December 2012 to 30 June 2013 (both dates inclusive) will be paid on 1 July 2013.

(d) Books Closure Date for Non-redeemable Convertible Non-cumulative Preference Shares (the "Preference Shares")

5.00 pm on 12 June 2013.

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

Not applicable.

13. Interested Person Transactions

Interested Persons	Aggregate value of all interested person transactions conducted in first quarter ended 31 March 2013 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Hong Leong Investment Holdings Pte. Ltd. group of companies	<u>Property-related</u> Provision to/by interested persons of: $33,512,389.77 (i) property management and maintenance services; (ii) project management services; (iii) marketing services; and (iv) cleaning services. <u>Management and Support Services</u> Provision to/by interested persons of: $2,274,324.00 (i) accounting and administrative services; and (ii) financial services. **Total: $35,786,713.77**
Directors and their immediate family members	Nil

14. Segment Reporting

By Business Segments

	The Group			
	Revenue Three months ended 31 March		**Profit before income tax (*) Three months ended 31 March**	
	2013 S$'000	**2012 S$'000**	**2013 S$'000**	**2012 S$'000**
Property Development	314,986	394,247	91,268	88,021
Hotel Operations	341,292	354,143	26,170	40,305
Rental Properties	78,371	76,375	59,350	35,824
Others	28,836	21,968	9,683	51,470
	763,485	846,733	186,471	215,620

** Includes share of after-tax profit of associates and jointly-controlled entities.*

15. 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 decreased by $79.2 million to $315.0 million (Q1 2012: $394.2 million) whilst pre-tax profit increased by $3.3 million to $91.3 million (Q1 2012: $88.0 million).

Projects that contributed to both revenue and profit in Q1 2013 include Volari, NV Residences, 368 Thomson, Cube 8, Hundred Trees, Tree House, The Glyndebourne, H_2O Residences, The Palette and Buckley Classique. In accordance with the Group's policy of equity accounting for the results of its jointly-controlled entities, whilst revenue from joint venture developments such as The Gale, Hedges Park and Bartley Residences has not been consolidated into the Group's total revenue, the Group's share of profits arising from the joint venture developments has been included in pre-tax profit.

The decrease in revenue was mainly attributable to the absence of revenue from sale of a warehouse at Tagore Avenue in Q1 2012, lower contribution from The Glyndebourne, Volari, NV Residences, Hundred Trees and Tree House. This was partially offset by contribution from Buckley Classique, H_2O Residences, The Palette and 368 Thomson.

Despite the decrease in revenue, pre-tax profit improved marginally. Included in Q1 2012 revenue was the sale of a warehouse at Tagore Avenue which the reversal of its foreseeable losses was already factored in Q4 2011, thus negatively impacted the margin contribution of the comparative quarter. In addition, the profit contribution from Bartley Residences commencing since December 2012 had also improved the pre-tax profit of this segment for Q1 2013.

Hotel Operations

Revenue and pre-tax profit for this segment decreased by $12.8 million to $341.3 million (Q1 2012: $354.1 million) and $14.1 million to $26.2 million (Q1 2012: $40.3 million) for Q1 2013 respectively. A combination of factors led to the decline. The on-going refurbishment programme resulting in temporary closures of rooms, particularly at Grand Hyatt Taipei and Millennium Minneapolis, regional geo-political tensions in Korea as well as harsh weather conditions in Europe and the United States deterred travellers, impacting hotel performance. In addition performance from Singapore hotels was also down due to slowing economy, continuing restraint in corporate travel, increased supply of competitor hotel rooms and a reduction in foreign labour quotas which put pressure on costs.

Rental Properties

Revenue remained relatively flat at $78.4 million (Q1 2012: $76.4 million) for Q1 2013.

Pre-tax profit increased by $23.6 million to $59.4 million (Q1 2012: $35.8 million) for Q1 2013 mainly due to gains recognised on the disposal of several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II in this quarter.

Others

Revenue, comprising mainly management fee income from building maintenance contracts, project management, club operations as well as dividend income, increased by $6.8 million to $28.8 million (Q1 2012: $22.0 million) due to higher management fee income.

Despite the increase in revenue, pre-tax profit decreased by $41.8 million to $9.7 million (Q1 2012: $51.5 million) for Q1 2013. This was largely due to significant gains recorded in Q1 2012 from the realisation of certain assets held by a private real estate fund which the Group had invested in.

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 18 of Appendix 7.2 for the required details*)

	Full Year 2012 S$'000	Full Year 2011 S$'000
Ordinary	72,744	72,744
Special	45,465	90,930
Preference	12,904	12,904
Total	**131,113**	**176,578**

The final tax-exempt (one-tier) ordinary dividend and special final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2012 of 8.0 cents and 5.0 cents respectively per ordinary share had been approved by the ordinary shareholders at the Annual General Meeting held on 24 April 2013 and the dividend amounts are based on the number of issued ordinary shares as at 2 May 2013.

17. A breakdown of sales and operating profit after tax for first half year and second half year.

Not applicable.

BY ORDER OF THE BOARD

Shufen Loh @ Catherine Shufen Loh
Company Secretary
13 May 2013

CONFIRMATION BY THE BOARD

The Directors of the Company hereby confirm, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited financial results for the 3-month period ended 31 March 2013 to be false or misleading in any material respect.

On behalf of the Board of Directors

Kwek Leng Beng	**Kwek Leng Joo**
Executive Chairman	Managing Director

Singapore, 13 May 2013