CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

UNAUDITED THIRD QUARTER AND NINE-MONTH FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

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 Third quarter ended 30 September		Incr/ (Decr)	The Group 9-month period ended 30 September		Incr/ (Decr)
	2011	2010 (Restated) *		2011	2010 (Restated) *	
	S$'000	S$'000	%	S$'000	S$'000	%
Revenue	805,811	745,304	8.1	2,558,947	2,431,832	5.2
Cost of sales	(358,180)	(300,434)	19.2	(1,244,065)	(1,156,530)	7.6
Gross profit	447,631	444,870	0.6	1,314,882	1,275,302	3.1
Other operating income (2)	623	26,473	(97.6)	244,207	72,838	235.3
Administrative expenses (3)	(126,671)	(113,667)	11.4	(374,242)	(358,645)	4.3
Other operating expenses (4)	(92,211)	(84,106)	9.6	(288,450)	(275,816)	4.6
Profit from operations	229,372	273,570	(16.2)	896,397	713,679	25.6
Finance income (5)	6,307	8,899	(29.1)	20,069	30,038	(33.2)
Finance costs (6)	(21,181)	(12,772)	65.8	(62,384)	(49,300)	26.5
Net finance costs	(14,874)	(3,873)	284.0	(42,315)	(19,262)	119.7
Share of after-tax profit of associates (7)	4,460	2,440	82.8	17,141	6,352	169.9
Share of after-tax (loss)/profit of jointly-controlled entities (8)	(1,439)	1,862	NM	18,888	56,459	(66.5)
Profit before income tax (1)	217,519	273,999	(20.6)	890,111	757,228	17.5
Income tax expense (9)	(29,347)	(33,285)	(11.8)	(131,136)	(148,923)	(11.9)
Profit for the period	188,172	240,714	(21.8)	758,975	608,305	24.8
Attributable to:						
Owners of the Company	**132,100**	**195,491**	(32.4)	**635,333**	**543,023**	17.0
Non-controlling interests	56,072	45,223	24.0	123,642	65,282	89.4
Profit for the period	188,172	240,714	(21.8)	758,975	608,305	24.8
Earnings per share						
- basic	14.5 cents	21.5 cents	(32.6)	69.2 cents	59.0 cents	17.3
- diluted	13.8 cents	20.5 cents	(32.7)	66.6 cents	56.9 cents	17.0

NM: Not Meaningful

* The 2010 comparative figures have been restated to take into account the retrospective adjustments arising from the adoption of INT FRS 115 – *Agreements for the Construction of Real Estate* 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 Third quarter ended 30 September		The Group 9-month period ended 30 September	
	2011 S$'000	2010 S$'000	2011 S$'000	2010 S$'000
Interest income	6,312	6,939	19,571	21,638
Profit/(loss) on sale of investments, investment properties and property, plant and equipment (net)	59	(86)	230,645	44,024
Gain on dilution/disposal of investment in an associate (net)	15	25,470	418	25,470
Gain on disposal/liquidation/dilution of investment in jointly-controlled entities	-	111	5,519	522
Loss on disposal/dilution of investment in subsidiaries (net)	(42)	-	(2,330)	-
Investment income	3,034	5,687	8,596	13,491
Depreciation and amortisation	(30,578)	(34,424)	(98,607)	(103,490)
Interest expenses	(16,427)	(13,740)	(47,850)	(42,386)
Net exchange (loss)/gain	(5,855)	5,540	(7,263)	7,312
Net change in fair value of financial assets at fair value through profit or loss:				
- held for trading	(6,082)	3,572	(9,395)	(542)
- designated as such upon initial recognition	-	1,341	145	7,437
Impairment loss on property, plant and equipment	(8,666)	-	(8,666)	-
Impairment loss on loans to a jointly-controlled entity	(234)	(175)	(718)	(933)

(2) Other operating income, comprising mainly management fee, miscellaneous income and profit on sale of investments, investment properties and property, plant and equipment, decreased by $25.9 million to $0.6 million (Q3 2010: $26.5 million) for Q3 2011 but increased by $171.4 million to $244.2 million (YTD September 2010: $72.8 million) for YTD September 2011. The decrease for Q3 2011 was mainly due to absence of gain recognised in relation to dilution of interest in CDL Hospitality Trusts (CDLHT) following a CDLHT private placement issue in Q3 2010. For YTD September 2011, the increase was due to profit recorded on the disposal of The Corporate Office and a strata unit in GB Building in Q1 2011 and The Corporate Building in Q2 2011, coupled with a gain of £17.4 million (approximately S$35.4 million) recognised on the sale and leaseback of Studio M Hotel to CDLHT in Q2 2011. For YTD September 2010, gains were recognised for the disposal of North Bridge Commercial Complex and The Office Chamber in Q1 2010 and Q2 2010 respectively.

(3) Administrative expenses comprise mainly depreciation, hotel administrative expenses, operating lease expenses, and salaries and related expenses. This had increased by $13.0 million to $126.7 million (Q3 2010: $113.7 million) for Q3 2011 and by $15.6 million to $374.2 million (YTD September 2010: $358.6 million) for YTD September 2011. The increases for both Q3 2011 and YTD September 2011 were attributable to higher salaries and related expenses incurred as well as increased rental expenses incurred for the leasing of hotels from CDLHT. These increases were partially offset by lower depreciation following the disposal of several investment properties in 2010 and 2011.

(4) Other operating expenses comprise mainly property taxes and insurance on hotels, other operating expenses on hotels, net exchange differences, impairment losses and professional fees, increased by $8.1 million to $92.2 million (Q3 2010: $84.1 million) for Q3 2011 and by $12.7 million to $288.5 million (YTD September 2010: $275.8 million) for YTD September 2011. The increases for both Q3 2011 and YTD September 2011 were due to net exchange losses recognised in 2011 vis-à-vis net exchange gains in 2010 and an impairment charge made on a hotel in United States in Q3 2011, but partially mitigated by a release of £6.8 million (approximately S$13.7 million) dilapidation provision for Millennium Hotel & Resort Stuttgart whose lease expired on August 2011. In addition, higher operating expenses for YTD September 2011 was also due to loss recognised on divestment of interest in a wholly-owned subsidiary to a jointly-controlled entity.

(5) Finance income comprise mainly interest income, fair value gains on financial assets held for trading and fair value gains on financial assets designated at fair value upon initial recognition. Finance income decreased by $2.6 million and $9.9 million for Q3 2011 and YTD September 2011 respectively due to lower fair value gains recognised and interest income earned on the convertible notes issued by a jointly-controlled entity.

(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 $8.4 million and $13.1 million for Q3 2011 and YTD September 2011 respectively due to increase in interest expenses incurred on borrowings and higher fair value loss recognised on financial assets held for trading as a result of the adverse movement in global financial market in Q3 2011. The higher interest expenses was due to consolidation of bank borrowings of Beijing Fortune Co., Ltd which became a subsidiary of the Group in November 2010, partially offset by repayment of borrowings.

(7) Share of after-tax profit of associates relates to the Group's share of results of CDLHT and First Sponsor Capital Limited (FSCL) which are held via the Company's 54% owned subsidiary Millennium & Copthorne Hotels plc. The increases for Q3 2011 and YTD September 2011 by $2.0 million and $10.8 million respectively were mainly due to increased contribution from CDLHT and lower share of losses in FSCL this year as compared to 2010. The share of losses of FSCL in 2010 was much higher due to provision for debtors and the write-off of fees and monies believed to have been misappropriated by one of the FSCL's joint venture partners in one of FSCL's subsidiaries.

(8) For Q3 2011, share of after-tax loss of $1.4 million was recognised vis-à-vis after-tax profit of $1.9 million in Q3 2010 as a result of recognition of fair value losses on financial assets held for trading in Q3 2011 vis-à-vis fair value gains in Q3 2010 by a jointly-controlled entity. For YTD September 2011, share of after-tax profit of jointly-controlled entities decreased by $37.6 million to $18.9 million (YTD September 2010: $56.5 million) mainly due to the adoption of INT FRS 115 which resulted in retrospective adjustments to the profit contribution from The Oceanfront @ Sentosa Cove pertaining to units sold under deferred payment scheme. Profit recognition for such units was recognised entirely in Q1 2010 as The Oceanfront @ Sentosa Cove obtained Temporary Occupation Permit in that quarter.

