Financial Statements and Related Announcement::First Quarter Results

Issuer & Securities

Issuer/ Manager	CITY DEVELOPMENTS LIMITED
Securities	CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Announcement Details

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CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2014

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		
	2014	**2013 (Restated)***	**Incr/ (Decr)**
	S$'000	**S$'000**	**%**
Revenue	734,238	776,233	(5.4)
Cost of sales	(379,418)	(404,122)	(6.1)
Gross profit	354,820	372,111	(4.6)
Other operating income (2)	1,226	31,490	(96.1)
Administrative expenses (3)	(112,588)	(114,234)	(1.4)
Other operating expenses (4)	(84,648)	(85,048)	(0.5)
Profit from operating activities	158,810	204,319	(22.3)
Finance income (5)	8,609	10,003	(13.9)
Finance costs (6)	(26,825)	(20,811)	28.9
Net finance costs	(18,216)	(10,808)	68.5
Share of after-tax loss of associates (7)	(1,254)	(1,232)	1.8
Share of after-tax profit of jointly-controlled entities (8)	17,410	8,192	112.5
Profit before income tax (1)	156,750	200,471	(21.8)
Income tax expense (9)	(14,359)	(20,233)	(29.0)
Profit for the period	142,391	180,238	(21.0)
Attributable to:			
Owners of the Company	**119,665**	**137,707**	(13.1)
Non-controlling interests	22,726	42,531	(46.6)
Profit for the period	142,391	180,238	(21.0)
Earnings per share			
- basic	13.2 cents	15.1 cents	(12.6)
- diluted	12.5 cents	14.4 cents	(13.2)

Note:
* The 2013 comparative figures have been restated to take into account the retrospective adjustments arising from the adoption of FRS 110 - *Consolidated Financial Statements* as detailed in item 5 of this announcement.

Notes to the Group's Income Statement:

(1) Profit before income tax includes the following:

	The Group Three months ended 31 March	
	2014	2013 (Restated)
	S$'000	S$'000
Interest income	7,717	6,200
Profit on sale of investments, investment properties and property, plant and equipment (net)	101	28,450
Investment income	222	172
Net change in fair value of financial assets held for trading	(1,059)	2,612
Net exchange (loss)/gain	(2,169)	4,962
Depreciation and amortisation	(46,271)	(45,672)
Interest expenses	(21,670)	(19,265)
Impairment loss on loans to a jointly-controlled entity	(240)	(276)

(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 $30.3 million to $1.2 million (Restated Q1 2013: $31.5 million) in Q1 2014. This was primarily due to absence of gains recognised in Q1 2013 in relation to disposal of several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II, as well as from realisation of investments in a private real estate fund.

(3) Administrative expenses comprise primarily depreciation, hotel administrative expenses, operating lease expenses and salaries and related expenses. This had remained relatively constant at $112.6 million (Restated Q1 2013: $114.2 million) for Q1 2014.

(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 remained relatively constant at $84.6 million (Restated Q1 2013: $85.0 million) for Q1 2014.

(5) Finance income comprises mainly interest income and fair value gain on financial assets held for trading, decreased by $1.4 million to $8.6 million (Restated Q1 2013: $10.0 million) for Q1 2014 due to lower fair value gains recorded on financial assets held for trading in this quarter, partially mitigated by higher interest income earned.

(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 increased by $6.0 million to $26.8 million (Restated Q1 2013: $20.8 million) for Q1 2014 due to higher interest expenses incurred on borrowings and higher fair value loss recorded on financial assets held for trading.

(7) Share of after-tax loss of associates of $1.3 million (Restated Q1 2013: $1.2 million) for Q1 2014 relates primarily to the Group’s share of results of First Sponsor Capital Limited.

(8) Share of after-tax profit of jointly-controlled entities increased by $9.2 million to $17.4 million (Q1 2013: $8.2 million) mainly due to maiden contribution from Echelon, Bartley Ridge and The Inflora, as well as higher contributions from Bartley Residences.

(9) 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 $6.1 million (Q1 2013: $7.6 million).

The overall effective tax rate of the Group for Q1 2014 was 9.2% (Restated Q1 2013: 10.1%). Excluding the overprovision in respect of prior periods, the effective tax rate of the Group for Q1 2014 would be 13.1% (Restated Q1 2013: 13.9%).

