Financial Statements and Related Announcement::Third Quarter Results

Issuer & Securities

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

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Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Please refer to the attached documents: 1. Unaudited Third Quarter and Nine-Month Financial Statement for the period ended 30 September 2017; 2. News Release on "CDL Posts Revenue of S$863.1 Million and Profit of S$156.1 Million for Q3 2017"; and 3. Presentation Slides on the Q3 2017 Results.

Additional Details

For Financial Period Ended	30/09/2017

Attachments	CDL_Q32017.pdf CDL_News Release.pdf CDL Q3 2017_Results Presentation.pdf Total size =4447K

CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

UNAUDITED THIRD QUARTER AND NINE-MONTH FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2017

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 2017 S$'000	The Group Third quarter ended 30 September 2016 S$'000	Incr/ (Decr) %	The Group 9-month period ended 30 September 2017 S$'000	The Group 9-month period ended 30 September 2016 S$'000	Incr/ (Decr) %
Revenue	863,109	922,813	(6.5)	2,500,945	2,738,491	(8.7)
Cost of sales	(436,536)	(492,766)	(11.4)	(1,292,140)	(1,510,353)	(14.4)
Gross profit	426,573	430,047	(0.8)	1,208,805	1,228,138	(1.6)
Other operating income [2]	39,154	50,195	(22.0)	41,177	73,532	(44.0)
Administrative expenses [3]	(127,639)	(134,125)	(4.8)	(387,639)	(394,262)	(1.7)
Other operating expenses [4]	(99,697)	(100,830)	(1.1)	(288,352)	(305,478)	(5.6)
Profit from operations	238,391	245,287	(2.8)	573,991	601,930	(4.6)
Finance income [5]	13,258	9,071	46.2	39,727	33,193	19.7
Finance costs [6]	(28,774)	(31,813)	(9.6)	(88,950)	(92,189)	(3.5)
Net finance costs	(15,516)	(22,742)	(31.8)	(49,223)	(58,996)	(16.6)
Share of after-tax profit of associates [7]	7,480	6,389	17.1	15,105	12,974	16.4
Share of after-tax profit of joint ventures [8]	10,705	10,088	6.1	1,428	26,581	(94.6)
Profit before tax [1]	241,060	239,022	0.9	541,301	582,489	(7.1)
Tax expense [9]	(38,985)	(35,616)	9.5	(85,393)	(87,676)	(2.6)
Profit for the period	202,075	203,406	(0.7)	455,908	494,813	(7.9)
Attributable to:						
Owners of the Company	**156,147**	**170,300**	(8.3)	**351,492**	**409,440**	(14.2)
Non-controlling interests	45,928	33,106	38.7	104,416	85,373	22.3
Profit for the period	202,075	203,406	(0.7)	455,908	494,813	(7.9)
Earnings per share						
- basic	17.2 cents	18.7 cents	(8.0)	38.0 cents	44.3 cents	(14.2)
- diluted	16.4 cents	17.8 cents	(7.9)	36.8 cents	42.9 cents	(14.2)

Notes to the Group's Income Statement:

(1) Profit before tax includes the following:

	The Group Third quarter ended 30 September		The Group 9-month period ended 30 September	
	2017 **S$'000**	**2016** **S$'000**	**2017** **S$'000**	**2016** **S$'000**
Interest income	12,228	9,284	36,601	32,636
Gain on loss of control in/liquidation of subsidiaries	-	49,477	-	50,520
Investment income	5,050	5,554	6,460	8,258
Profit/(Loss) on sale/realisation of investments and property, plant and equipment and an investment property (net)	38,590	(57)	39,555	16,923
Loss on disposal/liquidation of a joint venture	(124)	(14)	(124)	(14)
Allowance written back for foreseeable losses on a development property	-	-	15,352	-
Depreciation and amortisation	(55,163)	(51,705)	(162,657)	(156,688)
Interest expenses	(26,322)	(28,794)	(81,743)	(81,499)
Net exchange gain/(loss)	178	1,426	(6,742)	(1,322)
Net change in fair value of financial assets held for trading	803	20	2,899	(1,452)
Impairment loss written back/(made on) loans to a joint venture (net)	132	(244)	22,320	(724)
Impairment loss on available-for-sale financial asset	-	(500)	-	(500)
Impairment loss on goodwill arising from acquisition of a subsidiary	-	-	(6,648)	-

(2) Other operating income comprises mainly management fee, miscellaneous income and profit on sale/realisation of investments and property, plant and equipment. This had decreased by $11.0 million to $39.2 million (Q3 2016: $50.2 million) for third quarter of 2017 (Q3 2017) and $32.3 million to $41.2 million (YTD Sep 2016: $73.5 million) for the 9-month period ended 30 September 2017 (YTD Sep 2017). The decreases for Q3 2017 and YTD Sep 2017 were due to divestment gain recognised in Q3 2016 from sale of the Group’s 52.52% interest in City e-Solutions Limited (CES), partially mitigated by profit recorded from the disposal of an office building in Osaka in Q3 2017. In addition, lower gain recognised for YTD Sep 2017 on realisation of investment in Real Estate Capital Asia Partners Funds (private real estate funds) and gain accounted in Q2 2016 following insurance settlement in respect of material damage claim pertaining to fixtures, fittings and equipment of Millennium Hotel Christchurch (affected by 2011 New Zealand earthquake) also attributed to the decrease for YTD Sep 2017.

(3) Administrative expenses comprise mainly depreciation, hotel administrative expenses, operating lease expenses and salaries and related expenses. This had decreased by $6.5 million to $127.6 million (Q3 2016: $134.1 million) for Q3 2017 and $6.7 million to $387.6 million (YTD Sep 2016: $394.3 million) for YTD Sep 2017. The decreases for both Q3 2017 and YTD September 2017 were largely due to lower salaries and related expenses, partially offset by higher depreciation resulting from the newly acquired hotel, The Lowry Hotel, by CDL Hospitality Trusts (CDLHT) as well as recently refurbished hotels.

(4) Other operating expenses comprise mainly property taxes and insurance on hotels, other operating expenses on hotels, net exchange differences, professional fees and impairment losses made/(write-back of impairment loss) on loans to joint ventures. This had remained flat at $99.7 million (Q3 2016: $100.8 million) for Q3 2017 but decreased by $17.1 million to $288.4 million (YTD Sep 2016: $305.5 million) for YTD Sep 2017. The decrease for YTD Sep 2017 was mainly due to lower professional fees incurred and write-back of impairment loss of approximately $22 million in Q2 2017 previously made on loans advanced by the Group’s subsidiary, Millennium & Copthorne plc (M&C), to its joint venture (Fena Estate Co. Ltd) (Fena) as this amount was subsequently recovered in July 2017 through M&C’s disposal of its interest in Fena. The decrease was partially offset by impairment loss made on goodwill arising from the acquisition of The Lowry Hotel by CDLHT in Q2 2017, coupled with higher exchange losses recognised attributed mainly to the repayment of New Zealand dollar denominated intercompany loan at CDLHT in Q1 2017.

(5) Finance income comprises mainly interest income and fair value gain on financial assets held for trading. This had increased by $4.2 million to $13.3 million (Q3 2016: $9.1 million) for Q3 2017 and $6.5 million to $39.7 million (YTD Sep 2017: $33.2 million) for YTD Sep 2017. The increases for both Q3 2017 and YTD Sep 2017 were due to increased interest income earned from fixed deposits, higher fair value gain on financial assets held for trading, together with interest income earned from notes subscribed by the Group via the Group's third profit participation securities established in Q4 2016. This was partially offset by lower interest income earned from loans advanced to joint ventures.

(6) Finance costs comprise mainly interest on borrowings, fair value loss on financial assets held for trading and amortisation of capitalised transaction costs on borrowings. This had decreased by $3.0 million to $28.8 million (Q3 2016: $31.8 million) and $3.2 million to $89.0 million (YTD Sep 2016: $92.2 million) for Q3 2017 and YTD Sep 2017 respectively. The decrease for Q3 2017 was attributable to lower interest expenses incurred due to lower average borrowings and lower amortisation of capitalised transaction costs on borrowings. For YTD September 2017, the decrease was mainly due to absence of fair value loss on financial assets held for trading from CES following the Group's disposal of CES and lower amortisation of capitalised transaction costs.

(7) Share of after-tax profit of associates relates primarily to the Group's share of results of First Sponsor Group Limited (FSGL). This had increased by $1.1 million to $7.5 million (Q3 2016: $6.4 million) for Q3 2017 and $2.1 million to $15.1 million (YTD Sep 2016: $13.0 million) for YTD Sep 2017. The increases for Q3 2017 and YTD Sep 2017 were mainly due to better performances from its sale of properties with a higher number of residential units being handed over to buyers for the Millennium Waterfront project.

(8) Share of after-tax profit of joint ventures remained relatively flat at $10.7 million (Q3 2016: $10.1 million) for Q3 2017 due to maiden contribution from Forest Woods and higher contribution from Commonwealth Towers in the current quarter which mitigated the decrease in contribution from Echelon that obtained Temporary Occupation Permit (TOP) in Q3 2016. For YTD Sep 2017, this had decreased by $25.2 million to $1.4 million (YTD Sep 2016: $26.6 million) due to absence of contributions from Echelon and Bartley Ridge (TOP in Q4 2016), partially offset by aforesaid contribution from Forest Woods and Commonwealth Towers and the inclusion of pre-operating expenses incurred in the corresponding period last year pursuant to the rebranding exercise of The South Beach into JW Marriott Hotel Singapore South Beach.

(9) 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.

	The Group Third quarter ended 30 September		**The Group 9-month period ended 30 September**	
	2017	**2016**	**2017**	**2016**
The tax charge relates to the following:	**S$'m**	**S$'m**	**S$'m**	**S$'m**
Profit for the period	42.2	34.8	107.9	95.0
(Over)/Under provision in respect of prior periods	(3.2)	0.8	(22.5)	(7.3)
	39.0	35.6	85.4	87.7

The overall effective tax rate of the Group was 16.2% (Q3 2016: 14.9%) for Q3 2017 and 15.8% (YTD Sep 2016: 15.1%) for YTD Sep 2017. Excluding the under/(over) provision in respect of prior periods, the effective tax rate of the Group is 17.5% (Q3 2016: 14.6%) for Q3 2017 and 19.9% (YTD Sep 2016: 16.3%) for YTD Sep 2017.