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

	The Group Third quarter ended 30 September		The Group 9-month period ended 30 September	
	2011	**2010 (Restated)**	**2011**	**2010 (Restated)**
The tax charge relates to the following:	**S$'m**	**S$'m**	**S$'m**	**S$'m**
Profit for the period	49.5	48.2	159.8	136.8
(Over)/Underprovision in respect of prior periods	(20.2)	(14.9)	(28.7)	12.1
	29.3	33.3	131.1	148.9

The overall effective tax rate of the Group was 13.5% (Q3 2010: 12.1%) for Q3 2011 and 14.7% (YTD September 2010: 19.7%) for YTD September 2011. Excluding the (over)/underprovision in respect of prior periods, the effective tax rate for the Group is 22.8% (Q3 2010: 17.6%) for Q3 2011 and 18.0% (YTD September 2010: 18.1%) for YTD September 2011.

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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 30.09.2011	As at 31.12.2010 (Restated)	As at 31.12.2009 (Restated)	As at 30.09.2011	As at 31.12.2010 (Restated)	As at 31.12.2009 (Restated)
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Non-current assets							
Property, plant and equipment		3,288,603	3,410,448	3,616,768	8,191	8,695	8,010
Investment properties		2,925,898	2,784,907	3,063,766	524,245	530,908	540,212
Lease premium prepayment		89,875	88,079	-	-	-	-
Investments in subsidiaries		-	-	-	2,262,306	2,262,806	2,259,199
Investments in associates		360,162	398,367	345,725	-	-	-
Investments in jointly-controlled entities	(1)	682,745	537,110	637,826	36,360	36,360	36,360
Investments in financial assets	(2)	148,416	379,900	393,660	25,034	32,353	33,543
Other non-current assets	(3)	245,986	172,465	121,243	222,464	415,871	638,260
		7,741,685	**7,771,276**	**8,178,988**	**3,078,600**	**3,286,993**	**3,515,584**
Current assets							
Development properties		3,010,326	3,311,162	3,121,489	743,476	1,138,727	1,109,807
Lease premium prepayment		2,609	2,493	-	-	-	-
Consumable stocks		8,725	9,552	10,143	85	77	-
Financial assets		26,092	35,885	32,671	-	-	-
Assets classified as held for sale	(4)	-	81,972	14,782	-	-	-
Trade and other receivables		1,343,228	876,592	757,820	4,178,529	3,574,406	2,592,156
Cash and cash equivalents		2,601,942	1,873,826	981,486	1,530,683	981,090	407,571
		6,992,922	**6,191,482**	**4,918,391**	**6,452,773**	**5,694,300**	**4,109,534**
Total assets		**14,734,607**	**13,962,758**	**13,097,379**	**9,531,373**	**8,981,293**	**7,625,118**
Equity attributable to Owners of the Company							
Share capital		1,991,397	1,991,397	1,991,397	1,991,397	1,991,397	1,991,397
Reserves		4,658,066	4,271,113	3,812,310	3,404,550	2,841,573	2,583,019
		6,649,463	6,262,510	5,803,707	5,395,947	4,832,970	4,574,416
Non-controlling interests		1,784,537	1,717,749	1,691,707	-	-	-
Total equity		**8,434,000**	**7,980,259**	**7,495,414**	**5,395,947**	**4,832,970**	**4,574,416**
Non-current liabilities							
Interest-bearing borrowings*		2,838,099	3,425,299	3,197,816	1,374,965	2,270,778	1,753,286
Employee benefits		38,070	33,201	40,682	-	-	-
Other liabilities		82,624	76,880	89,301	171,087	171,203	92,542
Provisions		2,794	4,249	1,818	-	-	-
Deferred tax liabilities		380,884	423,081	407,542	50,104	89,968	73,607
		3,342,471	**3,962,710**	**3,737,159**	**1,596,156**	**2,531,949**	**1,919,435**
Current liabilities							
Trade and other payables		1,112,826	943,850	795,599	1,242,190	1,241,212	777,938
Interest-bearing borrowings*		1,528,971	780,002	818,312	1,154,655	277,404	244,962
Employee benefits		16,273	14,895	15,383	2,684	2,097	2,067
Other liabilities		101	135	75	-	-	-
Provision for taxation		289,218	264,357	230,528	139,741	95,661	106,300
Provisions		10,747	14,895	4,335	-	-	-
Liabilities classified as held for sale	(4)	-	1,655	574	-	-	-
		2,958,136	**2,019,789**	**1,864,806**	**2,539,270**	**1,616,374**	**1,131,267**
Total liabilities		**6,300,607**	**5,982,499**	**5,601,965**	**4,135,426**	**4,148,323**	**3,050,702**
Total equity and liabilities		**14,734,607**	**13,962,758**	**13,097,379**	**9,531,373**	**8,981,293**	**7,625,118**

* 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) The increase was due to subscription of shares issued by Scottsdale Properties Pte. Ltd. (Scottsdale). Scottsdale was previously a wholly-owned subsidiary of the Group. Following a joint venture between the Group and IOI Corporation Berhad, the Group's interest in Scottsdale was diluted and it became a jointly-controlled entity of the Group.

2) The decrease was due to de-consolidation of Allventure Limited (Allventure), following the disposal of this company to Scottsdale in Q2 2011. Allventure holds part of the convertible notes issued by South Beach Consortium Pte. Ltd.

3) The increase was mainly due to additional loans granted to a jointly-controlled entity and an associate. This is partially offset by the de-consolidation of Allventure following the disposal of this company to Scottsdale.

4) The decrease in assets and liabilities classified as held for sale was due to the completion of the sale of The Corporate Office, a strata unit in GB Building, The Corporate Building as well as the sale and leaseback of Studio M Hotel to CDL Hospitality Trusts by 30 September 2011.

5) 2010 and 2009 comparative figures have been restated to take into account of the retrospective adjustments arising from the adoption of INT FRS 115 – *Agreements for the Construction of Real Estate* as detailed in item 5 of this announcement.

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 30.09.2011 S$'000	As at 31.12.2010 S$'000
Unsecured			
-repayable within one year		1,412,860	423,414
-repayable after one year		1,907,019	2,744,867
	(a)	3,319,879	3,168,281
Secured			
-repayable within one year		118,639	356,851
-repayable after one year		943,137	694,797
	(b)	1,061,776	1,051,648
Gross borrowings	(a)+(b)	4,381,655	4,219,929
Less: cash and cash equivalents		(2,601,942)	(1,873,826)
Net borrowings		1,779,713	2,346,103

Details of any collateral

Where secured, borrowings are collateralised by:

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

	Third quarter ended 30 September		9-month period ended 30 September	
	2011	2010 (Restated)	2011	2010 (Restated)
	S$'000	S$'000	S$'000	S$'000
Operating Activities				
Profit for the period	188,172	240,714	758,975	608,305
Adjustments for:				
Depreciation and amortisation	30,578	34,424	98,607	103,490
Dividend income	(3,034)	(5,687)	(8,596)	(13,491)
Equity settled share-based transactions	497	1,272	1,192	3,842
Finance income	(6,307)	(8,899)	(20,069)	(30,038)
Finance costs	21,181	12,772	62,384	49,300
Gain on disposal/dilution of investment in an associate (net)	(15)	(25,470)	(418)	(25,470)
Gain on disposal/liquidation/dilution of investment in jointly-controlled entities	-	(111)	(5,519)	(522)
Loss on disposal/dilution of subsidiaries (net)	42	-	2,330	-
Impairment loss on loan to a jointly-controlled entity	234	175	718	933
Impairment loss on property, plant and equipment	8,666	-	8,666	-
Income tax expense	29,347	33,285	131,136	148,923
(Profit)/Loss on sale of property, plant and equipment and investment properties	(59)	83	(230,521)	(43,736)
Loss/(Profit) on sale of investments	-	3	(124)	(288)
Property, plant and equipment and investment properties written off	5	-	34	65
Share of after-tax profit of associates	(4,460)	(2,440)	(17,141)	(6,352)
Share of after-tax loss/(profit) of jointly-controlled entities	1,439	(1,862)	(18,888)	(56,459)
Units in an associate received and receivable in lieu of fee income	(2,513)	(2,103)	(8,438)	(5,943)
Operating profit before working capital changes	263,773	276,156	754,328	732,559
Changes in working capital				
Development properties	177,224	(207,130)	397,411	(250,110)
Stocks, trade and other receivables	(59,727)	130,620	(311,409)	(13,256)
Trade and other payables	5,817	(75,501)	171,317	67,956
Employee benefits	1,536	562	2,386	(2,055)
Cash generated from operations	388,623	124,707	1,014,033	535,094
Income tax paid	(71,060)	(45,882)	(139,437)	(113,336)
Cash flows from operating activities carried forward	**317,563**	**78,825**	**874,596**	**421,758**