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 31.03.2014 S$'000	As at 31.12.2013 (Restated) S$'000	As at 31.03.2014 S$'000	As at 31.12.2013 S$'000
Non-current assets					
Property, plant and equipment	(1)	4,566,242	4,421,527	10,064	9,795
Investment properties		3,185,374	3,173,133	509,209	511,135
Lease premium prepayment		82,530	85,559	-	-
Investments in subsidiaries		-	-	2,218,727	2,222,347
Investments in associates	(2)	337,296	264,818	-	-
Investments in jointly-controlled entities		785,086	772,266	36,360	36,360
Financial assets		87,028	85,116	29,608	29,700
Other non-current assets		17,306	15,639	409,502	407,881
		9,060,862	**8,818,058**	**3,213,470**	**3,217,218**
Current assets					
Lease premium prepayment		2,583	2,646	-	-
Development properties		4,455,400	4,326,542	432,176	482,988
Consumable stocks		9,248	8,424	3	1
Financial assets		35,671	36,534	-	-
Trade and other receivables		1,685,315	1,641,914	5,751,981	5,457,485
Cash and cash equivalents		3,344,654	2,939,989	1,666,342	1,367,264
		9,532,871	**8,956,049**	**7,850,502**	**7,307,738**
Total assets		**18,593,733**	**17,774,107**	**11,063,972**	**10,524,956**
Equity attributable to Owners of the Company					
Share capital		1,991,397	1,991,397	1,991,397	1,991,397
Reserves		5,860,072	5,740,000	3,474,973	3,447,897
		7,851,469	7,731,397	5,466,370	5,439,294
Non-controlling interests		2,490,045	2,484,439	-	-
Total equity		**10,341,514**	**10,215,836**	**5,466,370**	**5,439,294**
Non-current liabilities					
Interest-bearing borrowings*		4,811,118	4,400,520	2,950,855	2,592,044
Employee benefits		37,030	37,521	-	-
Other liabilities		110,502	110,214	245,995	297,837
Provisions		16,024	15,977	-	-
Deferred tax liabilities		329,412	328,811	43,929	47,412
		5,304,086	**4,893,043**	**3,240,779**	**2,937,293**
Current liabilities					
Trade and other payables		1,356,620	1,327,019	1,606,346	1,530,773
Interest-bearing borrowings*		1,341,707	1,114,008	696,229	601,461
Employee benefits		18,585	17,903	2,722	2,639
Other liabilities		142	213	-	-
Provision for taxation		213,252	188,165	51,526	13,496
Provisions		17,827	17,920	-	-
		2,948,133	**2,665,228**	**2,356,823**	**2,148,369**
Total liabilities		**8,252,219**	**7,558,271**	**5,597,602**	**5,085,662**
Total equity and liabilities		**18,593,733**	**17,774,107**	**11,063,972**	**10,524,956**

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

<u>Notes to the statement of financial position of the Group</u>

1) The increase was primarily due to the completion of The Chelsea Harbour Hotel acquisition on 25 March 2014.

2) The increase was mainly due to additional investments in First Sponsor Capital Limited.

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 31.03.2014 S$'000	As at 31.12.2013 (Restated) S$'000
Unsecured			
- repayable within one year		1,211,839	989,390
- repayable after one year		3,830,965	3,755,494
	(a)	5,042,804	4,744,884
Secured			
- repayable within one year		130,219	125,052
- repayable after one year		996,727	659,377
	(b)	1,126,946	784,429
Gross borrowings	(a) + (b)	6,169,750	5,529,313
Less: cash and cash equivalents as shown in the statement of financial position		(3,344,654)	(2,939,989)
Net borrowings		2,825,096	2,589,324

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	
	2014	2013 (Restated)
	S$'000	S$'000
Operating Activities		
Profit for the period	142,391	180,238
Adjustments for:		
Depreciation and amortisation	46,271	45,672
Dividend income	(222)	(172)
Equity settled share-based transactions	630	1,176
Finance costs	26,825	20,811
Finance income	(8,609)	(10,003)
Impairment loss on loans to a jointly-controlled entity	240	276
Income tax expense	14,359	20,233
Profit on sale of property, plant and equipment and investment properties	(101)	(23,827)
Profit on realisation of investments	-	(4,623)
Share of after-tax loss of associates	1,254	1,232
Share of after-tax profit of jointly-controlled entities	(17,410)	(8,192)
Operating profit before working capital changes	205,628	222,821
Changes in working capital		
Development properties	(121,877)	(71,805)
Stocks, trade and other receivables and assets classified as held for sale	(23,129)	(174,128)
Trade and other payables and liabilities classified as held for sale	32,447	17,813
Employee benefits	204	1,316
Cash generated from/(used in) operations	93,273	(3,983)
Income tax refund/(paid)	9,921	(14,984)
Cash flows from/(used in) operating activities carried forward [(1)]	**103,194**	**(18,967)**

	Three months ended 31 March 2014 S$'000	2013 (Restated) S$'000
Cash flows from/(used in) operating activities brought forward	**103,194**	**(18,967)**
Investing Activities		
Capital expenditure on investment properties	(11,404)	(3,827)
Increase in investments in associates (2)	(86,759)	(1,112)
Dividends received		
- an associate	46	-
- financial investments	222	172
- jointly-controlled entities	4,354	130
Interest received	4,766	5,065
Payment for purchase of an investment property (3)	-	(89,174)
Payments for purchase of property, plant and equipment (4)	(165,108)	(39,592)
Proceeds from sale of property, plant and equipment and investment properties (5)	117	30,234
(Purchase of)/Disposal of and distribution of income from financial assets	(2,249)	22,160
Cash flows used in investing activities	**(256,015)**	**(75,944)**
Financing Activities		
Capital contribution by non-controlling interests	-	511
Disposal of interest in a subsidiary without loss of control	-	2,616
Dividend paid	(35,200)	(35,278)
Finance lease payments	(10)	(2)
Interest paid (including amounts capitalised as investment properties, property, plant and equipment and development properties)	(28,320)	(29,243)
Net proceeds from revolving credit facilities and short-term bank borrowings	156,693	264,929
Net (increase in amount owing by)/increase in amount owing to related parties	(6,957)	4,742
Payment of financing transaction costs	(3,851)	(1,695)
Payment on settlement of financial instruments	(1,158)	(4,132)
Proceeds from borrowings	85,017	66,996
Proceeds from issuance of bonds and notes	350,000	211,755
Repayment of bank borrowings	(32,692)	(58,740)
Repayment of bonds and notes	(55,000)	(263,510)
Repayment of other long-term liabilities	(33)	(475)
Cash flows from financing activities (6)	**428,489**	**158,474**
Net increase in cash and cash equivalents	**275,668**	**63,563**
Cash and cash equivalents at beginning of the period	2,718,405	2,202,534
Effect of exchange rate changes on balances held in foreign currencies	2,372	6,419
Cash and cash equvialents at end of the period	**2,996,445**	**2,272,516**
Cash and cash equivalents comprise:-		
Cash and cash equivalents as shown in the statement of financial position	3,344,654	2,299,523
Cash and cash equivalents included in assets classified as held for sale	-	5,175
Less: Bank overdrafts	(348,209)	(32,182)
	2,996,445	**2,272,516**