1(a)(ii) Consolidated Statement of Comprehensive Income

	The Group			
	Third quarter ended 30 September		9-month period ended 30 September	
	2017 S$'000	2016 S$'000	2017 S$'000	2016 S$'000
Profit for the period	202,075	203,406	455,908	494,813
Other comprehensive income:				
Item that will not be reclassified to profit or loss:				
Defined benefit plan remeasurements	-	92	-	193
Items that may be reclassified subsequently to profit or loss:				
Changes in fair value of available-for-sale equity investments	(1,108)	58	2,810	2,129
Effective portion of changes in fair value of cashflow hedges	1,254	-	179	-
Exchange differences on hedge of net investment in foreign entities	4,850	(11,336)	19,251	(49,273)
Exchange differences on monetary items forming part of net investments in foreign entities	(3,208)	13,319	(28,814)	(37,986)
Exchange differences reclassified to profit or loss on disposal of/liquidation of foreign operations	(8,106)	(4,446)	(8,106)	(4,895)
Exchange differences reclassified to profit or loss on disposal/liquidation of a joint venture	124	14	124	14
Exchange differences reclassified to profit or loss upon repayment of intercompany loan which formed part of net investment in foreign entities	-	-	6,499	-
Translation differences arising on consolidation of foreign entities	(13,807)	38,521	(64,084)	(194,869)
Other comprehensive income for the period, net of tax	**(20,001)**	**36,222**	**(72,141)**	**(284,687)**
Total comprehensive income for the period	**182,074**	**239,628**	**383,767**	**210,126**
Attributable to:				
Owners of the Company	**148,807**	**185,362**	**293,512**	**167,065**
Non-controlling interests	33,267	54,266	90,255	43,061
Total comprehensive income for the period	**182,074**	**239,628**	**383,767**	**210,126**

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 30.09.2017 S$'000	As at 31.12.2016 S$'000	As at 30.09.2017 S$'000	As at 31.12.2016 S$'000
Non-current assets					
Property, plant and equipment		5,095,901	5,135,688	7,313	8,368
Investment properties	(1)	2,463,002	2,346,114	444,672	444,682
Lease premium prepayment		106,851	113,587	-	-
Investments in subsidiaries		-	-	2,132,213	2,132,213
Investments in associates		377,379	371,370	-	-
Investments in joint ventures		1,072,043	1,090,142	37,360	37,360
Financial assets	(2)	440,446	398,603	29,544	28,329
Other non-current assets	(3)	466,988	261,353	1,920,827	1,861,215
		10,022,610	**9,716,857**	**4,571,929**	**4,512,167**
Current assets					
Lease premium prepayment		3,808	3,913	-	-
Development properties	(4)	5,049,034	5,208,900	426,647	497,674
Consumable stocks		9,718	11,823	-	-
Financial assets		16,447	16,399	-	-
Assets classified as held for sale	(5)	295,820	-	-	-
Trade and other receivables	(3)	965,149	1,166,493	4,350,723	4,335,835
Cash and cash equivalents		3,502,301	3,673,037	1,776,556	2,043,714
		9,842,277	**10,080,565**	**6,553,926**	**6,877,223**
Total assets		**19,864,887**	**19,797,422**	**11,125,855**	**11,389,390**
Equity attributable to Owners of the Company					
Share capital		1,991,397	1,991,397	1,991,397	1,991,397
Reserves		7,449,833	7,302,411	4,416,304	4,522,002
		9,441,230	9,293,808	6,407,701	6,513,399
Non-controlling interests		2,248,861	2,114,876	-	-
Total equity		**11,690,091**	**11,408,684**	**6,407,701**	**6,513,399**
Non-current liabilities					
Interest-bearing borrowings*		3,462,104	3,954,937	1,687,592	1,808,330
Employee benefits		42,407	42,837	-	-
Other liabilities		379,770	375,646	169,631	170,137
Provisions		78,699	84,917	-	-
Deferred tax liabilities	(6)	213,725	271,013	61,927	66,333
		4,176,705	**4,729,350**	**1,919,150**	**2,044,800**
Current liabilities					
Trade and other payables	(7)	1,931,656	1,575,230	1,993,003	1,809,538
Interest-bearing borrowings*		1,727,833	1,782,830	770,892	998,216
Employee benefits		24,395	24,544	2,482	2,282
Provision for taxation		245,455	251,629	32,627	21,155
Provisions		24,643	25,155	-	-
Liabilities classified as held for sale	(5)	44,109	-	-	-
		3,998,091	**3,659,388**	**2,799,004**	**2,831,191**
Total liabilities		**8,174,796**	**8,388,738**	**4,718,154**	**4,875,991**
Total equity and liabilities		**19,864,887**	**19,797,422**	**11,125,855**	**11,389,390**

* 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 and the Company

1) The increase for the Group was mainly due to acquisition of Pullman Hotel Munich, Germany in July 17 by CDLHT.

2) The increase for the Group was mainly due to the Group's participation in joint investment in a residential land site in Australia by providing funding through subscription of notes.

3) The increase for the Group was mainly due to reclassification of loans due from a joint venture from trade and other receivables to other non-current assets as settlement of the loans is neither planned nor likely to occur in foreseeable future.

4) The decrease for the Company was due to completion of D'Nest which was 100% sold, partially offset by increase in development expenditure for Coco Palms.

5) Following the Group's announcement of a strategic partnership with China Vanke Co Ltd of which CDL China Limited and its subsidiaries partially divested 70% of Chongqing Huang Huayuan Property Development Co., Ltd (CQHHY) and 50% of Chongqing Eling Property Development Co., Ltd (CQEL) for an aggregate consideration of RMB 986 million (approximately S$202 million), the Group has reclassified its entire 100% interest in CQHHY and CQEL to assets and liabilities held for sale in line with the accounting standards. The final completion of this transaction is expected to be in December 2017, subject to fulfilment of certain conditions. Upon the sale completion, the Group envisages to record a divestment gain and reclassify its residual interest of 30% in CQHHY and 50% in CQEL from current assets and liabilities held for sale to investments in equity-accounted investees.

6) The decrease for the Group was mainly due to transfer to provision for taxation in relation to several residential projects including Jewel @ Buangkok, Lush Acres EC, Gramercy Park, D'nest which had either obtained strata title or TOP, partially offset by deferred tax liability arose from acquisition from The Lowry Hotel.

7) The increase for the Group was partly due to the receipt of consideration from the transfer of aforesaid equity interest in CQHHY and CQEL, for which completion is subject to certain conditions being fulfilled, as well as deferred income received from the 2 ECs, Brownstone EC and The Criterion, which achieved brisk sales.

   The increase for the Company was mainly due to loans advanced by subsidiaries.

(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 30.09.2017 S$'000	As at 31.12.2016 S$'000
Unsecured			
- repayable within one year		1,431,070	1,462,424
- repayable after one year		3,016,562	3,374,105
	(a)	4,447,632	4,836,529
Secured			
- repayable within one year		299,954	322,472
- repayable after one year		496,042	592,855
	(b)	795,996	915,327
Gross borrowings*	(a) + (b)	5,243,628	5,751,856
Less: cash and cash equivalents as shown in the statement of financial position		(3,502,301)	(3,673,037)
Less: restricted deposits included in other non-current assets		(213,531)	(213,531)
Less: cash and cash equivalents included in assets classified as held for sale		(8,567)	-
Net borrowings		1,519,229	1,865,288

*Included borrowings that were accounted as liabilities classified as held for sale.

Details of any collateral

Where secured, borrowings are collateralised by:

- mortgages on the borrowing companies' hotels, investment and development properties;
- assignment of all rights and benefits to sale, lease and insurance proceeds in respect of hotels, investment and development properties;
- pledge of cash deposits;
- pledge of shares in a wholly-owned subsidiary;
- a statutory lien on certain assets of a foreign subsidiary; and
- a statutory preferred right over the assets of a foreign subsidiary.

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	
	2017	**2016**	**2017**	**2016**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Operating Activities				
Profit for the period	202,075	203,406	455,908	494,813
Adjustments for:				
Depreciation and amortisation	55,163	51,705	162,657	156,688
Dividend income	(5,050)	(5,554)	(6,460)	(8,258)
Equity settled share-based transactions	533	-	533	-
Finance costs	28,774	31,813	88,950	92,189
Finance income	(13,258)	(9,071)	(39,727)	(33,193)
Gain on loss of control in/liquidation of subsidiaries	-	(49,477)	-	(50,520)
Gain on insurance claim	-	-	-	(4,227)
Impairment loss on goodwill arising from acquisition of a subsidiary	-	-	6,648	-
Loss on disposal/liquidation of a joint venture	124	14	124	14
Profit on realisation of investments	(448)	(282)	(1,417)	(17,395)
(Profit)/loss on sale of property, plant and equipment and an investment property	(38,142)	339	(38,138)	472
Property, plant and equipment and investment properties written off	174	1,700	4,239	2,280
Share of after-tax profit of associates	(7,480)	(6,389)	(15,105)	(12,974)
Share of after-tax profit of joint ventures	(10,705)	(10,088)	(1,428)	(26,581)
Tax expense	38,985	35,616	85,393	87,676
Impaiment loss (written back)/made on loans to a joint venture	(132)	244	(22,320)	724
Operating profit before working capital changes	250,613	243,976	679,857	681,708
Changes in working capital				
Development properties	(147,310)	143,082	(75,728)	160,122
Consumable stocks and trade and other receivables	30,860	9,201	4,593	(92,559)
Trade and other payables	74,220	194,107	120,596	154,623
Employee benefits	(878)	975	(1,672)	5,963
Cash generated from operations	207,505	591,341	727,646	909,857
Tax paid	(42,058)	(60,163)	(142,204)	(142,348)
Cash flows from operating activities carried forward	**165,447**	**531,178**	**585,442**	**767,509**