	Third quarter ended 30 September		9-month period ended 30 September	
	2011	2010 (Restated)	2011	2010 (Restated)
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities brought forward	**317,563**	**78,825**	**874,596**	**421,758**
Investing Activities				
Capital expenditure on investment properties[(1)]	(171,799)	(6,445)	(181,410)	(38,219)
Dividends received:				
- an associate	18,034	16,249	35,846	31,851
- jointly-controlled entities	15,216	45,000	18,475	74,020
- financial investments	2,853	5,388	8,415	7,295
Disposal of subsidiaries (net of cash acquired)[(2)]	(98)	-	264,325	-
Increase in intangibles assets	-	-	(261)	-
Interest received	3,626	1,715	8,968	5,615
Proceeds from disposal of a jointly-controlled entity	-	111	1,465	522
Payments for purchase of property, plant and equipment[(3)]	(25,252)	(14,888)	(156,771)	(59,782)
Proceeds from sale of property, plant and equipment and investment properties[(4)]	198	273	430,268	59,011
(Increase)/decrease in investments in associates	(32)	-	1,516	(7,433)
Purchase of investments in jointly-controlled entities[(5)]	(5,221)	(4,601)	(274,363)	(4,601)
Disposal of financial assets	2,248	9,735	6,614	5,940
Cash flows (used in)/from investing activities	(160,227)	52,537	163,087	74,219
Financing Activities				
Net (advances to)/repayment by related parties	(9,532)	92,454	(149,971)	85,375
Capital contribution by non-controlling interests	249	253	1,874	416
Dividends paid	(49,357)	(736)	(233,876)	(89,266)
Increase in/(Repayment of) finance lease	1	-	4	(4)
Interest paid (including amounts capitalised as investment properties, property, plant and equipment and development properties)	(21,071)	(19,865)	(66,632)	(60,822)
Net (repayments of)/proceeds from revolving credit facilities and short-term bank borrowings	(140,859)	(363,644)	240,796	(374,973)
Payment of financing transaction costs	(1,084)	(3,213)	(5,045)	(6,338)
Proceeds from bank borrowings	284,861	143,396	284,861	319,829
Proceeds from issuance of bonds and notes	50,000	499,540	105,000	1,020,180
Increase in/(repayment of) other long-term liabilities	13	290	(176)	1,355
Repayment of bank borrowings	(233,380)	(99,542)	(383,927)	(278,858)
Repayment of bonds and notes	-	(174,830)	(216,675)	(520,666)
Cash flows (used in)/from financing activities[(6)]	(120,159)	74,103	(423,767)	96,228
Net increase in cash and cash equivalents carried forward	**37,177**	**205,465**	**613,916**	**592,205**

	Third quarter ended 30 September		9-month period ended 30 September	
	2011	2010 (Restated)	2011	2010 (Restated)
	S$'000	S$'000	S$'000	S$'000
Net increase in cash and cash equivalents brought forward	**37,177**	**205,465**	**613,916**	**592,205**
Cash and cash equivalents at beginning of the period	2,440,115	1,354,408	1,872,974	980,134
Effect of exchange rate changes on balances held in foreign currencies	5,159	(6,500)	(4,439)	(18,966)
Cash and cash equivalents at end of the period	**2,482,451**	**1,553,373**	**2,482,451**	**1,553,373**
Cash and cash equivalents comprise:-				
Cash and cash equivalents as shown in the Balance Sheet	2,601,942	1,554,143	2,601,942	1,554,143
Less: Bank overdrafts	(119,491)	(770)	(119,491)	(770)
	2,482,451	**1,553,373**	**2,482,451**	**1,553,373**

Notes to consolidated statement of cash flows

(1) This relates mainly to acquisition of a land site in the Ginza district of Tokyo, Japan on 30 September 2011, where the Group intends to construct a 325-room deluxe hotel.

(2) This relates mainly to proceeds received from sale of a wholly-owned subsidiary, Allventure Limited (Allventure), which held the convertible notes issued by South Beach Consortium Pte. Ltd. (SBCPL), to a jointly-controlled entity, Scottsdale Properties Pte. Ltd. (Scottsdale).

(3) This relates primarily to payment made to purchase a land site at Robertson Quay, construction of hotel component at Quayside Collection site and refurbishment work at Millennium Seoul Hilton.

(4) This relates mainly to proceeds from sale of The Corporate Office, a strata unit in GB Building and The Corporate Building in 1H 2011 as well as proceeds from sale and leaseback of Studio M Hotel in Q2 2011.

(5) This relates mainly to the subscription of additional shares issued by Scottsdale in Q2 2011 so as to fund the acquisition of the remaining 66.66% interest in SBCPL and the purchase of Allventure.

(6) For Q3 2011, the Group had a net cash outflow from financing activities of $120.2 million (Q3 2010: net cash inflow of $74.1 million) due to net repayment of bank borrowings and bonds and notes of $39.4 million (Q3 2010: net proceeds of $4.9 million) in Q3 2011 and payment of a special interim ordinary dividend of 5 cents per ordinary share in September 2011. In Q3 2010, there was repayment of loans primarily from a jointly-controlled entity which developed The Oceanfront @ Sentosa Cove, following its completion in 2010.

For YTD September 2011, the Group had a net cash outflow from financing activities of $423.8 million (YTD September 2010: net cash inflow of $96.2 million). This was due to advances given to First Sponsor Capital Limited and South Beach Consortium Pte. Ltd., payments of $233.9 million made in relation to a special final ordinary dividend of 10 cents per ordinary share for the financial year ended 31 December 2010 in May 2011 and the aforesaid special interim ordinary dividend in September 2011. In addition, there were lower net proceeds received from borrowings in 2011 of $30.1 million as compared to $165.5 million for YTD September 2010.

1(d) Consolidated Statement of Comprehensive Income

	Third quarter ended 30 September		9-month period ended 30 September	
	2011	2010 (Restated)	2011	2010 (Restated)
	S$'000	S$'000	S$'000	S$'000
Profit for the period	188,172	240,714	758,975	608,305
Other comprehensive income:				
Actuarial (losses)/gains on defined benefit plans	(4,071)	7	(4,071)	(2,306)
Change in fair value of equity investments available for sale	(6,537)	724	(10,998)	(1,595)
Effective portion of changes in fair value of cashflow hedges	(420)	(705)	451	(1,452)
Exchange differences on hedge of net investment in foreign entities	(6,980)	33,882	182	(17,220)
Exchange differences on monetary items forming part of net investments in foreign entities	16,364	(11,677)	4,229	(16,285)
Exchange differences realised on dilution of investment in an associate	-	524	-	524
Realisation of share of other reserve movement of an associate on dilution of investment in the associate	-	1,032	-	1,032
Share of other reserve movement of an associate	(1,302)	-	(9,691)	-
Share of other reserve movement of a jointly-controlled entity	-	-	13	-
Translation differences arising on consolidation of foreign entities	56,957	(81,813)	(51,030)	(115,946)
Other comprehensive income for the period, net of income tax	**54,011**	**(58,026)**	**(70,915)**	**(153,248)**
Total comprehensive income for the period	**242,183**	**182,688**	**688,060**	**455,057**
Attributable to:				
Owners of the Company	**168,201**	**164,331**	**603,730**	**481,795**
Non-controlling interests	73,982	18,357	84,330	(26,738)
Total comprehensive income for the period	**242,183**	**182,688**	**688,060**	**455,057**