Notes to the statement of cash flows

(1) The Group had a net cash outflow from operating activities of $19.0 million for Q1 2013 mainly due to the payment of land cost for the site located at Fernvale Link/Sengkang West Way.

(2) The cash outflows for Q1 2014 relate to additional investments in First Sponsor Capital Limited.

(3) The cash outflows for Q1 2013 refer mainly to the acquisition of Angsana Velavaru, a resort located in Maldives, by CDL Hospitality Trusts in February 2013.

(4) The cash outflows for Q1 2014 refer mainly to the acquisition of The Chelsea Harbour Hotel on 25 March 2014.

(5) 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.

(6) The Group had a net cash inflow from financing activities of $428.5 million (Restated Q1 2013: $158.5 million) for Q1 2014 due to higher net proceeds received from borrowings and issuance of bonds and notes of $504.0 million in current quarter as compared to $221.4 million in the corresponding quarter of 2013.

1(d) Consolidated Statement of Comprehensive Income

	The Group Three months ended 31 March	
	2014	**2013 (Restated)**
	S$'000	**S$'000**
Profit for the period	142,391	180,238
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Actuarial gains on defined benefit plans	415	19
Items that are or may be reclassified subsequently to profit or loss:		
Change in fair value of equity investments available for sale	2,075	3,279
Effective portion of changes in fair value of cash flow hedges	(186)	(252)
Exchange differences on hedges of net investment in foreign entities	440	(12,192)
Exchange differences on monetary items forming part of net investment in foreign entities	3,594	11,580
Share of other reserve movements of associates	(1,530)	(57)
Translation differences arising on consolidation of foreign entities	13,049	23,496
	17,442	25,854
Other comprehensive income for the period, net of income tax	**17,857**	**25,873**
Total comprehensive income for the period	**160,248**	**206,111**
Attributable to:		
Owners of the Company	**112,573**	**144,432**
Non-controlling interests	47,675	61,679
Total comprehensive income for the period	**160,248**	**206,111**

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.

	Attributable to owners 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**	**Non-controlling Interests S$m**	**Total Equity S$m**
At 1 January 2014	1,991.4	143.1	14.3	(339.3)	6,035.9	7,845.4	1,983.0	9,828.4
Effect of adoption of FRS 110	-	14.0	-	(11.8)	(116.1)	(113.9)	501.4	387.5
At 1 January 2014, restated	1,991.4	157.1	14.3	(351.1)	5,919.8	7,731.5	2,484.4	10,215.9
Profit for the period	-	-	-	-	119.7	119.7	22.7	142.4
Other comprehensive income								
Actuarial gains on defined benefit plans	-	-	-	-	0.2	0.2	0.2	0.4
Change in fair value of equity investments available for sale	-	-	2.0	-	-	2.0	-	2.0
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	-	-	-	0.2	-	0.2	0.2	0.4
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	2.5	-	2.5	1.1	3.6
Share of other reserve movement of associates	-	-	(0.7)	-	-	(0.7)	(0.8)	(1.5)
Translation differences arising on consolidation of foreign entities	-	-	-	(11.3)	-	(11.3)	24.4	13.1
Other comprehensive income for the period, net of income tax	-	-	1.2	(8.6)	0.2	(7.2)	25.0	17.8
Total comprehensive income for the period	-	-	1.2	(8.6)	119.9	112.5	47.7	160.2
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Dividend paid	-	-	-	-	-	-	(35.2)	(35.2)
Share-based payment transactions	-	-	0.4	-	-	0.4	0.2	0.6
Total contributions by and distribution to owners	-	-	0.4	-	-	0.4	(35.0)	(34.6)
Change in ownership interests in subsidiaries								
Change of interests in a subsidiary without loss of control	-	7.1	-	-	-	7.1	(7.1)	-
Total change in ownership interests in subsidiaries	-	7.1	-	-	-	7.1	(7.1)	-
Total transactions with owners	-	7.1	0.4	-	-	7.5	(42.1)	(34.6)
At 31 March 2014	**1,991.4**	**164.2**	**15.9**	**(359.7)**	**6,039.7**	**7,851.5**	**2,490.0**	**10,341.5**
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
Effect of adoption of FRS 110	-	13.2	-	(13.4)	(113.5)	(113.7)	514.1	400.4
At 1 January 2013, restated	1,991.4	162.2	12.0	(405.5)	5,429.9	7,190.0	2,467.5	9,657.5
Profit for the period	-	-	-	-	137.7	137.7	42.5	180.2
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	-	-	-	(3.0)	-	(3.0)	26.5	23.5
Other comprehensive income for the period, net of income tax	-	-	3.2	3.5	-	6.7	19.2	25.9
Total comprehensive income for the period	-	-	3.2	3.5	137.7	144.4	61.7	206.1
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
Dividend paid to non-controlling interests	-	-	-	-	-	-	(35.2)	(35.2)
Total contributions by and distribution to owners	-	-	0.6	-	-	0.6	(34.2)	(33.6)
Change in ownership interests in subsidiaries								
Disposal of non-controlling interests without a change in control	-	-	-	1.4	0.2	1.6	1.0	2.6
Total change in ownership interests in subsidiaries	-	-	-	1.4	0.2	1.6	1.0	2.6
Total transactions with owners	-	-	0.6	1.4	0.2	2.2	(33.2)	(31.0)
At 31 March 2013, restated	**1,991.4**	**162.2**	**15.8**	**(400.6)**	**5,567.8**	**7,336.6**	**2,496.0**	**9,832.6**