	Third quarter ended 30 September		9-month period ended 30 September	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Cash flows from operating activities brought forward	**165,447**	**531,178**	**585,442**	**767,509**
Investing Activities				
Acquisition of subsidiaries (net of cash acquired) (1)	(153,664)	(410,451)	(246,240)	(410,451)
Capital expenditure on investment properties	(10,017)	(6,826)	(26,380)	(18,098)
Consideration received for divestment of subsidiaries(2)	201,327	-	201,327	-
Dividends received				
- an associate	2,115	2,102	4,229	4,228
- financial investments	5,050	5,554	6,460	8,258
- joint ventures	33,500	6,000	52,490	24,000
Interest received	8,037	3,586	27,413	26,595
Increase in intangible assets	(35)	(497)	(49)	(497)
Increase in investments in joint ventures (3)	(12,811)	(26,564)	(37,542)	(86,216)
Increase in lease premium prepayment	-	-	-	(263)
Payments for purchase of property, plant and equipment	(19,436)	(48,261)	(79,387)	(155,354)
Proceeds from insurance claims	-	-	-	4,227
Proceeds from loss of control over subsidiaries (net of cash disposed) (4)	-	24,214	-	35,096
Proceeds from disposal of a joint venture (5)	22,811	-	22,811	-
Proceeds from sale of property, plant and equipment and an investment property(6)	63,572	602	64,191	1,034
(Purchase of)/Disposal of and distribution of income received from financial assets	(28,989)	(918)	(36,960)	1,050
Cash flows from/(used in) investing activities	**111,460**	**(451,459)**	**(47,637)**	**(566,391)**
Financing Activities				
Acquisition of non-controlling interests	(2,569)	(2,717)	(23,545)	(2,987)
Capital contribution by/(distribution to) non-controlling interests	159,687	(500)	157,587	(1,175)
Decrease in restricted cash	282	140	402	201
Dividends paid	(65,506)	(63,841)	(237,914)	(226,342)
Decrease/(Increase) in deposits pledged to financial institutions	14,534	-	(88,056)	5,285
Finance lease payments	(108)	(165)	(306)	(421)
Increase in/(Repayment of) other long-term liabilities	17	90	1,526	(63)
Interest paid (including amounts capitalised as investment properties, property, plant and equipment and development properties)	(23,890)	(31,507)	(91,242)	(101,604)
Net proceeds from/(repayments of) revolving credit facilities and short-term bank borrowings	66,261	(286,959)	(48,925)	(483,169)
Net increase in amounts owing by related parties (non-trade)	(1)	(1,255)	(2,081)	(8,366)
Payment of financing transaction costs	(167)	(2,809)	(7,287)	(4,658)
Payment of issue expenses by a subsidiary	(4,048)	-	(4,048)	-
Proceeds from bank borrowings	58,771	214,738	246,224	225,544
Proceeds from issuance of bonds and notes	-	146,623	100,000	411,623
Repayment of bank borrowings	(240,125)	(309,185)	(508,476)	(362,768)
Repayment of bonds and notes	-	(80,240)	(250,000)	(152,340)
Cash flows used in financing activities (7)	**(36,862)**	**(417,587)**	**(756,141)**	**(701,240)**
Net increase/(decrease) in cash and cash equivalents	**240,045**	**(337,868)**	**(218,336)**	**(500,122)**

	Third quarter ended 30 September		9-month period ended 30 September	
	2017	2016	2017	2016
	S$'000	S$'000	S$'000	S$'000
Net increase/(decrease) in cash and cash equivalents brought forward	**240,045**	**(337,868)**	**(218,336)**	**(500,122)**
Cash and cash equivalents at beginning of the period	3,091,503	3,219,867	3,566,757	3,415,567
Effect of exchange rate changes on balances held in foreign currencies	(7,553)	5,446	(24,426)	(28,000)
Cash and cash equivalents at end of the period	**3,323,995**	**2,887,445**	**3,323,995**	**2,887,445**
Cash and cash equivalents comprise:-				
Cash and cash equivalents as shown in the statement of financial position	3,502,301	3,008,948	3,502,301	3,008,948
Cash and cash equivalents included in assets classified as held for sale	8,567	15,171	8,567	15,171
Restricted deposits included in other non-current assets	213,531	-	213,531	-
Less: Deposits pledged to financial institutions	(185,844)	(108,630)	(185,844)	(108,630)
Less: Deposits charged to financial institutions	(213,531)	(26,665)	(213,531)	(26,665)
Less: Restricted cash	(1,029)	(1,364)	(1,029)	(1,364)
Less: Bank overdrafts	-	(15)	-	(15)
	3,323,995	**2,887,445**	**3,323,995**	**2,887,445**

Notes to the statement of cash flows

(1) The cash outflows for Q3 2017 and YTD Sep 2017 relate to the consideration paid by CDLHT for acquisition of 94.5% effective interest in Pullman Hotel Munich, together with its retail components and related fixture, furniture and equipment in Q3 2017, as well as 100% interest in The Lowry Hotel Limited (holds The Lowry Hotel) in Q2 2017.

The cash outflows for Q3 2016 and YTD Sep 2016 relates to the acquisition of the remaining 50% interest in Summervale Properties Pte Ltd, which holds Nouvel 18, in July 2016.

(2) The cash inflows for Q3 2017 and YTD Sep 2017 relates to consideration received for divestment of equity interest of 70% in CQHHY and 50% in CQEL. The completion of the divestment is subject to fulfilment of certain conditions.

(3) The cash outflows for Q3 2017 and YTD Sep 2017 relates to the Group's additional investment in South Beach mixed development. In addition, the outflow for YTD Sep 2017 includes the Group's investment for a 24% stake in Shanghai Distrii Technology Development Co., Ltd, a leading operator of co-working spaces in China.

The cash outflows for Q3 2016 and YTD Sep 2016 relates mainly to the Group's additional investments in the Group's joint venture mixed-use South Beach development, progressive investments via preferred equity interest in a joint development of a prime residential land site in Brisbane, as well as investment for a 20% stake in a joint venture in China which owns a Chinese online apartment rental platform.

(4) The cash inflows for Q3 2016 and YTD Sep 2016 relates mainly to the proceeds from sale of the Group's 52.52% shareholding in CES to a third party in July 2016.

(5) The cash inflows for Q3 2017 and YTD Sep 2017 relates mainly to proceeds from sale of the Group's 50% interest, held via M&C, in Fena (holds Pullman Bangkok Grande Sukhumvit) in July 2017.

(6) The cash inflows for Q3 2017 and YTD Sep 2017 relates mainly to the proceeds from the sale of Umeda Pacific Building in September 2017.

(7) The Group had lower net cash outflows from financing activities of $36.9 million (Q3 2016 $417.6 million) for Q3 2017 but higher net cash outflows of $756.1 million (YTD Sep 2016: $701.2 million) for YTD Sep 2017.

For Q3 2017, the decrease in net cash outflows was largely due to lower net repayments from borrowings of $115.1 million (Q3 2016: $315.0 million) and proceeds received from non-controlling interests effected via a rights issue exercise by CDLHT.

For YTD Sep 2017, the increase in net cash outflows was due to higher net repayment of borrowings of $461.2 million (YTD Sep 2016: $361.1 million), acquisition of remaining 5.31% preferred equity share capital in Tempus Platinum Investments Tokutei Mokuteki Kaisha that the Group does not own in Q1 2017, purchase of shares in M&C in Q2 2017 as well as increase in deposit pledged to financial institutions. This was however partially offset by the above said rights issue by CDLHT.

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1(d)(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 2017	1,991.4	175.5	29.7	(478.9)	7,576.1	9,293.8	2,114.9	11,408.7
Profit for the period	-	-	-	-	85.5	85.5	13.7	99.2
Other comprehensive income								
Change in fair value of available-for-sale equity investments	-	-	6.3	-	-	6.3	-	6.3
Exchange differences on hedges of net investment in foreign entities	-	-	-	1.2	-	1.2	3.1	4.3
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(26.2)	-	(26.2)	0.2	(26.0)
Exchange differences reclassified to profit or loss upon repayment of intercompany loan which formed part of net investment in foreign entities	-	-	-	1.5	-	1.5	5.0	6.5
Translation differences arising on consolidation of foreign entities	-	-	-	(54.4)	-	(54.4)	(18.5)	(72.9)
Total other comprehensive income for the period	-	-	6.3	(77.9)	-	(71.6)	(10.2)	(81.8)
Total comprehensive income for the period	-	-	6.3	(77.9)	85.5	13.9	3.5	17.4
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital distribution to non-controlling interests	-	-	-	-	-	-	(2.1)	(2.1)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(37.0)	(37.0)
Share-based payment transactions	-	-	0.4	-	-	0.4	0.1	0.5
Transfer to statutory reserves	-	-	4.8	-	(4.8)	-	-	-
Total contributions by and distributions to owners	-	-	5.2	-	(4.8)	0.4	(39.0)	(38.6)
Change in ownership interests in subsidiaries								
Change of interests in subsidiaries without loss of control	-	(4.5)	-	-	-	(4.5)	(8.8)	(13.3)
Total change in ownership interests in subsidiaries	-	(4.5)	-	-	-	(4.5)	(8.8)	(13.3)
Total transactions with owners	-	(4.5)	5.2	-	(4.8)	(4.1)	(47.8)	(51.9)
At 31 March 2017	**1,991.4**	**171.0**	**41.2**	**(556.8)**	**7,656.8**	**9,303.6**	**2,070.6**	**11,374.2**
Profit for the period	-	-	-	-	109.9	109.9	44.7	154.6
Other comprehensive income								
Changes in fair value of available-for-sale equity investments	-	-	(2.4)	-	-	(2.4)	-	(2.4)
Effective portion of changes in fair value of cash flow hedges	-	-	(0.7)	-	-	(0.7)	(0.3)	(1.0)
Exchange differences on hedges of net investment in foreign entities	-	-	-	5.3	-	5.3	4.8	10.1
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	2.5	-	2.5	(2.1)	0.4
Translation differences arising on consolidation of foreign entities	-	-	-	16.2	-	16.2	6.4	22.6
Total other comprehensive income for the period	-	-	(3.1)	24.0	-	20.9	8.8	29.7
Total comprehensive income for the period	-	-	(3.1)	24.0	109.9	130.8	53.5	184.3
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Dividends paid to owners of the Company	-	-	-	-	(115.5)	(115.5)	-	(115.5)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(19.9)	(19.9)
Share-based payment transactions	-	-	(0.3)	-	-	(0.3)	(0.2)	(0.5)
Total contributions by and distributions to owners	-	-	(0.3)	-	(115.5)	(115.8)	(20.1)	(135.9)
Changes in ownership interests in subsidiaries								
Change of interests in subsidiaries without loss of control	-	2.7	-	0.1	0.1	2.9	(10.6)	(7.7)
Total change in ownership interests in subsidiaries	-	2.7	-	0.1	0.1	2.9	(10.6)	(7.7)
Total transactions with owners	-	2.7	(0.3)	0.1	(115.4)	(112.9)	(30.7)	(143.6)
At 30 June 2017	**1,991.4**	**173.7**	**37.8**	**(532.7)**	**7,651.3**	**9,321.5**	**2,093.4**	**11,414.9**