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 2011, as previously reported	1,991.4	148.1	23.9	(322.4)	4,555.3	6,396.3	1,717.7	8,114.0
Effect of adopting INT FRS 115	-	-	-	-	(133.8)	(133.8)	-	(133.8)
At 1 January 2011, restated	1,991.4	148.1	23.9	(322.4)	4,421.5	6,262.5	1,717.7	7,980.2
Profit for the period	-	-	-	-	282.3	282.3	16.6	298.9
Other comprehensive income								
Change in fair value of equity investments available for sale	-	-	0.8	-	-	0.8	-	0.8
Effective portion of changes in fair value of cash flow hedges	-	-	0.5	-	-	0.5	0.5	1.0
Exchange differences on hedges of net investment in foreign entities	-	-	-	4.0	-	4.0	3.5	7.5
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(6.4)	-	(6.4)	0.3	(6.1)
Share of other reserve movement of an associate	-	-	(0.1)	-	-	(0.1)	(0.1)	(0.2)
Translation differences arising on consolidation of foreign entities	-	-	-	(10.5)	-	(10.5)	(29.8)	(40.3)
Other comprehensive income for the period, net of income tax	-	-	1.2	(12.9)	-	(11.7)	(25.6)	(37.3)
Total comprehensive income for the period	-	-	1.2	(12.9)	282.3	270.6	(9.0)	261.6
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital contribution from non-controlling interests	-	-	-	-	-	-	1.4	1.4
Share-based payment transactions	-	-	0.6	-	-	0.6	0.5	1.1
Dividends	-	-	-	-	-	-	(1.3)	(1.3)
At 31 March 2011	1,991.4	148.1	25.7	(335.3)	4,703.8	6,533.7	1,709.3	8,243.0
Profit for the period	-	-	-	-	220.9	220.9	51.0	271.9
Other comprehensive income								
Change in fair value of equity investments available for sale	-	-	(5.2)	-	-	(5.2)	-	(5.2)
Effective portion of changes in fair value of cash flow hedges	-	-	(0.1)	-	-	(0.1)	-	(0.1)
Exchange differences on hedges of net investment in foreign entities	-	-	-	(0.1)	-	(0.1)	(0.2)	(0.3)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(5.2)	-	(5.2)	(0.8)	(6.0)
Share of other reserve movement of an associate	-	-	(3.5)	-	-	(3.5)	(4.7)	(8.2)
Translation differences arising on consolidation of foreign entities	-	-	-	(41.8)	-	(41.8)	(26.0)	(67.8)
Other comprehensive income for the period, net of income tax	-	-	(8.8)	(47.1)	-	(55.9)	(31.7)	(87.6)
Total comprehensive income for the period	-	-	(8.8)	(47.1)	220.9	165.0	19.3	184.3
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital contribution from non-controlling interests	-	-	-	-	-	-	0.3	0.3
Share-based payment transactions	-	-	(1.3)	-	-	(1.3)	(1.2)	(2.5)
Dividends	-	-	-	-	(170.1)	(170.1)	(13.1)	(183.2)
At 30 June 2011	1,991.4	148.1	15.6	(382.4)	4,754.6	6,527.3	1,714.6	8,241.9

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

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 July 2011	1,991.4	148.1	15.6	(382.4)	4,754.6	6,527.3	1,714.6	8,241.9
Profit for the period	-	-	-	-	132.1	132.1	56.1	188.2
Other comprehensive income								
Actuarial losses on defined benefit plans	-	-	-	-	(2.2)	(2.2)	(1.9)	(4.1)
Change in fair value of equity investments available for sale	-	-	(6.5)	-	-	(6.5)	-	(6.5)
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	-	-	-	(3.7)	-	(3.7)	(3.3)	(7.0)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	15.7	-	15.7	0.6	16.3
Share of other reserve movement of an associate			(0.6)	-	-	(0.6)	(0.7)	(1.3)
Translation differences arising on consolidation of foreign entities	-	-	-	33.6	-	33.6	23.4	57.0
Other comprehensive income for the period, net of income tax	-	-	(7.3)	45.6	(2.2)	36.1	17.9	54.0
Total comprehensive income for the period	-	-	(7.3)	45.6	129.9	168.2	74.0	242.2
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital contribution from non-controlling interests	-	-	-	-	-	-	0.2	0.2
Share-based payment transactions	-	-	(0.5)	-	-	(0.5)	(0.4)	(0.9)
Dividends	-	-	-	-	(45.5)	(45.5)	(3.9)	(49.4)
At 30 September 2011	1,991.4	148.1	7.8	(336.8)	4,839.0	6,649.5	1,784.5	8,434.0

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

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 2010, as previously reported	1,991.4	147.6	25.3	(83.0)	3,891.2	5,972.5	1,691.7	7,664.2
Effect of adopting INT FRS 115	-	-	-	-	(168.8)	(168.8)	-	(168.8)
At 1 January 2010, restated	1,991.4	147.6	25.3	(83.0)	3,722.4	5,803.7	1,691.7	7,495.4
Profit for the period, restated	-	-	-	-	158.7	158.7	17.1	175.8
<u>Other comprehensive income</u>								
Change in fair value of equity investments available for sale	-	-	(1.4)	-	-	(1.4)	-	(1.4)
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	-	-	-	(19.0)	-	(19.0)	(16.5)	(35.5)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	2.0	-	2.0	1.1	3.1
Translation differences arising on consolidation of foreign entities	-	-	-	11.0	-	11.0	4.9	15.9
Other comprehensive income for the period, net of income tax	-	-	(1.5)	(6.0)	-	(7.5)	(10.6)	(18.1)
Total comprehensive income for the period	-	-	(1.5)	(6.0)	158.7	151.2	6.5	157.7
Transactions with owners, recorded directly in equity								
<u>Contributions by and distributions to owners</u>								
Capital contribution from non-controlling interests	-	-	-	-	-	-	0.1	0.1
Share-based payment transactions	-	-	0.7	-	-	0.7	0.6	1.3
Dividends	-	-	-	-	-	-	(6.8)	(6.8)
At 31 March 2010	1,991.4	147.6	24.5	(89.0)	3,881.1	5,955.6	1,692.1	7,647.7
Profit for the period, restated	-	-	-	-	188.8	188.8	3.0	191.8
<u>Other comprehensive income</u>								
Actuarial losses on defined benefit plans	-	-	-	-	(1.2)	(1.2)	(1.1)	(2.3)
Change in fair value of equity investments available for sale	-	-	(0.9)	-	-	(0.9)	-	(0.9)
Effective portion of changes in fair value of cash flow hedges	-	-	(0.3)	-	-	(0.3)	(0.2)	(0.5)
Exchange differences on hedges of net investment in foreign entities	-	-	-	(8.3)	-	(8.3)	(7.3)	(15.6)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(5.4)	-	(5.4)	(2.3)	(7.7)
Translation differences arising on consolidation of foreign entities	-	-	-	(6.4)	-	(6.4)	(43.7)	(50.1)
Other comprehensive income for the period, net of income tax	-	-	(1.2)	(20.1)	(1.2)	(22.5)	(54.6)	(77.1)
Total comprehensive income for the period	-	-	(1.2)	(20.1)	187.6	166.3	(51.6)	114.7
Transactions with owners, recorded directly in equity								
<u>Contributions by and distributions to owners</u>								
Capital contribution from non-controlling interests	-	-	-	-	-	-	0.1	0.1
Share-based payment transactions	-	-	0.7	-	-	0.7	0.5	1.2
Dividends	-	-	-	-	(79.2)	(79.2)	(2.5)	(81.7)
At 30 June 2010	1,991.4	147.6	24.0	(109.1)	3,989.5	6,043.4	1,638.6	7,682.0

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

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 July 2010	1,991.4	147.6	24.0	(109.1)	3,989.5	6,043.4	1,638.6	7,682.0
Profit for the period, restated	-	-	-	-	195.5	195.5	45.2	240.7
Other comprehensive income								
Change in fair value of equity investments available for sale	-	-	0.8	-	-	0.8	-	0.8
Effective portion of changes in fair value of cash flow hedges	-	-	(0.4)	-	-	(0.4)	(0.3)	(0.7)
Exchange differences on hedges of net investment in foreign entities	-	-	-	18.1	-	18.1	15.8	33.9
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(11.3)	-	(11.3)	(0.4)	(11.7)
Exchange differences realised on dilution of investment in an associate	-	-	-	0.3	-	0.3	0.2	0.5
Realisation of share of other reserve movement of an associate on dilution of investment in the associate	-	0.5	-	-	-	0.5	0.5	1.0
Translation differences arising on consolidation of foreign entities	-	-	-	(39.2)	-	(39.2)	(42.6)	(81.8)
Other comprehensive income for the period, net of income tax	-	0.5	0.4	(32.1)	-	(31.2)	(26.8)	(58.0)
Total comprehensive income for the period	-	0.5	0.4	(32.1)	195.5	164.3	18.4	182.7
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital contribution from non-controlling interests	-	-	-	-	-	-	0.2	0.2
Share-based payment transactions	-	-	0.7	-	-	0.7	0.6	1.3
Dividends	-	-	-	-	-	-	(0.7)	(0.7)
At 30 September 2010	1,991.4	148.1	25.1	(141.2)	4,185.0	6,208.4	1,657.1	7,865.5