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

The Company	Share Capital S$m	Capital Reserve S$m	Fair Value Reserve S$m	Accumulated Profits S$m	Total S$m
At 1 January 2014	1,991.4	63.7	14.2	3,370.0	5,439.3
Profit for the period	-	-	-	27.2	27.2
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	(0.1)	-	(0.1)
Other comprehensive income for the period, net of income tax	-	-	(0.1)	-	(0.1)
Total comprehensive income for the period	-	-	(0.1)	27.2	27.1
At 31 March 2014	**1,991.4**	**63.7**	**14.1**	**3,397.2**	**5,466.4**
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**

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.

Ordinary share capital

There was no change in the Company's issued share capital during the period ended 31 March 2014.

Preference share capital

There was no change in the Company's issued preference share capital during the period ended 31 March 2014.

As at 31 March 2014, 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 2013: 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 2014, 31 December 2013 and 31 March 2013.

The total number of issued ordinary shares (excluding treasury shares) as at 31 March 2014 and 31 December 2013 is 909,301,330.

The total number of issued Preference Shares as at 31 March 2014 and 31 December 2013 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 2014.

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 2013.

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 2014.

Revised FRS 27 *Separate Financial Statements*
Revised FRS 28 *Investments in Associates and Joint Ventures*
FRS 110 *Consolidated Financial Statements*
FRS 111 *Joint Arrangements*
FRS 112 *Disclosure of Interests in Other Entities*
Amendments to FRS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
Amendments to FRS 36 *Impairment of Assets: Recoverable Amount Disclosure for Non-Financial Assets*
Amendments to FRS 39 *Financial Instruments: Recognition and Measurement: Novation of Derivatives and Continuation of Hedge Accounting*
INT FRS 121 *Levies*

The adoption of these FRSs did not result in any significant impact on the financial statements of the Group, except for the following:

FRS 112 *Disclosure of Interests in Other Entities*
FRS 112 *Disclosure of Interests in Other Entities,* which sets out the disclosures required to be made in respect of all forms of an entity's interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. The adoption of this standard would result in more extensive disclosures being made in the Group's financial statements in respect of its interests in other entities. As FRS 112 is primarily a disclosure standard, there will be no financial impact on the results and financial position of the Group and the Company upon adoption of this standard by the Group in 2014.

FRS 110 *Consolidated Financial Statements*.
FRS 110 *Consolidated Financial Statements* introduces a single control model with a series of indicators to assess control. In accordance with the transitional provisions of FRS 110, the Group has re-assessed the control conclusion for its investees under the new control model. As a consequence, the Group has consolidated CDL Hospitality Trusts which was previously accounted for as an associate using the equity method.

The change in accounting policy was applied retrospectively and the effects of the Group's comparative for this reporting quarter arising from the adoption of FRS 110 are as follows:

	Three months ended 31 March 2013
Income Statement	$'000
Increase in revenue	12,748
Increase in costs of sales	(1,339)
Decrease in other operating income	(603)
Decrease in administrative expenses	13,806
Decrease in other operating expenses	820
Increase in finance income	67
Increase in finance costs	(3,833)
Increase in share of after-tax loss of associates	(7,666)
Increase in income tax expense	(216)
Increase in non-controlling interests	(13,724)
Increase in profit attributable to owners of the Company	60
Increase in basic earnings per share (cents)	*

*: Less than 0.1 cents

Statements of Financial Position	As at 31.12.2013 $'000
Increase in investment properties	387,311
Increase in property, plant and equipment	855,102
Decrease in investment in associates	(228,356)
Decrease in other non-current assets	(6,675)
Increase in trade and other receivables	7,338
Increase in cash and cash equivalents	68,728
Increase in total assets	1,083,448
Increase in provision for taxation	(28)
Decrease in provisions (current)	7,252
Increase in trade and other payables	(14,175)
Increase in interest-bearing borrowings (current)	(145,983)
Increase in deferred tax liabilities	(321)
Increase in interest-bearing borrowings (non-current)	(542,245)
Increase in other liabilities (non-current)	(497)
Increase in total liabilities	(695,997)
Decrease in reserves	(113,983)
Increase in non-controlling interests	501,434
Increase in total equity	387,451