** Other reserves comprise mainly fair value reserve arising from available-for-sale investments, share of other reserve of associates 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 2017	1,991.4	173.7	37.8	(532.7)	7,651.3	9,321.5	2,093.4	11,414.9
Profit for the period	-	-	-	-	156.1	156.1	46.0	202.1
<u>Other comprehensive income</u>								
Changes in fair value of available-for-sale equity investments	-	-	(1.1)	-	-	(1.1)	-	(1.1)
Effective portion of changes in fair value of cash flow hedges	-	-	0.8	-	-	0.8	0.5	1.3
Exchange differences on hedges of net investment in foreign entities	-	-	-	4.6	-	4.6	0.2	4.8
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(4.8)	-	(4.8)	1.6	(3.2)
Exchange differences reclassified to profit or loss on disposal of a foreign operation	-	-	-	(8.1)	-	(8.1)	-	(8.1)
Exchange differences reclassified to profit or loss on disposal of a joint venture	-	-	-	0.1	-	0.1	-	0.1
Translation differences arising on consolidation of foreign entities	-	-	-	1.2	-	1.2	(15.0)	(13.8)
Other comprehensive income for the period	-	-	(0.3)	(7.0)	-	(7.3)	(12.7)	(20.0)
Total comprehensive income for the period	-	-	(0.3)	(7.0)	156.1	148.8	33.3	182.1
Transactions with owners, recorded directly in equity								
<u>Contributions by and distributions to owners</u>								
Capital distribution to non-controlling interests	-	-	-	-	-	-	159.7	159.7
Dividends paid to owners of the Company	-	-	-	-	(36.4)	(36.4)	-	(36.4)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(29.1)	(29.1)
Issues expense of a subsidiary	-	(1.0)	-	-	-	(1.0)	(3.1)	(4.1)
Share-based payment transactions	-	-	0.4	-	-	0.4	0.2	0.6
Total contributions by and distributions to owners	-	(1.0)	0.4	-	(36.4)	(37.0)	127.7	90.7
<u>Change in ownership interests in subsidiaries</u>								
Acquistion of subsidiaries with non-controlling interests	-	-	-	-	-	-	5.0	5.0
Change of interest in a subsidiary without loss of control	-	7.9	-	-	-	7.9	(10.5)	(2.6)
Total changes in ownership interests in subsidaries	-	7.9	-	-	-	7.9	(5.5)	2.4
Total transactions with owners	-	6.9	0.4	-	(36.4)	(29.1)	122.2	93.1
At 30 September 2017	**1,991.4**	**180.6**	**37.9**	**(539.7)**	**7,771.0**	**9,441.2**	**2,248.9**	**11,690.1**

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

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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 2016	1,991.4	138.7	27.7	(328.8)	7,166.8	8,995.8	2,217.2	11,213.0
Profit for the period	-	-	-	-	105.3	105.3	18.6	123.9
Other comprehensive income								
Change in fair value of available-for-sale equity investments	-	-	4.0	-	-	4.0	-	4.0
Exchange differences on hedges of net investment in foreign entities	-	-	-	(10.8)	-	(10.8)	(4.6)	(15.4)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(28.9)	-	(28.9)	(4.1)	(33.0)
Translation differences arising on consolidation of foreign entities	-	-	-	(105.9)	-	(105.9)	(41.6)	(147.5)
Total other comprehensive income for the period	-	-	4.0	(145.6)	-	(141.6)	(50.3)	(191.9)
Total comprehensive income for the period	-	-	4.0	(145.6)	105.3	(36.3)	(31.7)	(68.0)
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital distribution to non-controlling interests	-	-	-	-	-	-	(0.7)	(0.7)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(33.2)	(33.2)
Total contributions by and distributions to owners	-	-	-	-	-	-	(33.9)	(33.9)
Change in ownership interests in subsidiaries								
Change of interests in subsidiaries without loss of control	-	0.6	-	-	-	0.6	(0.6)	-
Total change in ownership interests in subsidiaries	-	0.6	-	-	-	0.6	(0.6)	-
Total transactions with owners	-	0.6	-	-	-	0.6	(34.5)	(33.9)
At 31 March 2016	**1,991.4**	**139.3**	**31.7**	**(474.4)**	**7,272.1**	**8,960.1**	**2,151.0**	**11,111.1**
Profit for the period	-	-	-	-	133.8	133.8	33.7	167.5
Other comprehensive income								
Defined benefit plan remeasurements	-	-	-	-	0.1	0.1	-	0.1
Changes in fair value of available-for-sale equity investments	-	-	(1.9)	-	-	(1.9)	-	(1.9)
Exchange differences on hedges of net investment in foreign entities	-	-	-	(13.8)	-	(13.8)	(8.7)	(22.5)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	(21.7)	-	(21.7)	3.3	(18.4)
Exchange differences reclassified to profit or loss on disposal/liquidation of foreign operations	-	-	-	(0.4)	-	(0.4)	-	(0.4)
Translation differences arising on consolidation of foreign entities	-	-	-	(78.1)	-	(78.1)	(7.8)	(85.9)
Total other comprehensive income for the period	-	-	(1.9)	(114.0)	0.1	(115.8)	(13.2)	(129.0)
Total comprehensive income for the period	-	-	(1.9)	(114.0)	133.9	18.0	20.5	38.5
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Dividends paid to owners of the Company	-	-	-	-	(115.6)	(115.6)	-	(115.6)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(13.7)	(13.7)
Total contributions by and distributions to owners	-	-	-	-	(115.6)	(115.6)	(13.7)	(129.3)
Changes in ownership interests in subsidiaries								
Change of interests in subsidiaries without loss of control	-	1.3	-	-	-	1.3	(1.6)	(0.3)
Expiry of put option granted to non-controlling interests	-	0.7	-	-	-	0.7	-	0.7
Total change in ownership interests in subsidiaries	-	2.0	-	-	-	2.0	(1.6)	0.4
Total transactions with owners	-	2.0	-	-	(115.6)	(113.6)	(15.3)	(128.9)
At 30 June 2016	**1,991.4**	**141.3**	**29.8**	**(588.4)**	**7,290.4**	**8,864.5**	**2,156.2**	**11,020.7**

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

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The Group	Attributable to Owners of the Company							
	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 July 2016	1,991.4	141.3	29.8	(588.4)	7,290.4	8,864.5	2,156.2	11,020.7
Profit for the period	-	-	-	-	170.3	170.3	33.1	203.4
Other comprehensive income								
Defined benefit plan remeasurements	-	-	-	-	-	-	0.1	0.1
Changes in fair value of available-for-sale equity investments	-	-	0.1	-	-	0.1	-	0.1
Exchange differences on hedges of net investment in foreign entities	-	-	-	(6.3)	-	(6.3)	(5.1)	(11.4)
Exchange differences on monetary items forming part of net investment in foreign entities	-	-	-	8.4	-	8.4	4.9	13.3
Exchange differences reclassified to profit or loss on disposal of foreign operations	-	-	-	(4.5)	-	(4.5)	-	(4.5)
Translation differences arising on consolidation of foreign entities	-	-	-	17.3	-	17.3	21.3	38.6
Other comprehensive income for the period	-	-	0.1	14.9	-	15.0	21.2	36.2
Total comprehensive income for the period	-	-	0.1	14.9	170.3	185.3	54.3	239.6
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Capital distribution to non-controlling interests	-	-	-	-	-	-	(0.5)	(0.5)
Dividends paid to owners of the Company	-	-	-	-	(36.3)	(36.3)	-	(36.3)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(27.5)	(27.5)
Total contributions by and distributions to owners	-	-	-	-	(36.3)	(36.3)	(28.0)	(64.3)
Change in ownership interests in subsidiaries								
Change of interest in subsidiaries with loss of control	-	75.4	-	-	(75.4)	-	(46.7)	(46.7)
Change of interest in a subsidiary without loss of control	-	(1.0)	-	-	-	(1.0)	(1.7)	(2.7)
Total changes in ownership interests in subsidaries	-	74.4	-	-	(75.4)	(1.0)	(48.4)	(49.4)
Total transactions with owners	-	74.4	-	-	(111.7)	(37.3)	(76.4)	(113.7)
At 30 September 2016	**1,991.4**	**215.7**	**29.9**	**(573.5)**	**7,349.0**	**9,012.5**	**2,134.1**	**11,146.6**

* *Other reserves comprise mainly fair value reserve arising from available-for-sale investments, share of other reserve of associates 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 2017	1,991.4	63.7	12.3	4,446.0	6,513.4
Profit for the period	-	-	-	33.8	33.8
Other comprehensive income					
Change in fair value of available-for-sale equity investments	-	-	4.3	-	4.3
Total other comprehensive income for the period	-	-	4.3	-	4.3
Total comprehensive income for the period	-	-	4.3	33.8	38.1
At 31 March 2017	**1,991.4**	**63.7**	**16.6**	**4,479.8**	**6,551.5**
Profit for the period	-	-	-	2.1	2.1
Other comprehensive income					
Change in fair value of available-for-sale equity investments	-	-	(1.6)	-	(1.6)
Total other comprehensive income for the period	-	-	(1.6)	-	(1.6)
Total comprehensive income for the period	-	-	(1.6)	2.1	0.5
Transaction with owners, recorded directly in equity					
Contributions by and distributions to owners					
Dividends paid to owners of the Company	-	-	-	(115.5)	(115.5)
Total contributions by and distributions to owners	-	-	-	(115.5)	(115.5)
Total transactions with owners	-	-	-	(115.5)	(115.5)
At 30 June 2017	**1,991.4**	**63.7**	**15.0**	**4,366.4**	**6,436.5**
Profit for the period	-	-	-	9.1	9.1
Other comprehensive income					
Changes in fair value of available-for-sale equity investments	-	-	(1.5)	-	(1.5)
Total other comprehensive income for the period	-	-	(1.5)	-	(1.5)
Total comprehensive income for the period	-	-	(1.5)	9.1	7.6
Transaction with owners, recorded directly in equity					
Contributions by and distributions to owners					
Dividends paid to owners of the Company	-	-	-	(36.4)	(36.4)
Total contributions by and distributions to owners	-	-	-	(36.4)	(36.4)
Total transactions with owners	-	-	-	(36.4)	(36.4)
At 30 September 2017	**1,991.4**	**63.7**	**13.5**	**4,339.1**	**6,407.7**

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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 2016	1,991.4	63.7	10.3	4,001.0	6,066.4
Profit for the period	-	-	-	22.6	22.6
<u>Other comprehensive income</u>					
Changes in fair value of available-for-sale equity investments	-	-	3.9	-	3.9
Total other comprehensive income for the period	-	-	3.9	-	3.9
Total comprehensive income for the period	-	-	3.9	22.6	26.5
At 31 March 2016	**1,991.4**	**63.7**	**14.2**	**4,023.6**	**6,092.9**
Profit for the period	-	-	-	499.7	499.7
<u>Other comprehensive income</u>					
Changes in fair value of available-for-sale equity investments	-	-	(1.3)	-	(1.3)
Total other comprehensive income for the period	-	-	(1.3)	-	(1.3)
Total comprehensive income for the period	-	-	(1.3)	499.7	498.4
Transaction with owners, recorded directly in equity					
<u>Contributions by and distributions to owners</u>					
Dividends paid to owners of the Company	-	-	-	(115.6)	(115.6)
Total contributions by and distributions to owners	-	-	-	(115.6)	(115.6)
Total transactions with owners	-	-	-	(115.6)	(115.6)
At 30 June 2016	**1,991.4**	**63.7**	**12.9**	**4,407.7**	**6,475.7**
Profit for the period	-	-	-	25.6	25.6
<u>Other comprehensive income</u>					
Changes in fair value of available-for-sale equity investments	-	-	(0.1)	-	(0.1)
Total other comprehensive income for the period	-	-	(0.1)	-	(0.1)
Total comprehensive income for the period	-	-	(0.1)	25.6	25.5
Transaction with owners, recorded directly in equity					
<u>Contributions by and distributions to owners</u>					
Dividends paid to owners of the Company	-	-	-	(36.3)	(36.3)
Total contributions by and distributions to owners	-	-	-	(36.3)	(36.3)
Total transactions with owners	-	-	-	(36.3)	(36.3)
At 30 September 2016	**1,991.4**	**63.7**	**12.8**	**4,397.0**	**6,464.9**

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

<u>Ordinary share capital</u>

There was no change in the Company's issued share capital during the three months ended 30 September 2017.