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

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 2011, as previously reported	1,991.4	63.7	13.9	2,826.5	4,895.5
Effect of adopting INT FRS 115	-	-	-	(62.6)	(62.6)
At 1 January 2011, restated	1,991.4	63.7	13.9	2,763.9	4,832.9
Profit for the period	-	-	-	656.7	656.7
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	(0.9)	-	(0.9)
Other comprehensive income for the period, net of income tax	-	-	(0.9)	-	(0.9)
Total comprehensive income for the period	-	-	(0.9)	656.7	655.8
At 31 March 2011	1,991.4	63.7	13.0	3,420.6	5,488.7
Profit for the period	-	-	-	85.1	85.1
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	(0.9)	-	(0.9)
Other comprehensive income for the period, net of income tax	-	-	(0.9)	-	(0.9)
Total comprehensive income for the period	-	-	(0.9)	85.1	84.2
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Dividends	-	-	-	(170.1)	(170.1)
At 30 June 2011	1,991.4	63.7	12.1	3,335.6	5,402.8
Profit for the period	-	-	-	42.8	42.8
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	(4.2)	-	(4.2)
Other comprehensive income for the period, net of income tax	-	-	(4.2)	-	(4.2)
Total comprehensive income for the period	-	-	(4.2)	42.8	38.6
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Dividends	-	-	-	(45.5)	(45.5)
At 30 September 2011	1,991.4	63.7	7.9	3,332.9	5,395.9

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 2010, as previously reported	1,991.4	63.7	14.9	2,543.4	4,613.4
Effect of adopting INT FRS 115	-	-	-	(39.0)	(39.0)
At 1 January 2010, restated	1,991.4	63.7	14.9	2,504.4	4,574.4
Profit for the period, restated	-	-	-	53.9	53.9
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	(0.9)	-	(0.9)
Other comprehensive income for the period, net of income tax	-	-	(0.9)	-	(0.9)
Total comprehensive income for the period	-	-	(0.9)	53.9	53.0
At 31 March 2010	1,991.4	63.7	14.0	2,558.3	4,627.4
Profit for the period, restated	-	-	-	85.2	85.2
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	(0.4)	-	(0.4)
Other comprehensive income for the period, net of income tax	-	-	(0.4)	-	(0.4)
Total comprehensive income for the period	-	-	(0.4)	85.2	84.8
Transactions with owners, recorded directly in equity					
Contributions by and distributions to owners					
Dividends	-	-	-	(79.2)	(79.2)
At 30 June 2010	1,991.4	63.7	13.6	2,564.3	4,633.0
Profit for the period, restated	-	-	-	119.3	119.3
Other comprehensive income					
Change in fair value of equity investments available for sale	-	-	0.6	-	0.6
Other comprehensive income for the period, net of income tax	-	-	0.6	-	0.6
Total comprehensive income for the period	-	-	0.6	119.3	119.9
At 30 September 2010	1,991.4	63.7	14.2	2,683.6	4,752.9

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 three months ended 30 September 2011.

Preference share capital

There was no change in the Company's issued preference share capital during the three months ended 30 September 2011.

As at 30 September 2011, 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 (30 September 2010: 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 30 September 2011 and 31 December 2010.

The total number of issued ordinary shares (excluding treasury shares) as at 30 September 2011 and 31 December 2010 is 909,301,330.

The total number of issued Preference Shares as at 30 September 2011 and 31 December 2010 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 three months ended 30 September 2011.

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 2010.

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 various new/revised Financial Reporting Standards (FRS) and Interpretations of FRSs (INT FRS) which took effect for financial year beginning on 1 January 2011. The adoption of these new/revised FRS and INT FRS did not result in any significant impact on the financial statements of the Group, except for INT FRS 115 - *Agreements for the Construction of Real Estate* that was issued with an Accompanying Note that considers the application of the interpretation for uncompleted residential projects under Singapore legal framework.

INT FRS 115 clarifies when revenue and related expenses from a sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. INT FRS 115 determines that contracts which are not classified as construction contracts in accordance with FRS 11 can only be accounted for under the percentage of completion (POC) method if the entity continuously transfers to the buyer control and the significant risks and rewards of the work in progress in its current state as construction progresses.

Before 1 January 2011, the Group's accounting policy for its property development projects was to recognise revenue using POC method which is an allowed alternative under Recommended Accounting Practice (RAP) 11 – *Pre-completion Contracts for the Sale of Development Property*. Following the adoption of INT FRS 115 on 1 January 2011, RAP 11 was withdrawn.

On the adoption of INT FRS 115, the Group continues to recognise revenue and profit based on POC method for sale of private development properties under the progressive payment scheme in Singapore. For sale of Singapore development properties under deferred payment scheme, the completion of construction method is used. Revenue and profits from sale of development properties under deferred payment scheme are recognised in entirety upon obtaining Temporary Occupation Permit. For the overseas development properties which have yet to be launched, we will take into consideration the legal framework and the industry practices in the country of operation to implement INT FRS 115.

This change of accounting policy was applied retrospectively and the effects of the Group's comparatives for this reporting quarter arising from the adoption of INT FRS 115 are as follows:

Income Statement	Third quarter ended 30 September 2010 S$'000	9-month period ended 30 September 2010 S$'000
Decrease in revenue	(202)	(5,787)
(Increase)/decrease in cost of sales	(44)	12,970
Increase in share of after-tax profit of jointly-controlled entities	-	37,876
Increase in income tax expense	(74)	(1,799)
(Decrease)/increase in profit for the period	(320)	43,260
Increase in basic earnings per share (cents)	-	4.7
Increase in diluted earnings per share (cents)	-	4.5

Statement of Financial Position	As at 31.12.2010 S$'000	As at 31.12.2009 S$'000
Decrease in development properties	(159,830)	(157,146)
Decrease in investments in jointly-controlled entities	-	(37,876)
Decrease in accumulated profits	(133,753)	(168,767)
Decrease in deferred tax liabilities	(26,077)	(26,255)

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.

	Third quarter ended 30 September		9-month period ended 30 September	
	2011	2010 (Restated)	2011	2010 (Restated)
Basic Earnings per share (cents)	14.5	21.5	69.2	59.0
Diluted Earnings per share (cents)	13.8	20.5	66.6	56.9
Earnings per share is calculated based on:				
a) Profit attributable to owners of the Company (S$'000) (*)	132,100	195,491	628,934	536,624
b) Weighted average number of ordinary shares in issue:				
- basic	909,301,330	909,301,330	909,301,330	909,301,330
- diluted (**)	954,300,228	954,300,228	954,300,228	954,300,228

* *After deducting preference dividends of $6,399,000 declared and paid in Q2 2011 (Q2 2010: $6,399,000).*

** *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	
	30.09.2011 S$	31.12.2010 (Restated) S$	30.09.2011 S$	31.12.2010 (Restated) S$
Net Asset Value per ordinary share based on the number of issued 909,301,330 ordinary shares (excluding treasury shares) as at 30 September 2011 (909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2010)	7.31	6.89	5.93	5.32

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

The Group performed well for the 9-month period ended 30 September 2011 (YTD Sept 2011) with an attributable profit after tax and non-controlling interests of $635.3 million, an increase of 17.0% as compared to restated attributable profit of $543.0 million for the corresponding period last year. This was backed by higher contributions from hotel operations and rental properties segments which were boosted by the disposal of The Corporate Office and The Corporate Building in 1H 2011 as well as the sale and leaseback of Studio M to CDL Hospitality Trusts (CDLHT). The improved hospitality market conditions in main gateway cities which drove up the room rate had also benefited the hotel operations. Notwithstanding better performance from the above two business segments, property development business segment remained the biggest contributor to the Group's profit before tax.

Accordingly, the basic earnings per share for YTD Sept 2011 improved by 17.3% to 69.2 cents (Restated YTD Sept 2010: 59.0 cents).

For the quarter ended 30 September 2011 (Q3 2011), the Group's attributable profit after tax and non-controlling interests was $132.1 million (Restated Q3 2010: $195.5 million). Despite the increased contribution from the property development segment, the Group's profit decreased as a result of lower contribution from rental properties following the disposal of non-core investment properties in 2010 and early part of 2011 as well as the absence of gains from dilution of investment in CDLHT following a CDLHT private placement in July 2010. In addition, higher recognition of net unrealised losses arising from fair value readjustments of the Group's trading securities as a result of the adverse movements in global financial markets had also affected the performance of this quarter.

Without factoring in any fair value gains on investment properties, the net gearing ratio of the Group as at 30 September 2011 remains low at 21%, with a strong interest cover at 22.1 times (Restated YTD Sept 2010: 21.9 times). As at 30 September 2011, the Group had cash reserves of $2.6 billion, an increase of 38.9% compared to 31 December 2010, due to strong operating cash flow. The Group has a healthy balance sheet, which will place it in good stead to manage the likely tightening of banking credit lines and increase lending costs as a result of the current European Union (EU) financial crisis.