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	
	2014	**2013 (Restated)**
Basic Earnings per share (cents)	13.2	15.1
Diluted Earnings per share (cents)	12.5	14.4
Earnings per share is calculated based on:		
a) Profit attributable to owners of the Company (S$'000)	119,665	137,707
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	
	31.03.2014 S$	31.12.2013 (Restated) S$	31.03.2014 S$	31.12.2013 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 2014 (909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2013)	8.63	8.50	6.01	5.98

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 first quarter ended 31 March 2014 (Q1 2014), the Group achieved revenue of $734.2 million (Restated Q1 2013: $776.2 million) and net attributable profit after tax and non-controlling interests of $119.7 million (Restated Q1 2013: $137.7 million). Basic earnings per share stood at 13.2 cents for Q1 2014 (Restated Q1 2013: 15.1 cents). The Group adopted FRS 110 *Consolidated Financial Statements* which became effective on 1 January 2014. This led to the consolidation of CDL Hospitality Trusts (CDLHT) which was previously accounted for as an associate using the equity method. The Q1 2013 comparative results were restated accordingly.

The lower attributable profit after tax and non-controlling interests was primarily due to gains recorded from disposal of strata units in Elite Industrial Building I, Elite Industrial Building II and Citimac Industrial Complex in Q1 2013. Excluding divestment gains from such non-core investment properties, the Group's attributable profit after tax and non-controlling interests would have increased by 4.0%.

In terms of pre-tax profits, the property development segment, being the top contributor, remained relatively on par with the corresponding period of last year, despite achieving lower revenue. This was due to maiden profit contribution from joint venture projects namely; Bartley Ridge, The Inflora and Echelon as well as higher contribution from Bartley Residences. The rental properties segment though second in line, reported much lower earnings due to the absence of the aforesaid divestment gains.

For the hotel operations segment, revenue contribution from Millennium & Copthorne Hotels plc (M&C) increased when translated into the Singapore dollar (the Group's reporting currency) because of the strength of the sterling pound. Notwithstanding this, despite higher hotel revenue, pre-tax profit achieved was lower due to social and political uncertainties in some parts of Asia which had an impact on the trading profits.

As at 31 March 2014, the Group's net gearing ratio, without factoring in any fair value surpluses on investment properties continued to be relatively low at 27%. Its interest cover for Q1 2014 was at 10.6 times.

Property

Advance estimates indicate that the Singapore economy grew by 5.1% in Q1 2014 year-on-year, lower than the 5.5% growth in Q4 2013. On a quarter-on-quarter seasonally-adjusted annualised basis, Singapore's economy grew by only 0.1%, compared to the 6.1% growth in the previous quarter.

On a year-on-year basis, the construction sector expanded by 6.5%, higher than the 4.8% growth in the preceding quarter, largely attributed to public sector construction activities.

Urban Redevelopment Authority (URA) data indicated that the Residential Property Price Index (PPI) continued to moderate downwards, to 211.6 points in Q1 2014 (Q4 2013: 214.3 points). Overall prices of non-landed private residential properties decreased by 1.3% quarter-on-quarter in Q1 2014 (Q4 2013: -0.9%). In Q1 2014, developers sold 1,744 private residential units, excluding Executive Condominiums (ECs). This is 32.1% less than the 2,568 units sold in Q4 2013.

In January 2014, the Group and its joint venture partners won the bid for an EC housing site located at Canberra Drive within Sembawang New Town for $226.0 million. This 307,447 square feet (sq ft) site is easily accessible by major expressways, and surrounded by a host of nearby amenities, including the Sembawang Shopping Centre, Sun Plaza, Northpoint Shopping Centre and popular eateries at Chong Pang Village. The site could be near a future MRT station located between Yishun and Sembawang MRT stations that is being considered by Land Transport Authority as part of its rail transit projects plan. A mid-rise EC development of between 10 and 11 storeys with approximately 650 units is currently being explored.

Due to the series of property cooling measures and the Total Debt Servicing Ratio (TDSR), sales of existing projects launched last year, have slowed down in line with the general market trend.

The Venue Residences and Shoppes, a mixed development near Potong Pasir MRT station, comprising 266 apartments and 28 retail units, was launched in October 2013. To date, 74% of the 80 apartments released and 54% of all the retail units have been sold. Jewel @ Buangkok, a 616-unit condominium situated right across Buangkok MRT station, has seen steady sales progress with 83% of the 500 launched units sold since its launch in June 2013. In March 2013, the 868-unit Bartley Ridge at Bartley Road / Mount Vernon and the 912-unit D'Nest condominium at Pasir Ris Grove were launched. Both projects are now 94% sold.

For the quarter under review, profits were booked in from numerous pre-sold projects such as 368 Thomson, Buckley Classique, H_2O Residences and UP@Robertson Quay. Likewise, profits were also booked in from joint venture projects including HAUS@SERANGOON GARDEN, Bartley Residences, Hedges Park, The Inflora, Bartley Ridge, The Palette and Echelon.