<u>Preference share capital</u>

There was no change in the Company's issued preference share capital during the three months ended 30 September 2017.

As at 30 September 2017, 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 2016: 44,998,898 ordinary shares).

1(d)(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 2017, 31 December 2016 and 30 September 2016.

The total number of issued ordinary shares (excluding treasury shares) as at 30 September 2017 and 31 December 2016 is 909,301,330.

The total number of issued Preference Shares as at 30 September 2017 and 31 December 2016 is 330,874,257.

1(d)(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 2017.

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 2016.

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 amendments to Financial Reporting Standards (FRSs) which took effect for financial year beginning on 1 January 2017.

The adoption of these amendments to FRSs did not result in any significant impact on the financial statements of the Group.

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

	Third quarter ended 30 September		9-month period ended 30 September	
	2017	2016	2017	2016
Basic Earnings per share (cents)	17.2	18.7	38.0	44.3
Diluted Earnings per share (cents)	16.4	17.8	36.8	42.9
Earnings per share is calculated based on:				
a) Profit attributable to owners of the Company (S$'000) (*)	156,147	170,300	345,093	403,006
b) Profit used for computing diluted earnings per share (S$'000)	156,147	170,300	351,492	409,440
c) Weighted average number of ordinary shares in issue:				
- basic	909,301,330	909,301,330	909,301,330	909,301,330
- diluted (**)	954,300,228	954,300,228	954,300,228	954,300,228

* *After deducting preference dividends of $6,399,000 paid in Q2 2017 (Q2 2016: $6,434,000 paid).*

** *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	
	30.09.2017 S$	31.12.2016 S$	30.09.2017 S$	31.12.2016 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 2017 (909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2016)	10.38	10.22	7.05	7.16

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 third quarter (Q3 2017) and nine months ended 30 September 2017 (YTD Sep 2017), the Group reported revenue of $863.1 million (Q3 2017: $922.8 million) and $2.5 billion (YTD Sep 2016: $2.7 billion), and attributable profit after tax and non-controlling interests (PATMI) of $156.1 million (Q3 2016: $170.3 million) and $351.5 million (YTD Sep 2016: $409.4 million).

The Group continued to maintain a stable EBITDA contribution from recurring income segments comprising hotel operations, rental properties and others, making up 72% and 65% for Q3 and YTD Sep 2017 respectively. The contributions to the results were underpinned by healthy sales take-up at Gramercy Park, Coco Palms, D'Nest, and The Venue Residences in Singapore, as well as the progressive handover of the Group's overseas projects, namely Hongqiao Royal Lake in Shanghai, and Hong Leong City Center in Suzhou.

The Group's Q3 and YTD Sep 2017 results were also boosted by a gain following the divestment of an office building in Osaka. In comparison, YTD Sep 2016 results included a divestment gain from the disposal of the Group's 52.52% interest in City e-Solutions Limited and the full recognition of revenue and profit of Lush Acres, a fully sold Executive Condominium (EC). Excluding these items, the Group's PATMI and profit before tax actually increased by 3.5% and 8.4% respectively for YTD Sep 2017.

At the pre-tax profit level, property development continued to be the biggest contributor at 46.5% for YTD Sep 2017. With the exception of Singapore private residential sales, the booking of revenues and profits from development projects tends to be lumpy, as EC and overseas projects are largely recognised in their entirety upon completion; for Singapore private residential sales, the timing of recognition is dependent on the stage of construction and sales progress. The contribution from the property development segment for YTD Sep 2016 was therefore enhanced as several projects were completed or obtained their Temporary Occupation Permits (TOP) during that period. These include Lush Acres EC, Jewel @ Buangkok and HAUS@SERANGOON GARDEN in Singapore, as well as Hanover House in Reading, United Kingdom (UK).

Hotel operations, mainly from Millennium & Copthorne Hotels plc (M&C) in which the Group holds 65.2% interest, was the next highest contributor, registering an increase in profit primarily due to one-off items including the reversal of an impairment previously made on a joint venture (JV), which was partially offset by goodwill impairment; coupled with inorganic contribution from The Lowry Hotel (acquired in May 2017 by CDL Hospitality Trusts (CDLHT)), and the addition of the Grand Millennium Auckland to M&C's hotel portfolio in Sep 2016.

The rental properties segment reported a surge in YTD Sep 2017 profits by 20.7% due to the aforesaid gain on disposal of an office building in Osaka, partially offset by the absence of contribution from Exchange Tower, Bangkok, which the Group divested in Q4 2016, the closure of Le Grove Serviced Apartments since December 2016 for renovation, and exchange losses incurred from repayment of a New Zealand denominated intercompany loan under CDLHT in Q1 2017.

Basic earnings per share for the Group stood at 17.2 cents (Q3 2016: 18.7 cents) for Q3 2017 and 38.0 cents (YTD Sep 2016: 44.3 cents) for YTD Sep 2017.

As at 30 Sep 2017, the Group's balance sheet remained strong, with cash and cash equivalent of $3.7 billion and a net gearing ratio without factoring any revaluation surplus from investment properties at 13%. Interest cover for YTD Sep 2017 was 12.5 times.

Property

Advance estimates indicate that Singapore's economy expanded by 4.6% on a year-on-year basis in Q3 2017, higher than the 2.9% growth recorded in Q2 2017. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy grew by 6.3%, an improvement from the 2.4% growth in Q2 2017.

On the back of slower construction activities in the private sector, the construction sector contracted by 6.3% on a year-on-year basis in Q3 2017, extending the 6.8% and 6.1% declines of Q2 2017 and Q1 2017 respectively.

Urban Redevelopment Authority (URA) data indicates that private residential property prices increased by 0.7% in Q3 2017, compared to a 0.1% decline in the previous quarter. The uptick in prices in Q3 2017 represents the first increase after about four years or 15 consecutive quarters of price decline – an indication that private home prices may have bottomed out. Rentals of non-landed private residential properties decreased by 0.1% in Q3 2017, extending the 0.2% decline of the previous quarter.

In Q3 2017, developers sold 2,663 new private residential units excluding ECs, a 13.5% decrease compared to the 3,077 units sold in Q2 2017, but 34% higher than the corresponding period last year (Q3 2016: 1,981 units).

The Group's launched residential projects continued to enjoy strong uptake. Its freehold 174-unit Gramercy Park, located in the prestigious District 10 residential estate, is now 88% (153 units) sold.

The Group's JV projects continued to achieve steady sales. The 519-unit Forest Woods condominium, located near Serangoon MRT station and NEX Shopping Mall, is over 90% sold (469 units), while the 944-unit Coco Palms located near Pasir Ris MRT station, is now over 98% sold, with only 15 units remaining. The 845-unit Commonwealth Towers, located adjacent to the Queenstown MRT station, is fully sold.

Similarly, sales of the Group's two JV EC projects are progressing well. The 638-unit The Brownstone, located next to the upcoming Canberra MRT station is now about 99% (629 units) sold, while the 505-unit The Criterion in Yishun is now about 90% (454 units) sold.

For the quarter under review, profits were booked from Gramercy Park and JV projects such as Coco Palms, D'Nest, The Venue Residences, Forest Woods and Commonwealth Towers.

In October, the Group obtained TOP for Phase 2 of D'Nest and The Brownstone EC. In line with prevailing accounting policies for ECs, revenue and profit for The Brownstone will be recognised in their entirety in Q4 2017.

For the office sector, URA data reflected a positive change in the overall price index for office space, with an increase of 0.4% in Q3 2017, reversing the decline of 1.4% and 4.0% in Q2 2017 and Q1 2017 respectively. Similarly, the overall rental index for office space increased by 2.4% in Q3 2017 compared with the decline of 1.1% in Q2 2017.

After 10 consecutive quarters of decline, Grade A Core CBD office rents appear to have reached their trough, with Q3 2017 industry data showing upward movements in prices. While a return to strong demand may take some time, the overall outlook for office sector has improved, with an increase in office development activity as well as the strong participation and competitive bids for the Beach Road commercial site under the Government Land Sales (GLS) programme.

The Group's office portfolio continued to enjoy a healthy occupancy rate of 92.5% as at end of Q3 2017, compared with an island-wide occupancy rate of 86.7%.

South Beach

In view of the improving market sentiments in the high-end residential market, the Group is making final preparations for the soft launch of the 190-unit South Beach Residences in 1H 2018. There has been keen interest for the development given the strong attributes of the residences, especially the superb location, and the unblocked panoramic views of the Marina Bay area, Padang and entire city.

Overseas Platforms

UK

On balance, the outlook for the UK is uncertain. Concerns over Brexit, coupled with political instability following the recent UK General Election, dominate the UK's economic landscape. The data has been similarly mixed. For example, although the UK economy recorded higher-than-expected 0.4% growth in Q3 2017, surpassing economists' expectations and recording low unemployment rates, inflation (CPI) nevertheless touched 3.0% and with wage growth rising by 2.2%, real wage growth remains negative. This continues to have an adverse impact on the general sentiment regarding the property sector, specifically the residential segment.

Reinforcing this point, the Bank of England (BoE) Monetary Policy Committee decided on 2 November 2017 to increase interest rates for the first time in 10 years, from 0.25% to 0.5%. The Autumn Budget 2017, to be published on 22 November 2017, will be crucial if the UK economy is to be stimulated and confidence restored. Uncertainty over Brexit and currency devaluation have prompted some European Union (EU) migrant workers, particularly East Europeans, to leave the UK and return to the EU, resulting in a shortage of labour particularly in the hospitality, catering and building sectors.

While the volume of property sales in London has slowed, especially in prime residential districts, good quality developments in desired locations should prove resilient. The relative weakness of Sterling may also exert a positive influence temporarily for overseas buyers, although increases in Stamp Duty Land Tax, together with the BoE's restrictions on mortgage lending may curb investor appetite; and uncertainties over Brexit and UK's economy breed a wait-and-see approach.