Property

Advance estimates indicate that Singapore's economy expanded 5.9% on a year-on-year basis in Q3 2011, up from 1.0% growth in Q2 2011. On a seasonally-adjusted quarter-on-quarter annualised basis, the economy expanded by 1.3% in Q3 2011, compared to the 6.3% contraction in the previous quarter, avoiding a technical recession.

On a seasonally-adjusted quarter-on-quarter annualised basis, the manufacturing sector grew by 8.9% in Q3 2011, reversing from its 23.7% decline in the previous quarter. However, both the construction and services sectors contracted by 11.5% following two consecutive quarters of growth and 0.7% respectively. This was largely due to a decline in private sector building activities, while transport & storage and financial services were seeing lower levels of activity compared to the preceding quarter.

In August 2011, the Ministry of National Development (MND) raised the monthly income ceiling of eligible Executive Condominiums (ECs) buyers from $10,000 to $12,000. This gives more families the added option of buying an EC, besides resale flats and private property. It also facilitates upgrading for existing Housing Development Board (HDB) flat owners. ECs have grown in popularity since this announcement. According to Urban Redevelopment Authority (URA), 1,274 uncompleted EC units were sold in Q3 2011, compared with 569 units in Q2 2011.

Q3 2011 turned out to be a strong quarter with sales volume for uncompleted private residential homes hitting 4,192 units (excluding ECs). This is 3.0% lower than the 4,325 units sold in Q2 2011. Demand has been healthy as total sales in the first nine months reached 11,687 units for uncompleted private residential homes, which is 0.7% higher than the same period last year.

URA data indicated that the Residential Property Price Index (PPI) of 205.7 continued to surpass the previous record of 203.0 set in the preceding quarter. Overall, prices of private residential properties increased by 1.3% quarter-on-quarter in Q3 2011, compared with a 2.0% increase in the previous quarter. The rate of increase in private housing prices had moderated in the last 8 consecutive quarters, indicating that the Government's property cooling measures are working. Nonetheless, the Group is of the view that the relatively strong sales volume and sustained residential PPI is due to several factors such as a low interest rate environment, lack of performance from other classes of assets such as the volatile equity market, lower deposit rates and overall, there being a genuine demand for both owner-occupied and investment properties.

In July 2011, the Group launched Blossom Residences – a 602-unit EC located next to Segar LRT station and within the Bukit Panjang locale. It is nestled amongst lush greenery, and has panoramic views of the close-by nature parks including Zhenghua Park, Bukit Panjang Park, Upper Seletar Reservoir and Bukit Timah Nature Reserve. Response to this project has been good. The launch was well received with 453 units sold to-date and the project continues to attain encouraging sales every week.

Other ongoing projects continued to sell reasonably well. At the 521-unit riverfront H_2O Residences at Sengkang, 373 units have been sold to date. Buckley Classique, a unique District 11 freehold residential development comprising 64 luxurious apartments which was launched in June, is now 88% sold.

Joint venture projects also performed well. The 642-unit NV Residences in Pasir Ris is now 96% sold (616 units). At Hedges Park, located at the popular Changi/Pasir Ris locale, over 66% of the 501 units have been sold.

In August 2011, a joint venture between the Group and Hong Realty (a member of the Hong Leong Group of Companies), successfully made the bid of $105 million for a 99-year leasehold landed housing site located at Serangoon Garden Way. Situated in an established and popular residential area, the 28,401.5 square metre (sq m) site is in close proximity to a host of amenities, such as restaurants, renowned eating establishments, and supermarkets at the nearby Serangoon Gardens Village, as well as elite local and international schools like Nanyang Junior College and Stamford American International School. It is also near the Central Expressway and just minutes away from the Lorong Chuan MRT station. Given the very limited supply of landed homes in Singapore, the Group expects this development to be well received.

The Group was also successful in another three public tenders from the Government Land Sales (GLS) programme earlier this year. These include a site at Robertson Quay where the Group is planning a mixed hotel and commercial / residential development, an EC site at Choa Chu Kang Drive situated close to Choa Chu Kang MRT station and a residential site at Bartley Road/Lorong How Sun, adjoining the Bartley MRT station. Besides replenishing the Group's land bank, these four acquisitions were strategically made as the Group sees great potential in the development of these sites. With the exception of the Robertson Quay site, the other three acquired sites are joint venture projects.

For the quarter under review, the Group booked in profits from Hundred Trees, 368 Thomson, One Shenton, The Arte, Cube 8 and Volari. Profits were also booked in from joint venture projects such as Livia, NV Residences, The Gale and Tree House.

No profit was attributed to H_2O Residences, Buckley Classique, Hedges Park and Blossom Residences as construction has either not begun yet or is in its initial stages.

URA statistics showed that overall rentals for office space increased by 0.9% quarter-on-quarter in Q3 2011, compared to 1.5% increase in Q2 2011. Prices of office space increased by 3.7% in Q3 2011, compared with the 3.6% increase in the previous quarter. The island-wide vacancy rate of office space as at Q3 2011 decreased to 11.7%, from 12.5% as at Q2 2011. Total available office space as at Q3 2011 remained stable at 7.2 million sq m.

Based on anecdotal evidence, leasing activities in the oil, gas and commodity sectors were found to be resilient in Q3 2011 but demand from financial institutions was more muted. The amount of occupied office space increased by 52,000 sq m in Q3 2011, resulting in island-wide occupancy to increase to 88.3% - the highest since Q2 2009. Most of the take-up came from the Downtown Core area as tenants move into the newly completed Grade A office buildings. However, the Group is of the view that office rental had increased too quickly and a pause is expected. Now with the European financial crisis, US anaemic recovery and the increased uncertainty in the global economy, companies may put on hold expansion plans or are cutting jobs. Moving forward, the Group believes that this is only temporary. Once economic confidence is restored, demand for office space will be healthy as Singapore is a hub for this region and industries like wealth management is already ramping up their operations and expertise in Singapore.

The Group's office portfolio continued to enjoy healthy occupancy of 93.5%.

Hotels

Millennium & Copthorne Hotels plc (M&C), in which the Group holds a 54% interest, recorded a strong trading performance in Q3 2011 and YTD Sept 2011. M&C achieved net profit after tax and non-controlling interests of £58.5 million in Q3 2011 (Q3 2010: £27.5 million), an increase of 112.7% quarter-on-quarter, and £120.5 million for YTD Sept 2011 (YTD Sept 2010: £64.7 million), an increase of 86.2%. Basic earnings per share increased by 84.1% to 38.3p (2010: 20.8p).

M&C's RevPAR growth was positive across all key gateway cities and most regions. For YTD Sept 2011, overall RevPAR (in constant currency terms) rose by 6.3%. On a like-for-like basis (excluding the three Christchurch hotels, Copthorne Orchid, Studio M and Millennium Hotel & Resort Stuttgart; and including Grand Millennium Beijing) M&C's RevPAR increased by 6.0%. In the key gateway cities like-for-like, RevPAR grew by 6.5% in Singapore, 10.8% in London and 6.7% in New York.

For Q3 2011, asset management initiatives contributed a profit of £33.8 million from the sale of development land in Kuala Lumpur (KL) while the expiry of the lease on Millennium Hotel & Resort Stuttgart on 31 August 2011 resulted in the release of a dilapidation provision. In addition, other asset management initiatives also shaped period-on-period comparisons. These include refurbishment of the Millennium Seoul Hilton and the Orchard Hotel and associated sales and marketing expenses arising from the closure of the Copthorne Orchid on 1 April 2011, prior to its demolition and redevelopment of the site into a condominium. The consolidation of Grand Millennium Beijing (since November 2010 when the Group's stake increased from 30% to 70%) impacted profitability through making a loss after £3.2 million of interest charges.

M&C continued to strengthen its financial position over the nine months period. Net debt fell to £79.4 million at 30 September 2011 (31 December 2010: £165.7 million) principally through strong cash flows from operating activities. Gearing at the end of the third quarter was 3.9% (31 December 2010: 8.5%).

In Asia, M&C is on track to add another gateway city to its global portfolio. On 30 September 2011, M&C completed the acquisition of a land site in the Ginza district of Tokyo, Japan, where it intends to construct a 325-room deluxe hotel. Construction of the hotel is expected to complete by 2014. The purchase price for the property is ¥9.68 billion (approximately S$166.3 million) and the current preliminary estimate of the total investment for land site and development of the property is ¥14.56 billion (approximately S$250.2 million). Apart from M&C, CDL also took a minority stake in this prime project, through its wholly-owned subsidiary, Citydev Venture Holdings Limited. CDL's effective interest in the property is 29.99% (excluding the interest held through the M&C Group), whilst M&C's effective interest in this property is 70.01%. The aggregate investment for CDL is about ¥1.12 billion (approximately S$19.2 million based on S$1 = ¥58.2 as at 27 September 2011).