However, profits were not realised from D'Nest, Jewel @ Buangkok and The Venue Residences and Shoppes as they are either in the early stages of construction or building works have not commenced yet. Notably, no profits were booked from the three fully sold ECs – Blossom Residences, The Rainforest and Lush Acres due to current accounting treatments for ECs.

During the period under review, the 157-unit 368 Thomson condominium obtained its Temporary Occupation Permit (TOP) and is in the process of handing over to purchasers.

URA data showed that prices of office space increased by 0.5% in Q1 2014, showing no change in the rate of growth in comparison with the previous quarter. On office space rental, there was an improved quarter-on-quarter increase of 2.4% in Q1 2014 compared with the marginal growth of 0.5% in Q4 2013.

In Q1 2014, the Group's office portfolio continued to enjoy healthy occupancy of about 95.8% as compared to the national average of 90.0%.

Construction of the South Beach mixed development is progressing well, with the opening of the 654-room South Beach Hotel expected in 2015.

Overseas Platforms

CDL China Limited, a wholly-owned subsidiary of the Group, continues to gain momentum on its three existing projects, as critical milestones are being achieved successfully.

Eling Residences, the luxury development located at the peak of Eling Hill in Yuzhong District, Chongqing, completed its earthworks in February 2014 and is targeting completion of its structural works in September 2014, following which pre-sales activity can officially commence.

Huang Huayuan, the mixed-used project in the same district in Chongqing, has obtained in-principal approval for the design. Excavation and retaining wall works are progressing swiftly and construction is expected to begin in the second half of 2014.

Suzhou Hong Leong City Center (HLCC), a sizable mixed-use development next to Jinji Lake in Suzhou Industrial Park District, continues to progress well. Construction for Phase 1, comprising of one block of residential apartments and one block of SOHO units, is expected to reach ground level later this month, while Phase 2, comprising the second residential tower and the commercial components (office, retail mall and hotel), is expected to commence excavation and retaining wall works also in May 2014.

If market conditions are favourable, both Eling Residences and Suzhou HLCC will officially commence residential pre-sales in September/October this year, typically the strongest sales period in China. Due to the deep excavation required and the lofty height of its three buildings, Huang Huayuan will start selling in 2015.

Since setting up the UK platform in 2013, more than 50 properties have been considered. The Group has now acquired five prime freehold properties, all of them “off market” deals. The Group had adopted a more cautious approach in its selection of properties, concentrating mainly on Central London. It believes in the upside potential of these properties. The Group will strategise its plans for each of its properties. To date, a total of about £152 million has been invested for the five properties.

Hotel

In Q1 2014, the London listed M&C, in which the Group holds a 59% interest, reported revenue of £175.3 million (Restated Q1 2013: £175.9 million) and net profit after tax and non-controlling interests of £6.5 million (Restated Q1 2013: £12.2 million).

During this period, M&C experienced steady hotel trading and higher property sales. On a constant currency basis, revenue increased by 5.9% (Restated Q1 2013: £165.6 million). The CDL Group benefitted from the strong appreciation of the sterling pound (M&C’s reporting currency) when translated to the Singapore dollar (the Group’s reporting currency).

For Q1 2014, M&C posted property revenue of £10.7 million. This was from the sale of two units at The Glyndebourne, a luxury condominium at the site of the former Copthorne Orchid Hotel Singapore, as well as sales from subdivided land parcels in New Zealand.

On a constant currency basis, Global RevPAR increased by 2.5% to £58.23 (Q1 2013: £56.83). In anticipation of harsher trading conditions, M&C’s management adjusted trading strategies in some markets, which limited the impact on RevPAR. Average room rate increased by 0.5% to £84.85 (Q1 2013: £84.42), whilst occupancy increased by 1.3 percentage points.

Regional US RevPAR performance was helped by the Millennium Minneapolis, which was closed for refurbishment in Q1 2013, but has since reopened, with improved performance. In addition, the closure of Millennium St Louis in January 2014, which had been one of the region’s poorest performing hotels in RevPAR terms helped to mitigate the declines. In Asia, M&C succeeded in arresting the decline in RevPAR that has featured over recent quarters, with higher occupancy compensating for slightly reduced room rates. Singapore RevPAR increased by 0.3%, while RevPAR performance was strong in New Zealand.

On 25 March 2014, M&C completed the acquisition of a 5-star all-suite hotel located within the Chelsea Harbour district in London. The property offers 154 suites and 4 penthouses and has been rebranded as The Chelsea Harbour Hotel. Action plans are in place to reposition the hotel so that it can perform even better.

M&C is scheduled to complete the acquisition of Novotel Times Square in New York in June 2014. Subject to conditions being met, the acquisition of Boscolo Palace Roma is scheduled for completion in Q3 2014.

Construction of the M&C's new hotel in Tokyo's Ginza district is expected to complete before the end of 2014 and the hotel is expected to open in Q1 2015.

In relation to the plot of land measuring 1,563.7 sq m adjacent to Millennium Seoul Hilton which was acquired in 2013, M&C is currently developing detailed plans to build hospitality facilities to complement the existing product offering.

Since M&C's hotel refurbishment programme started, it has spent just under £100 million of its £240 million asset management programme and expects to spend another £60 million in 2014.