The Group's 240-unit Teddington Riverside development was soft-launched, with the opening of an on-site sales centre in late October 2017. The project continues to receive keen interest from UK buyers but the Group expects that sale transactions will take time to gain market traction as local buyers typically prefer to purchase a finished product. Phase 1 (Block A), comprising 57 units, is 12 months away from practical completion. The full development is expected to be completed by Q4 2019.

The Group's small-scale projects at Chesham Street in Belgravia and Hans Road in Knightsbridge, comprising six and three fully fitted-out units respectively, are on track to be completed in Q1 2018. 90-100 Sydney Street Chelsea is expected to be completed in Q1 2019.

28 Pavilion Road in Knightsbridge has received planning consent for a 34-unit luxury care home, with the possibility to re-engineer and improve the plan into a revised residential scheme currently under consideration. It is anticipated to submit a revised planning application in Q4 2017. This property continues to operate as a car park and demolition works will be timed appropriately to synchronise with the Millennium Hotel London Knightsbridge's refurbishment works which are anticipated to commence next year, as the two properties share the same access roads. If done concurrently, inconvenience that may be caused during construction works can be minimised.

Planning consultations continue for the Group's 22-acre site at the former Stag Brewery at Mortlake, with all the local stakeholders and new planning applications scheduled for submission by the end-November 2017, with determination targeted for Q3 2018.

The 28,000 sq ft Development House located at 56-64 Leonard Street, Shoreditch remains fully leased, with vacant possession now expected from Q3 2018. The planning application for the redevelopment is expected to be submitted in November 2017 and the determination is expected in Q2 2018.

At the Ransomes Wharf site in Battersea, the Group is moving quickly to implement the existing consent and make certain planning improvements to the scheme. Demolition works are targeted to commence in Q1 2018.

China

In Sep 2017, the Group's wholly-owned subsidiary CDL China Limited, entered into a strategic partnership with China Vanke Co., Ltd (Vanke), one of China's biggest residential developers, through the partial divestment of its two properties in Chongqing, namely 70% of Chongqing Huang Huayuan and 50% of Eling Residences, for an aggregate consideration of approximately RMB 986 million. The Transaction Cooperation Agreement was inked in Sep, with the final effective completion of the divestment subject to the fulfilment of certain conditions expected in December 2017. Following the partial divestment, CDL China continues to retain a 30% and 50% equity stake in Chongqing Huang Huayuan and Eling Residences respectively for future upside. The strategic partnership will see both projects being jointly developed and managed by CDL China and Vanke. Through this strategic partnership, the Group will tap on Vanke's extensive local experience, expertise, business networks and development capabilities in China. CDL China will also contribute its international knowledge, best practices and networks to further enhance the projects' positioning, design and sales, creating a win-win alliance with Vanke. This alliance with Vanke will pave the way for future collaborations and business expansion opportunities in both China and Singapore.

Chongqing Huang Huayuan is a mixed-use development which sits on a site area of 23,512 square metres (sqm) with total gross floor area (GFA) of approximately 121,151 sqm. This prime site is centrally located in the Yuzhong District between the two core central business districts of Jiefangbei and Jiangbeizui, with views of the Jialing River and Jiangbeizhui city. The design development is currently under review by the JV entity.

Eling Residences, designed by internationally renowned architect Moshe Safdie is now a completed 126-unit luxury residential development with a total GFA of approximately 35,486 sqm. Positioned at the peak of Eling Hill in the Yuzhong District, Eling Residences' prime location offers panoramic views of both the Yangtze and Jialing Rivers. Going forward, the JV entity will manage the sales and marketing efforts for the project.

The Group also continued to make strategic investments to enhance its long-term recurring income streams. As the existing shareholder of Distrii, one of China's leading operators of co-working spaces, CDL participated in Distrii's latest Series A funding round of RMB 200 million in September 2017 which includes new investors such as Jingrui Holdings' investment platform and Junzi Capital. Following this latest round of funding, the Group became the second largest shareholder of Distrii after its founder. The capital raised will allow Distrii to accelerate its expansion in China while simultaneously launching its international expansion, starting with one of the largest co-working facilities in Singapore at the Group's flagship Republic Plaza in 1H 2018. Distrii currently has co-working spaces across 21 locations in Shanghai, Beijing and Hangzhou, with 12 more locations in the pipeline. mamahome, one of China's fastest growing online apartment rental platforms which CDL China invested in Sep 2016, continues to grow its presence in the booming shared-accommodations market. Serving a large population of domestic and international travellers, mamahome has about 177,000 apartment listings spanning across 30 cities in China.

Hong Leong Plaza Hongqiao (previously known as Meidao Business Plaza) which CDL China acquired in February 2017 is currently in its final stages of construction with completion expected in Q4 2017. With a total GFA of approximately 32,182 sqm, it comprises five office towers with approval for strata-titled units and two levels of basement carparks. Located in Shanghai's Hongqiao Central Business District, one of the fastest growing business areas of strategic importance, Hong Leong Plaza Hongqiao is situated next to the mega Shanghai Hongqiao International Medical Center and surrounded by many international schools, upcoming R&D centres and business parks. This property is well positioned to benefit from the growth prospects of the up-and-coming area and is expected to contribute to recurring income streams in 2018.

Healthy sales for Hongqiao Royal Lake development with 85 luxury villas, located in the high-end residential enclave of Qingpu District in Shanghai, continue to take place with 17 villas sold and 32 villas booked with sales value of RMB360 million and RMB670 million respectively.

Hong Leong City Center (HLCC), a mixed-use waterfront development located in the Suzhou Industrial Park, has also continued to register good sales. To date, 1,143 units (83%) of the Phase 1 launch have been sold with sales value of RMB 2.5 billion. Phase 2, comprising a residential tower with 430 units, a five-star hotel, a 56,000 sqm shopping mall and 30,000 sqm premium Grade A office tower, is expected to be completed by Q2 2018. 212 units (49%) of the Phase 2 residential tower have been sold with a sales value of RMB 671 million. The family-friendly shopping mall will include both local and international brands.

With China's property market slowing due to the government's cooling measures, the Group remains cautiously optimistic, and believes that the Chinese government will continue its strong support for long-term economic growth following the recent 19th National Congress.

CDL China will continue with its capital recycling strategy for further expansion and is actively exploring new property acquisitions and strategic investments. It will also monitor the market closely for opportunities to form synergistic partnerships with Chinese and overseas developers.

Japan

Japan Cabinet Office's monthly economic report indicated that the Japanese economy is on a moderate recovery. The economy expanded by 0.6% quarter-on-quarter in Q2 2017, increasing from the 0.3% growth rate from the previous quarter. On an annualised basis, the economy grew by 2.5% in Q2 2017. Despite the downward revision from the Q2 preliminary estimates, Japan has maintained a sixth straight quarter of growth, the longest run of economic expansion since 2006. Prime Minister Shinzo Abe's victory in the recent general election represented a historic level of public confidence in his leadership and secured support for his economic reforms. In the near term, the economy is expected to recover, supported by the effects of government policies and an improvement in employment.

Based on the Ministry of Land, Infrastructure, Transport and Tourism statistics, the Japan Residential Property Price Index for condominiums and residential land in Tokyo increased by 10% and 11% respectively over the past two years.

In Q3 2017, as part of the Group's capital recycling strategy, it completed the divestment of one office building in Osaka, Japan, a non-core asset, and realised a gain of approximately $38 million.

The Group's JV with Mitsui Fudosan, the prime freehold residential project known as Park Court Aoyama The Tower, is located within the highly sought-after Aoyama district in central Tokyo and targets high-end domestic and foreign buyers. It comprises a 26-storey tower with 163 apartments and attractive facilities. To date, over 75% of the units have been sold since its launch in October 2016. The project is expected to be completed in 1H 2018.

For the Group's other prime freehold site in the prestigious residential enclave of Shirokane, located in central Tokyo, it will remain as part of the Group's land bank and should appreciate significantly in value over time.

The Group will continue to seek attractive investment opportunities in the residential, office and hospitality segments to grow its presence in Japan.

Australia

The Reserve Bank of Australia has kept rates unchanged in 2017 as the economic outlook stabilises. The government continues to monitor the housing market closely with prudent lending standards imposed on banks and the maintenance of additional levies on foreign purchasers of residential properties. While conditions in housing markets continue to vary considerably across the country with Eastern Capital cities outperforming Western Australia, a considerable additional supply of apartments is scheduled to come on stream in the next couple of years in the Eastern Capital cities which is expected to moderate price growth.

The Group's JV project Ivy and Eve, a 476-unit residential development at Merivale Street in the heart of Brisbane's South Bank precinct, is now approximately 97% sold and completion of construction is expected by early 2018.

In early August 2017, the Group entered into a new collaboration with Waterbrook Lifestyle Resorts to develop a luxury retirement village in Bayview, on the Northern Beaches of Sydney. The development, named Waterbrook Bayview, will be built on a 20,000 sqm freehold site situated at the southern end of Pittwater. Bayview is an exclusive Northern Beaches location with a large and growing ageing population and is a short distance from Mona Vale Beach and the Mona Vale shopping and retail precinct. Slated for completion in 2020, the project is currently in planning and design stage. The Group participated through debt financing of A$35 million, for which the specific terms are confidential.

In September 2017, the Group entered into its second collaboration with Waterbrook Lifestyle Resorts to develop a luxury retirement village in Bowral, New South Wales. The town of Bowral is located approximately 118 km to the southwest of Sydney. Waterbrook Bowral will be built on a 175,000 sqm site which was formerly a boarding school. The proposed development is near the Bowral and District Hospital and is well-connected to major transportation nodes. The tranquil environment at Bowral together with the iconic nature and vastness of the site provide an opportunity to create a premium retirement village development which the Group believes will be well received by the growing retiree population in the area. Expected to be completed in 2021, the project is currently in the planning stages. The Group will be participating through debt financing of A$22 million, for which the specific terms are confidential.

For both projects, Waterbrook will provide resort-style facilities and a vast array of services catered to retirees including 24/7 concierge service, a variety of wellness and recreational spaces, chauffeured courtesy vehicles as well as in-house nurses. The product differentiates itself from the traditional retirement village model through its high-end hospitality experience.

The Group is positive on the luxury retirement sector as there is strong unmet demand from a growing demographic of well-heeled retirees who desire to live in upscale communities with a variety of facilities. The Group is excited to embark on this new area of business and intends to collaborate with Waterbrook to set a new benchmark in Australian retirement living and expand the brand throughout Australia and other parts of the world.