The development of 150-unit The Glyndebourne condominium in Singapore, started in Q2 2011, following the closure of the Copthorne Orchid Hotel on 1 April 2011. 143 apartments have been sold with a sales value of $517.4 million, representing a price of over $2,000 per square foot. Sales proceeds collected to date total $103.5 million, representing approximately 20% of the sales value.

In terms of refurbishment works, The Millennium Seoul Hilton completed its first phase – the renovation of 249 rooms – at the end of Q2 2011. The Grand Hyatt Taipei, which is undergoing re-cladding of its facade and renovation of the ballrooms, will commence renovation of the guest rooms early next year. Refurbishment work is continuing at both hotels and is planned in stages to minimise disruption to trading.

At Orchard Hotel Singapore, all the rooms of the Claymore Wing have been fully refurbished and completed at the end of Q3 2011. A refurbishment project is scheduled to commence at Grand Millennium KL in December 2011. Refurbishment plans for the Millennium UN Plaza and the Millennium Mayfair are being developed.

In August 2011, M&C completed the sale of 29,127 square feet of development land adjacent to the Grand Millennium KL to Urusharta Cemerlang (KL) Sdn Bhd for a consideration of RM215.1 million.

As previously reported on 28 September 2011, the collective sales agreement with other unit-holders in the Tanglin Shopping Centre, Singapore expired on 26 September 2011, without any acceptable offer to the sales committee.

Development of the residential portion of the Cityspring project in Chengdu, China, is nearing completion. M&C's interest in this project is held through a 41.2% effective interest in First Sponsor Capital Limited (FSCL). As at 30 October 2011, 709 out of the 726 residential units of the project have been sold either under sale and purchase or option agreements. Revenue and profit recognition are expected in 2012. 98% of the sales proceeds have been collected for those residential units sold under sale and purchase agreements. In addition, 513 of the 709 commercial units launched for sale in July 2011 have been sold either under sale and purchase or option agreements. 60% of the sales proceeds have been collected for these commercial units sold under sale and purchase agreements.

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 the second quarter and half year ended 30 June 2011.

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

The outlook for the global economy has been increasingly dampened by economic uncertainty and financial market volatility in the last 6 months. The Eurozone crisis, particularly problems in Greece, which escalated in recent weeks, coupled with the fear of the contagion effect to other euro-area nations such as Italy, have seriously affected stock markets globally. There is also increased concern about the health of the US economy and the economic slowdown in China.

The EU's plans to recapitalise the European banks have caused real concerns and fear to many other countries. On one hand, the world economy needs to recover, but on the other hand, the availability of finance is very limited or unavailable in the West. This poses significant risk to the global economy. The uncertainty of this scenario has caused lenders as well as businesses globally to be more prudent and cautious.

Singapore is not insulated from the softening of global economic conditions. The Monetary Authority of Singapore (MAS) cautioned that due to structural fragilities in some of Singapore's trading partners, the underlying recovery momentum is likely to be modest. The Singapore economy is expected to grow by around 5.0% for the year as a whole.

Some slowdown in the residential property market is expected. On the back of more cautious sentiments, volume of sales will not be as swift as before and prices are likely to hover around current levels in the foreseeable future. Properties in better located development sites, such as those near existing or future MRT/LRT stations, if priced reasonably, will continue to sell. Developers have expressed confidence in such sites based on their keen interest in land tenders under the GLS programme since 2010.

This weekend, the Group will be previewing its latest 892-unit joint venture residential development known as The Palette. Located near Pasir Ris MRT, apartments will be attractively priced at an early bird average price of $870 per square foot, ranging from $561,000 for a 1-bedroom to $1.8 million for a penthouse. For phase 1 of this preview, a good selection of unit types will be released. The Palette is adjoining Livia and NV Residences condominiums – both of which were successfully sold by the Group. This attractive suburban condominium is in the midst of a well-established residential district which is close to main transport nodes, business parks and amenities.

The other project slated for launch next year is the EC development at Choa Chu Kang. Conveniently located near Choa Chu Kang MRT station and close to amenities such as Lot 1 Shoppers' Mall, it is expected to receive good response.

Construction of Nouvel 18 - the Group's 50% joint venture project with another listed developer, is in progress and the Group will review and assess the market before deciding on its launch.

Other projects that are in the planning process also include the redevelopment of the Lucky Tower site located along Grange Road.

According to URA's Q3 2011 statistics, there is a slower growth of 0.9% quarter-on-quarter for office rents. Furthermore, there is an increase of 0.5% quarter-on-quarter for Grade A offices in the Raffles Place vicinity, as tenants move into the newly completed Grade A office buildings in the Downtown Core area. Conversely, there is relatively little growth for the rest of the CBD area. The Grade A office leasing market in the CBD area is expected to remain stable in the next few quarters.

Construction of the iconic landmark South Beach development at the coveted site on Beach Road is progressing smoothly. Located next to Esplanade and close to City Hall MRT stations, this project will comprise 34-storey and 45-storey towers, accommodating hotel, residential, office and retail space. Construction of the diaphragm wall and piling is 80% completed. This project is on track to complete in 2015.

CDL China Limited, the Group's wholly-owned subsidiary, is working closely with renowned architect Moshe Safdie, who also designed the Marina Bay Sands in Singapore, to come up with an iconic design for its 43,000 sq m (approximately 463,000 square feet) luxury residential development in Chongqing, western China. Construction of the planned luxury units is expected to commence next year. In addition, following CDL China's successful land acquisition in July this year of a prime site in Suzhou with permissible GFA of 295,455 sq m (approximately 3.2 million square feet), it is in the midst of selecting an appropriate architect for this prized land parcel which will comprise about 750 high-end residential apartments, an office tower, SOHO units, a retail mall and a luxury hotel. Genway Housing Development Group Co., Ltd, an experienced government-owned developer that has developed over 7 million sq m of projects in Suzhou, has taken a 30% stake in this project.

The unprecedented Bangkok floods has caused major concerns for businesses and tourism in the capital. So far, flood waters have not reached the Group's properties such as Exchange Tower and Millennium Hilton Hotel. The Exchange Tower continues to maintain healthy occupancy of 96%.

Hotels

Whilst trading in the quarter under review is positive, it is evident that there is more caution amongst business customers, especially in the US and Europe. This reflects primarily the continuing anxieties with regard to events in the Eurozone. Business spending is becoming cautious and this has reduced forward visibility on earnings, particularly for the western regions.

M&C has a well diversified geographical portfolio of hotels. While the west will grapple with its challenges, hospitality in Asia is likely to be less affected. For the month of October 2011 and on a like-for-like basis, M&C's RevPAR increased by 3.9% with New York increasing by 6.1%, London by 4.0% and Singapore (like-for-like excluding Copthorne Orchid) by 3.0%.

Group Prospects

The global economic uncertainty will affect the momentum in Asia. If the European sovereign debt crisis worsens, investor sentiments will somewhat be affected as borrowing costs in Asia may increase due to credit crunch if European banks pull back from the region.

While it is prudent to control escalating property prices, the task is not easily executed. In general, the property sector is usually a pillar to the economy and a fine balance needs to be struck correctly.

The economic woes in Europe have been prolonged and many countries are hoping to see some resolution to the problems sooner rather than later. Singapore has always responded swiftly and remained nimble to changing economic conditions. Given that the Government has already experienced a couple of global financial crises, the Group has no doubt that our Government will make quick adjustments to their policies when needed to ensure the continuing growth of the country and sustaining the health of the real estate market.

The Group is of the view that amidst challenges, there will be opportunities. As always, the Group, cognizant of the global economic developments, will continue to remain vigilant and agile in exercising its financial stewardship. With a strong balance sheet and a war chest, the Group is well positioned to weather this economic turbulence and seize good opportunities in a timely manner, which may arise as a result of this downturn.

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.

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

Name of Dividend	Tax-exempt (One-tier) Special Interim Ordinary Dividend	Tax exempt (One-tier) Preference Dividend
Date of payment	28 September 2011	30 June 2011
Dividend Type	Cash	Cash
Dividend Amount (in cents)	5.0 cents per Ordinary Share	1.93 cents per Preference Share
Dividend rate (in %)	N.A.	3.9% per annum on the issue price of each Preference Share
Dividend period	N.A.	From 31 December 2010 to 29 June 2011 (both dates inclusive)
Issue price	N.A.	$1.00 per Preference Share

On 10 November 2011, the Board of Directors, pursuant to the recommendation of the Audit Committee, declared the payment of a tax-exempt (one-tier) non-cumulative preference dividend to holders of the 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 on the issue price of $1.00 for each Preference Share on the basis of 184 days, being the actual number of days comprised in the dividend period from 30 June 2011 to 30 December 2011, divided by 365 days.