In Q1 2014, £8.5 million was spent, mainly for renovating the east wing of Grand Hyatt Taipei. Total refurbishment cost for this hotel is anticipated to be £62 million and up to 31 March 2014, a total amount of £35.8 million has been spent. Completion of the guestrooms renovation is expected in Q3 2014.

In line with its asset management focus, M&C will continue to upgrade and improve its properties, with a number of refurbishment projects ready to commence in 2014, subject to relevant consents and they are implemented in phases to minimise impact on earnings.

Additionally, M&C is considering a range of options with regard to the future of the freehold site occupied by the Millennium Hotel St Louis, which was closed in January 2014.

M&C's associate, First Sponsor Capital Limited (FSCL), continues to make good progress in Chengdu, China. Progress on the Wenjiang development land site in Chengdu, purchased in November 2011, is on track. The land is designated for residential, commercial and hotel development. Construction of a Millennium branded hotel commenced in 2013 and is scheduled to open in 2017.

As reported previously, FSCL is considering an initial public offering (IPO) and listing of ordinary shares of its principal operating subsidiary, First Sponsor Group Limited (FSGL) on the Singapore Exchange (SGX). FSGL announced on 23 April 2014 that SGX had issued to FSGL its eligibility-to-list letter (ETL), which is one of a number of pre-requirements to enable the proposed IPO to proceed. The ETL does not mean that any offer document for the IPO has been registered or that the IPO will proceed at all. The ETL should also not be taken as an indication of, among other things the merits of the proposed IPO, FSGL or its subsidiaries, FSGL's existing shares or any new shares in FSGL to be issued in connection with the proposed IPO. If the IPO does proceed, it is likely to occur in Q3 2014.

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 2013.

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.

Property

According to the International Monetary Fund (IMF), global activities have broadly strengthened and are expected to improve further in 2014 - 2015, with the advanced economies driving much of the growth. The Singapore economy stands to benefit from the recovery of the advanced economies, with the Government's 2014 growth forecast of between 2.0% and 4.0%.

Moving forward, the Singapore residential market is expected to be cautious with moderated volumes. However, well located projects especially those near to MRT stations which are competitively priced are expected to continue to attract reasonable buying interests. Understandably, the rate of sales will not be as swift as during the peaks of the property cycle.

Hence, the Group and its joint venture partners proceeded to launch Commonwealth Towers on 1 May 2014. Conveniently located next to Queenstown MRT station, the condominium comprises 845 units in two magnificent 43-storey towers. Response has been good with over 66% of the 400 units released sold to date.

The next project to be launched soon is Coco Palms, located just a five-minute walk to Pasir Ris MRT station, the Bus Interchange and White Sands Shopping Centre. Inspired by the world's best resorts, this luxury, joint venture development offers 944 apartments and six retail units within 12 blocks of 12 to 16-storey towers. A plethora of resort-inspired facilities are available, including five swimming pools, encompassing a Grand Lagoon. This is the Group's fifth and final parcel within the Pasir Ris Grove estate; and is situated closest to the MRT station. Its other joint venture projects in this locale – Livia, NV Residences, The Palette are fully-sold and D'Nest is 94% sold. Coco Palms is very conveniently located with easy access to numerous expressways and few minutes' drive to mega stores like Giant Hypermart, Ikea, Courts, etc and the Downtown East and Pasir Ris Park. More than 3,000 visitors went through the show flat in the first weekend of its preview which began on 3 May. The project is expected to be well received when sales commences on 17 May.

Based on anecdotal evidence by property consultants, the average occupancy rate for Premium and Grade A office space has increased in Q1 2014. This was on the back of stronger leasing demand in the Premium office segment in the Raffles Place / New Downtown micro-market which saw occupancy increase to 93.8% in Q1 2014 from 87.5% in Q4 2013. Property consultants expect office rents to continue to grow in 2014.

The positive sentiments in the office sector augur well for South Beach Tower – the office component of the South Beach development which is expected to be completed by end 2014.

Management Appointments

The Group had announced several new appointments to its core leadership, including the appointment of a Chief Executive Officer (CEO). These new appointments are in line with the Group's strategy to bring fresh perspectives and grow the Group's overseas portfolio, accelerate its investment programmes and enhance the external wing of the business. Additionally, the Group will further align and formulate new business strategies, to remain plugged in and focused on opportunities in Singapore and abroad.

Overseas Platforms

While the medium to long-term prospects in Singapore continue to remain positive, moving forward, the Group will accelerate its diversification efforts overseas, capitalising on growth markets, and enabling risk diversification. The Group is actively seeking new opportunities in mature markets such as the US, Japan and Australia, whose economies are recovering, and whose capital markets' sophistication, transparency and corporate governance are akin to those of Singapore. It is actively pursuing several actionable investment opportunities in each of these markets.

Hotel

The trading pattern in the US and Europe is improving. However, trading conditions in some parts of Asia continue to be affected by social and political uncertainties, which is likely to impact performance going forward. This increased uncertainty in key Asian economies has already had an impact on exchange rates. While foreign exchange movements cannot be easily quantified, they have the potential to impact results, when translating into sterling.

Although reported revenues and profits fell as a result of the strong pound, M&C enjoyed stable underlying trading in Q1 2014. In addition, M&C has been making good progress on its strategic growth initiatives and acquisitions.