Hotels

M&C achieved an increase in PATMI of 72.4% to £50 million for Q3 2017 (Q3 2016: £29 million) and a 55.9% increase to £92 million for YTD Sep 2017 (YTD Sep 2016: £59 million). However, the increase was due to several non-trading items in pre-tax profit, such as the reversal of impairment of a loan of £12 million to its JV (Fena Estate Co. Ltd.) upon disposal of its 50% interest on 31 July 2017, as well as M&C's property impairment losses of £9 million. In addition, newly refurbished properties like Millennium Hilton New York One UN Plaza (previously known as ONE UN New York) which was closed for refurbishment during the same period last year and new additions like Grand Millennium Auckland which was added to M&C's hotel portfolio at the end of 2016, also contributed to the higher profit.

M&C's revenue for YTD Sep 2017 increased by 4.5% in constant currency. In reported currency, revenue increased by 12.5% to £748 million (YTD Sep 2017: £665 million), due to a foreign currency exchange gain of £51 million. The higher revenue was driven mainly by contributions from hotel trading, land sales in New Zealand, and M&C's REIT-associate CDLHT which benefited in part from newly acquired hotels in Europe.

In constant currency, M&C's global RevPAR for YTD Sep 2017 increased by 4.0% with increases in occupancy. However, on a like-for-like basis, which excludes the impact of acquisitions, closures, and refurbishments, M&C's global RevPAR increased by only 1.4%. Australasia registered the strongest RevPAR growth of 7.8%, followed by London and New York, which achieved like-for-like growth of 5.2% and 1.1% respectively.

As previously mentioned, the refurbishment of Millennium Hotel London Mayfair is scheduled to commence before year-end, while the refurbishment of Millennium Hotel London Knightsbridge is expected to commence in 2018.

The renovation of 260 deluxe guestrooms at Orchard Hotel Singapore will commence in Q4 2017 for completion in 1H 2018, while interior renovation works at Hua Ting, the hotel's Chinese restaurant, commenced in August 2017 and is scheduled for completion in Q1 2018. The final phase of the Grand Millennium Kuala Lumpur refurbishment, comprising works to guestrooms on levels 7 and 8, has been postponed to 2H 2018.

In New Zealand, the M Social Auckland – previously the Copthorne Hotel Auckland Harbourcity – held its soft opening in early October 2017. This 190-room lifestyle hotel's guestrooms and facilities will be progressively released, with the hotel expected to be fully operational by end December 2017.

M&C's JV partners and associates, including its Singapore-listed associate, First Sponsor Group Limited (FSGL), contributed £11 million to YTD Sep 2017 profit, a 22.2% increase from £9 million for the same period last year.

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 ended 30 June 2017.

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

Driven by the strong performance of the manufacturing and services sectors this year, the Singapore Government further revised its growth forecast for Singapore, with economic growth expected to be close to 3.0% for 2017, at the upper end of the 2.0% to 3.0% range of forecast growth, which was previously revised in August.

Last quarter, the Group indicated that Singapore's residential property market appears to be showing some vital signs of a turnaround, with increased sales activity at its projects. This has been reaffirmed with URA's Q3 2017 data, marking the first quarter of increase in private residential prices, following 15 consecutive quarters of decline.

Residential property sales continue to gain momentum, given improved buyer sentiment. Based on URA data, private residential sales transactions in both primary and secondary markets for Q3 2017 totalled 6,693 units, a 45.6% increase over the same period last year. In addition, since Q2 2017, the number of new homes sold outweighed the number of launched units in new projects. Prime residential prices are anticipated to rise should this trend continue.

As the market begins to recover, the Group has been able to progress with its sales efforts. For YTD Sep 2017, the Group and its JV associates sold 1,056 units including ECs, with a total sales value of about $1.8 billion, more than double the units sold and triple the sales value achieved during the same period last year (YTD Sep 2016: 482 units sold with sales value of $622 million). Notably, as the Group has been able to sell its units within a stipulated period, it has not been liable for any Qualifying Certificate (QC) and/or Additional Buyer's Stamp Duty (ABSD) penalties

In view of the improved market fundamentals and growth outlook, sales volume at recently launched residential projects has been strong, signalling a possible gradual price recovery in the private residential market. Developers have been quick to respond to the increased positivity, by bringing forward their new launches and actively seeking to replenish their land banks, particularly through increased activity in collective sale transactions. For 2017 to date, there have been 25 collective sale transactions amounting to $5.2 billion.

On 4 October 2017, the Group and its 20% JV partner successfully tendered for the collective sale of the Amber Park condominium for $906.7 million, or $1,515 per plot ratio (ppr). Strategically located in an established and sought-after private residential estate in the Katong and East Coast area, Amber Park is close to key amenities, including being within walking distance of Parkway Parade, one of the best anchor malls in the East Coast, and an underpass which affords easy access to the East Coast Parkway beach front. The site is also located within walking distance of the upcoming Tanjong Katong MRT station, scheduled to be completed in 2023. This coveted site was tightly contested, attracting eight competitively priced bids. The site also adds to CDL's residential landbank in Singapore, with an area of 213,675 sq ft, plot ratio of 2.8 and allowable GFA of about 598,290 sq ft. Subject to approval, the Group plans to redevelop the site into a higher-end condominium comprising four 25-storey blocks with about 800 units and a basement carpark. Most apartments will have a North-South facing orientation with many enjoying sea views. The Group believes that there is tremendous potential for this site and demand for the new project is expected to be robust given its excellent locational attributes and rare freehold status. Barring unforeseen circumstances, the Group expects the transaction to be completed by 1H 2018 and be launch ready by Q1 2019.

In Q1 2018, the Group is planning to launch two new developments.

In the luxury segment, the Group is planning to launch New Futura, its newly-completed 124-unit freehold condominium at Leonie Hill Road, situated on a hilltop and a stone's throw from Orchard Road. In view of the increased sales activity and progressive price recovery for the high-end market segment, the Group decided to defer New Futura's launch to next year to capitalise on the improving sentiment. Notably, there is a growing appetite for new freehold properties in prime estates which are becoming increasingly rare. Boasting iconic architectural design by SOM, its two 36-storey towers are cladded with dynamic curved balconies and adorned with six sky terraces, offering spectacular views of the surroundings. The project comprises two- to four-bedroom apartments, and five-bedroom penthouses, with unit sizes ranging from 1,098 sq ft to 7,836 sq ft. Given the exclusive location and limited availability of new projects in the prestigious District 9 locale, the Group is confident that New Futura will garner keen interest.

In the mass market segment, the Group is planning to launch a new 861-unit condominium at Tampines Avenue 10. Housed in seven 15-storey residential towers, all units will have North-South orientation to maximise views of the surrounding greenery. To cater to the needs of young families, the development will also have a child care centre within the estate. Located near the upcoming Tampines West MRT station, within the upcoming Tampines North Hub, the site is near reputable schools and educational institutions such as Temasek Polytechnic, United World College of South East Asia (East Campus) and St. Hilda's Primary and Secondary Schools. The Group acquired the GLS site in May 2017 for $370.1 million or $565 ppr based on the maximum GFA of 60,810 sqm.

In the office sector, rentals have stabilised, and overall CBD rents have registered their second consecutive quarter of growth. With the recent completion of several new office projects, new office space supply has peaked and is expected to taper down by 2019. The limited supply in 2018, together with a rosier economic outlook, is expected to provide the impetus for rental growth potential to be realised in the near-term.

Hotel

On a constant currency basis, global RevPAR was up by 1.8% for the first three weeks of October 2017. However, on a like-for-like basis, overall global RevPAR increased by only 0.7% with New York up by 3.3% and Australasia up by 8.0% respectively.

With M&C's existing and upcoming hotel refurbishments programme, the Group expects M&C to progress with its capital expenditure across a number of hotels. This is expected to be a near-term, ongoing process which the Group believes will likely further impact M&C's earnings.

Possible Recommended Cash Offer for M&C

On 9 October 2017, the Group made a Rule 2.4 announcement on the London Stock Exchange on the financial terms of a possible recommended offer for shares in M&C which it does not currently own. A further Rule 2.4 announcement was issued on 19 October 2017 providing further details of the possible recommended cash offer.

The Group is contemplating an offer for M&C as increasing its share of M&C's generation of recurring income has been a critical component of the Group's operating performance for many years, providing a buffer against the volatility and cyclical nature of its residential development business. Today, recurring income is even more important as the margins of new residential projects are being reduced due to higher land costs and ongoing property cooling measures in several key gateway cities.

The Group intends to maintain M&C's current business model as both a hotel owner and operator of its hotel portfolio. The Group believes that M&C's challenges and long-term financial requirements can be better navigated if the company becomes a private entity, for which nimbleness and flexibility will be a distinct advantage in a highly competitive operating environment. The Group also believes that by providing M&C with direct access to CDL's larger infrastructure as a diversified, global operating group, M&C will be able to leverage on CDL's network, financial resources and its proven execution capabilities to effect a quicker turnaround at a lower cost. The Group has until 8 December 2017 to announce a firm intention to make an offer in accordance with Rule 2.7 of the UK Takeover Code or to announce that it does not intend to make an offer for M&C. The deadline may be extended with the consent of the UK Panel on Takeovers and Mergers in accordance with Rule 2.6(c) of the UK Takeover Code.

Management Changes

On 10 August 2017, the Group announced that the Board of Directors had accepted the resignation of Mr Grant Lewis Kelley, its Chief Executive Officer (CEO) with effect from 31 December 2017. Mr Kelley will be taking up new challenges as the CEO of a listed company based in Melbourne, Australia, which is a timely offer as he intends to return home to Australia for personal reasons. As part of the succession plan to ensure continuity of leadership with the senior management team, Mr Sherman Kwek, currently the CEO-Designate, will assume full responsibilities as the CEO of the Company from 1 January 2018.

Group Prospects

The Group remains positive regarding the prospects for the Singapore property market which continues to show improved fundamentals. The Group believes that the current momentum will strengthen and the positive sentiment of pent-up demand will fuel increased activity in the residential property sector which has undergone several years of subdued market conditions. Additionally, given en bloc sales momentum, the Group may be presented an opportunity to unlock value from its existing assets.

Armed with its strong balance sheet, new acquisitions and investments both locally and overseas will be a key focus areas for the Group. It believes that in a global market where uncertainty continues to dominate the economic landscape, there may be opportunities that will arise and which the Group remains poised to capture, while remaining disciplined in its approach.

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	13 September 2017	30 June 2017
Dividend type	Cash	Cash
Dividend amount (in cents)	4.0 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 2016 to 29 June 2017 (both dates inclusive)
Issue price	N.A.	$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.*

On 9 November 2017, the Board of Directors, pursuant to the recommendation of the Audit and Risk 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 2017 to 30 December 2017, divided by 365 days.