Name of Dividend	Tax-exempt (One-tier) Preference Dividend
Date of payment	3 January 2012
Dividend Type	Cash
Dividend Amount (in cents)	1.97 cents per Preference Share
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share
Dividend period	From 30 June 2011 to 30 December 2011 (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	30 June 2010	31 December 2010
Dividend Type	Cash	Cash
Dividend Amount per Preference Share (in cents)	1.93 cents^	1.97 cents^
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share	3.9% per annum on the issue price of each Preference Share
Dividend period	From 31 December 2009 to 29 June 2010 (both dates inclusive)	From 30 June 2010 to 30 December 2010 (both dates inclusive)
Issue price of Preference Shares	$1.00 per Preference Share	$1.00 per Preference Share

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

(c) Date payable

The tax-exempt (one-tier) preference dividend for the period from 30 June 2011 to 30 December 2011 (both dates inclusive) will be paid on 3 January 2012.

(d) Books Closure Date

5.00 p.m. on 8 December 2011.

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 for the quarter ended 30 September 2011 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than $100,000)	
Hong Leong Investment Holdings Pte. Ltd. group of companies	Property-related (a) Provision of security services to interested person; and (b) provision of cleaning services to interested persons **TOTAL:**	$1,159,488.24 **$1,159,488.24**
Directors and their immediate family members		Nil

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

By Business Segments

	The Group			
	Third quarter ended 30 September		9-month period ended 30 September	
	2011	2010 (Restated)	2011	2010 (Restated)
	S$'000	S$'000	S$'000	S$'000
Revenue				
Property Development	321,845	234,955	1,136,883	974,743
Hotel Operations	394,654	394,212	1,148,283	1,148,143
Rental Properties	67,790	95,226	208,965	254,857
Others	21,522	20,911	64,816	54,089
	805,811	**745,304**	**2,558,947**	**2,431,832**
Profit before income tax (*)				
Property Development	129,599	115,848	392,753	392,299
Hotel Operations	69,274	74,835	208,473	171,534
Rental Properties	32,089	68,600	296,519	181,201
Others	(13,443)	14,716	(7,634)	12,194
	217,519	**273,999**	**890,111**	**757,228**

** 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 increased by $86.8 million to $321.8 million (Restated Q3 2010: $235.0 million) for Q3 2011 and by $162.2 million to $1,136.9 million (Restated YTD September 2010: $974.7 million) for YTD September 2011.

Pre-tax profit increased by $13.8 million to $129.6 million (Restated Q3 2010: $115.8 million) for Q3 2011 but remained relatively constant at $392.8 million (Restated YTD September 2010: $392.3 million) for YTD September 2011.

Projects that contributed to both revenue and profit for 2011 include One Shenton, Cliveden at Grange, Shelford Suites, Wilkie Studio, Livia, Volari, NV Residences, The Residences at W Singapore Sentosa Cove, 368 Thomson, Cube 8, Hundred Trees and Tree House. 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 has not been consolidated into the Group's total revenue, the Group's share of profits arising from such joint venture development has been included in pre-tax profit.

The increase in revenue for Q3 2011 and YTD September 2011 were mainly attributable to maiden contribution from NV Residences, 368 Thomson, Cube 8, Hundred Trees and Tree House in 2011 as well as higher contribution from Volari. In addition, sale of development land in Q3 2011 at £44.2 million (approximately S$88.9 million) in Kuala Lumpur by the Company's 54% owned subsidiary, Millennium & Copthorne Hotels plc, had also boosted the revenue. This was partially offset by the absence of contributions from Tribeca and Wilkie Studio which obtained Temporary Occupancy Permit in 2010 and lower contributions from The Arte, Livia and The Residences at W Singapore Sentosa Cove.

The increase in pre-tax profits for Q3 2011 and YTD September 2011 were in tandem with the increase in revenue. However, the increase in pre-tax profit for YTD September 2011 was substantially offset by the absence of profit contributions from The Oceanfront @ Sentosa Cove, a joint venture project, which obtained Temporary Occupancy Permit in 2010.

Hotel Operations

Though the Group's RevPAR improved in key gateway cities, revenue for this segment for both Q3 2011 and YTD September 2011 remained relatively constant at $394.7 million (Q3 2010: $394.2 million) and $1,148.3 million (YTD September 2010: $1,148.1 million) respectively. This was due to the closure of the Copthorne Orchid Hotel on 1 April 2011 for redevelopment to residential property and closure of three hotels in New Zealand due to the February 2011 earthquake in Christchurch. In addition, the weakening of Sterling pound against Singapore dollars had also impacted the hotel performance upon consolidation at Group level.

Pre-tax profit for Q3 2011 decreased by $5.5 million to $69.3 million (Q3 2010: $74.8 million) due to an impairment loss made on a hotel in United States.

Despite that revenue for YTD September 2011 remained constant, pre-tax profits increased by $37.0 million to $208.5 million (YTD September 2010: $171.5 million) mainly due to gain of £17.4 million (approximately S$35.4 million) on the sale and leaseback of Studio M Hotel to CDL Hospitality Trusts recorded in Q2 2011.

Rental Properties

Revenue decreased by $27.4 million to $67.8 million (Q3 2010: $95.2 million) for Q3 2011 and by $45.9 million to $209.0 million (YTD September 2010: $254.9 million) for YTD September 2011 primarily due to the absence of rental income from North Bridge Commercial Complex, The Office Chamber, Chinatown Point, The Corporate Office and The Corporate Building, following their disposals in 2010 and 1H 2011.

Pre-tax profits decreased by $36.5 million to $32.1 million (Q3 2010: $68.6 million) for Q3 2011 but increased by $115.3 million to $296.5 million (YTD September 2010: $181.2 million) for YTD September 2011.

The decrease in pre-tax profit for Q3 2011, in-line with the lower revenue achieved for the said quarter, was also due to the absence of gain on dilution of investment in CDLHT following a CDLHT private placement issue in Q3 2010.

Despite the decrease in revenue, pre-tax profit for YTD September 2011 increased mainly on account of gains recognised from disposal of The Corporate Building in Q2 2011 as well as sale of The Corporate Office and a strata unit in GB Building in Q1 2011. Included in pre-tax profit for 2010 were gains recognised on sale of North Bridge Commercial Complex and The Office Chamber in Q1 2010 and Q2 2010 respectively.

Others

Revenue, comprising mainly income from building maintenance contracts, project management, club operations as well as dividend income, remained relatively constant at $21.5 million (Q3 2010: $20.9 million) for Q3 2011 and increased by $10.7 million to $64.8 million (YTD September 2010: $54.1 million) for YTD September 2011. The increase in YTD September 2011 was due to higher management fee income.

Whilst revenue had increased, pre-tax losses of $13.4 million for Q3 2011 and $7.6 million for YTD September 2011 were reported respectively as compared to pre-tax profits of $14.7 million and $12.2 million for the corresponding periods in 2010. This was largely due to fair value losses recognised on financial assets held for trading as a result of the adverse movement in global stock market in Q3 2011, contrary to net fair value gains recorded in Q3 2010 and much lower fair value losses accounted in YTD September 2010. In addition, due to the strengthening of the Hong Kong dollars and United States dollars against Singapore dollars in Q3 2011, exchange losses arising from revaluation of borrowings denominated in these two currencies had also negatively impacted the performance of this segment.

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

	Full Year 2010 S$'000	Full Year 2009 S$'000
Ordinary	72,744	72,744
Special	90,930	-
Preference	12,904	12,904
Total	**176,578**	**85,648**

The final tax-exempt (one-tier) ordinary dividend and special final ordinary dividend for the year ended 31 December 2010 of 8.0 cents and 10.0 cents respectively per ordinary share had been approved by the ordinary shareholders at the Annual General Meeting held on 20 April 2011 and the dividend amounts were based on the number of issued ordinary shares as at 5 May 2011. The final tax-exempt (one-tier) ordinary dividend and special final ordinary dividend were paid on 20 May 2011.

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
10 November 2011

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

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 third quarter and the 9-month period ended 30 September 2011 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Kwek Leng Beng
Executive Chairman

Kwek Leng Joo
Managing Director

Singapore, 10 November 2011