In the first four weeks of Q2 2014 ended 28 April 2014, Global RevPAR increased by 4.2% in constant currency terms. RevPAR in Asia increased in constant currency terms by 4.0%, while London, US and New Zealand saw increases of 2.4%, 5.9% and 11.9% respectively.

With Europe and US showing signs of increasing stability, M&C remains cautiously optimistic about its performance for the rest of the year.

Group Prospects

During this subdued state of the Singapore property market, coupled with the uncertainty of the global economic landscape, the Group has taken deliberate efforts to put in place some longer term strategies, especially in its overseas expansion, to address a rapidly changing macro-economic environment. These growth platforms are being attentively developed, with some of them still in early stages of consideration. The Group is poised to reap the benefits in due course as it pursues opportunities in the marketplace and explore innovative business strategies. The Group expects to remain profitable for the current year.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

On 14 May 2014, 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 issued price of $1.00 for each Preference Share on the basis of 181 days, being the actual number of days comprised in the dividend period from 31 December 2013 to 29 June 2014, divided by 365 days.

Name of Dividend	Tax-exempt (One-tier) Preference Dividend
Date of payment	30 June 2014
Dividend Type	Cash
Dividend Amount (in cents)	1.93 cents per Preference Share
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share
Dividend period	From 31 December 2013 to 29 June 2014 (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	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

^ *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.*

(c) Date payable

The tax-exempt (one-tier) preference dividend for the period from 31 December 2013 to 29 June 2014 (both dates inclusive) will be paid on 30 June 2014.

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

5.00 pm on 11 June 2014.

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 2014 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 Lease of premises to interested person	$104,400.00
	Total:	**$104,400.00**
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	
	2014	2013 (Restated)	2014	2013 (Restated)
	S$'000	S$'000	S$'000	S$'000
Property Development	257,342	314,986	95,186	91,268
Hotel Operations	353,863	337,306	30,567	43,784
Rental Properties	95,056	95,105	37,481	55,736
Others	27,977	28,836	(6,484)	9,683
	734,238	776,233	156,750	200,471

** Includes share of after-tax profit/(loss) 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 $57.7 million to $257.3 million (Q1 2013: $315.0 million) whilst pre-tax profit increased by $3.9 million to $95.2 million (Q1 2013: $91.3 million).

Projects that contributed to both revenue and profit in Q1 2014 include 368 Thomson, Buckley Classique, The Glyndebourne, H_2O Residences, HAUS@SERANGOON GARDEN and The Palette. 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 Hedges Park, The Inflora, Bartley Residences, Bartley Ridge and Echelon 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 due to absence of contribution from Cube 8, Hundred Trees, Tree House and NV Residences as these projects obtained Temporary Occupation Permit in 2013. Lower contribution from The Glyndebourne had further contributed to the decrease. This was partially offset by contribution from HAUS@SERANGOON GARDEN with effect from Q3 2013 as well as higher contribution from Buckley Classique, H_2O Residences and The Palette.

Despite the decrease in revenue, pre-tax profit improved marginally. This is attributable to maiden contribution from joint venture projects including Echelon, Bartley Ridge and The Inflora as well as higher contribution from Bartley Residences in Q1 2014.

Hotel Operations

Revenue for this segment increased by $16.6 million to $353.9 million (Restated Q1 2013: $337.3 million) whilst pre-tax profit decreased by $13.2 million to $30.6 million (Restated Q1 2013: $43.8 million).

The increase in revenue was primarily due to the strengthening of sterling pound against Singapore dollar in 2014 which contributed positively when Millennium & Copthorne Hotels plc's hotel revenue got consolidated at Group level, coupled with improved RevPAR for Singapore hotels and contribution from Jumeirah Dhevanafushi, located in Maldives, which was acquired by CDL Hospitality Trusts in December 2013.

The decrease in pre-tax profit, despite higher revenue, was mainly attributable to social and political uncertainties in some parts of Asia which impacted trading profits.

Rental Properties

Revenue remained at par with Q1 2013 at $95.1 million for Q1 2014.

Pre-tax profit decreased by $18.2 million to $37.5 million (Restated Q1 2013: $55.7 million) for Q1 2014 due mainly to gains recognised on the disposal of several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II in Q1 2013.

Others

Revenue, comprising mainly management fee income from building maintenance contracts, project management, club operations as well as dividend income, remained relatively constant at $28.0 million (Q1 2013: $28.8 million).

This segment reported a pre-tax loss of $6.5 million (Q1 2013: pre-tax profit of $9.7 million) for Q1 2014. This was largely due to gains recorded in Q1 2013 from the realisation of investments in a private real estate fund as well as net fair value losses recognised on financial assets held for trading in Q1 2014 vis-à-vis net fair value gains in Q1 2013.

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 2013 S$'000	Full Year 2012 S$'000
Ordinary	72,744	72,744
Special	72,744	45,465
Preference	12,904	12,904
Total	**158,392**	**131,113**

The final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2013 of 8.0 cents per ordinary share had been approved by the ordinary shareholders at the Annual General Meeting held on 23 April 2014 and the dividend amounts are based on the number of issued ordinary shares as at 5 May 2014.

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
14 May 2014

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 2014 to be false or misleading in any material respect.

On behalf of the Board of Directors

Kwek Leng Beng
Executive Chairman

Kwek Leng Joo
Deputy Chairman

Singapore, 14 May 2014