Name of Dividend	Tax-exempt (One-tier) Preference Dividend
Date of payment	2 January 2018
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 2017 to 30 December 2017 (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.

	Tax exempt (One-tier) Special Interim Ordinary Dividend	Tax exempt (One-tier) Preference Dividend	
Date of payment	9 September 2016	30 June 2016	3 January 2017
Dividend type	Cash	Cash	Cash
Dividend amount (in cents)	4.0 cents per Ordinary Share	1.94 cents per Preference Share^	1.96 cents per Preference Share^
Dividend rate (in %)	N.A.	3.9% per annum on the issue price of each Preference Share	3.9% per annum on the issue price of each Preference Share
Dividend period	N.A.	From 31 December 2015 to 29 June 2016 (both dates inclusive)	From 30 June 2016 to 30 December 2016 (both dates inclusive)
Issue price	N.A.	$1.00 per Preference Share	$1.00 per Preference Share

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

(c) Date payable

The tax-exempt (one-tier) preference dividend for the period from 30 June 2017 to 30 December 2017 (both dates inclusive) will be paid on 2 January 2018.

(d) Books Closure Date

5.00pm on 6 December 2017.

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

Not applicable.

13. Interested Person Transactions

No interested person transactions ("IPT") were conducted for the third quarter ended 30 September 2017 under the Company's IPT mandate pursuant to Rule 920 (excluding transactions less than $100,000).

14. Segment Reporting

By Business Segments

	The Group			
	Third quarter ended 30 September		**9-month period ended 30 September**	
	2017	**2016**	**2017**	**2016**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Revenue				
Property Development	291,210	371,757	893,254	1,146,550
Hotel Operations*	445,312	424,029	1,244,012	1,190,029
Rental Properties	89,216	92,000	260,785	278,202
Others	37,371	35,027	102,894	123,710
	863,109	**922,813**	**2,500,945**	**2,738,491**
Profit before tax**				
Property Development	86,177	94,766	251,780	277,107
Hotel Operations	73,904	55,255	147,301	125,003
Rental Properties	71,628	33,188	128,497	106,447
Others	9,351	55,813	13,723	73,932
	241,060	**239,022**	**541,301**	**582,489**

* *Revenue from hotel operations includes room revenue of $864.9 million (YTD Sep 2016: $796.7 million) for YTD Sep 2017 from hotels that are owned by the Group.*

****** *Includes share of after-tax profit of associates and joint ventures.*

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 $80.6 million to $291.2 million (Q3 2016: $371.8 million) for Q3 2017 and $253.3 million to $893.3 million (YTD Sep 2016: $1,146.6 million) for YTD Sep 2017.

Pre-tax profits decreased by $8.6 million to $86.2 million (Q3 2016: $94.8 million) for Q3 2017 and $25.3 million to $251.8 million (YTD Sep 2016: $277.1 million) for YTD Sep 2017.

Projects that contributed to both revenue and profit for YTD Sep 2017 include Coco Palms, D'Nest, The Venue Residences, Gramercy Park, Hongqiao Royal Lake and Hong Leong City Center. Whilst revenue from joint venture developments such as Commonwealth Towers had not been consolidated into the Group's total revenue in accordance with the Group's policy of equity accounting for the results of its joint ventures, the Group's share of profits arising from the joint venture developments had been included in pre-tax profit.

The decrease in revenue for Q3 2017 was primarily due to the absence of revenue recognition from Jewel@Buangkok (TOP in Q3 2016), Hanover House in Reading (United Kingdom) as well as lower contribution from D'Nest and Coco Palms. The decrease in revenue for YTD Sep 2017 was largely due to absence of revenue recognition from Lush Acres EC (TOP in Q2 2016) and Jewel@Buangkok. Under prevailing accounting standards, both revenue and profit for EC are recognised in entirety upon TOP. The decreases were however partially mitigated by sales recognised for Hong Leong City Center and Hongqiao Royal Lake, together with increased contributions from The Venue Residences and Gramercy Park.

The decreases in pre-tax profits for Q3 2017 and YTD Sep 2017 were in tandem with the decreases in revenue, coupled with the absence of share of contribution from its joint venture projects, namely, Bartley Ridge and Echelon, both completed in Q3 2016, partially cushioned by the maiden contribution from Forest Woods and increased profits generated by Commonwealth Towers in Q3 2017. In addition, the Group wrote back allowance for foreseeable losses of $15.4 million pertaining to The Venue Residences in Q2 2017, which further mitigated the decline for YTD Sep 17.

Hotel Operations

Revenue for this segment increased by $21.3 million to $445.3 million (Q3 2016: $424.0 million) for Q3 2017 and $54.0 million to $1,244.0 million (YTD Sep 2016: $1,190.0 million) for YTD Sep 2017.

Pre-tax profits increased by $18.6 million to $73.9 million (Q3 2016: $55.3 million) for Q3 2017 and $22.3 million to $147.3 million (YTD Sep 2016: $125.0 million) for YTD Sep 2017.

The increases in revenue for Q3 2017 and YTD Sep 2017 were primarily due to contribution from Grand Millennium Auckland and M Social Singapore which were added to the Group's hotel portfolio last year, together with improved performance from the hotels in New York, particularly increased contribution from Millennium Hilton New York One UN Plaza whose East Tower was closed for refurbishment in YTD Sep 2016. Driven by higher tourist numbers due to weaker Sterling Pound, London hotels also recorded better performance with RevPAR up by 5.2% at constant currency in YTD Sep 2017. However, the much weaker Sterling Pound against Singapore dollar in current periods continued to have negative impact on Q3 2017 and YTD Sep 2017 performance when M&C's hotel revenue denominated in Sterling Pound got consolidated to the Group, whose reporting currency is Singapore Dollar.

The increases in pre-tax profits for Q3 2017 and YTD Sep 2017 were in line with the increases in revenue. For YTD Sep 2017, pre-tax profits increased due to a range of factors, mainly write-back of impairment loss previously made on shareholder loans advanced of about $22 million to Fena in Q2 2017 as M&C disposed of its 50% interest in Fena in July 17 for a token consideration and repayment of the shareholder loans. M&C reversed the impairment loss recognised to the extent of the shareholder loans recovered. The increases were however partially offset by various factors, including impairment of goodwill by M&C of about $6.6 million in relation to the acquisition by CDLHT of The Lowry Hotel in Q2 2017. On the other hand, YTD Sep 2016 profit included a $4.2 million gain accounted in Q2 2016 following settlement with insurers in respect of material damage claim relating to fixtures, fittings and equipment of Millennium Hotel Christchurch (affected by 2011 New Zealand earthquake). Albeit higher revenue, the New York hotels remained loss-making due to higher operating costs led by payroll costs and travel agent commissions while UK hotels were impacted by increased security costs following recent terrorist attacks, coupled by pressure on labour supply and operating costs.

Rental Properties

Revenue for this segment decreased by $2.8 million to $89.2 million (Q3 2016: $92.0 million) for Q3 2017 and $17.4 million to $260.8 million (YTD Sep 2016: $278.2 million) for YTD Sep 2017.

Pre-tax profits for this segment increased by $38.4 million to $71.6 million (Q3 2016: $33.2 million) for Q3 2017 and $22.1 million to $128.5 million (YTD Sep 2016: $106.4 million) for YTD Sep 2017.

The decreases in revenue for Q3 2017 and YTD Sep 2017 were largely due to the absence of rental income following the disposal of equity interest in Exchange Tower Limited, which owned a commercial building, in October 2016, and closure of Le Grove Serviced Apartments for a major revamp. These were partially offset by maiden contribution from Pullman Hotel Munich, acquired by CDLHT in July 2017.

Despite revenue decreases, pre-tax profit increased significantly for Q3 2017 and YTD Sep 2017 largely due to gain recognised in September 2017 on the disposal of an office building in Osaka. The increase for YTD Sep 2017 was partially offset by exchange losses recognised by CDLHT mainly from repayment of New Zealand dollar denominated intercompany loan and lower share of rental contribution from FSGL.

Others

Revenue, comprising mainly income from building maintenance contracts, project management, club operations, laundry services and dividend income, increased marginally by $2.4 million to $37.4 million (Q3 2016: $35.0 million) for Q3 2017 but decreased by $20.8 million to $102.9 million (YTD Sep 2016: $123.7 million) for YTD Sep 2017. The increase in Q3 2017 was mainly due to higher management fees earned. The decrease in YTD Sep 2017 was largely due to the absence of hospitality income following the sale of the Group’s 52.52% interest in CES in July 2016 and lower income from building maintenance contracts and project management.

Pre-tax profit decreased by $46.4 million to $9.4 million (Q3 2016: $55.8 million) for Q3 2017 and $60.2 million to $13.7 million (YTD Sep 2016: $73.9 million) for YTD Sep 2017 respectively.

The significant decreases for Q3 2017 and YTD Sep 2017 were largely due to gain accounted in Q3 2016 for the disposal of equity interest in CES. The lower gains recognised in YTD Sep 2017 on realisation of investments in Real Estate Capital Asia Partners Funds (private real estate funds) also attributed to the decrease.

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 2016 S$'000	Full Year 2015 S$'000
Ordinary	72,744	72,744
Special	72,744	72,744
Preference	12,922	12,904
Total	**158,410**	**158,392**

The final tax-exempt (one-tier) ordinary dividend and special final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2016 of 8.0 cents and 4.0 cents respectively per ordinary share had been approved by the ordinary shareholders at the Annual General Meeting held on 25 April 2017 and the dividend amounts are based on the number of issued ordinary shares as at 2 May 2017.

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

Not applicable.

18. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Shufen Loh @ Catherine Shufen Loh
Company Secretary
9 November 2017

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 third quarter and the 9-month period ended 30 September 2017 to be false or misleading in any material respect.

On behalf of the Board of Directors

Kwek Leng Beng	**Chan Soon Hee Eric**
Executive Chairman	Director

Singapore, 9 November 2017

CITY DEVELOPMENTS LIMITED

News Release

9 November 2017

CDL POSTS REVENUE OF S$863.1 MILLION AND PROFIT OF S$156.1 MILLION FOR Q3 2017

- **1,056 residential units sold in Singapore for YTD Sep 2017 with sales value of approximately S$1.8 billion (almost triple that for the same period in 2016)**
- **Three upcoming residential launches in Singapore for 2018 and launch of higher-end freehold condominium at Amber Park site by Q1 2019**
- **Expands collaboration in Australia's burgeoning luxury senior housing sector**
- **Divests a non-core office building in Osaka, Japan**
- **Inks strategic partnership with China Vanke**
- **Excluding one-off items, YTD Sep 2017 PATMI would have increased by 3.5% and profit before tax by 8.4%***

For Q3 2017, City Developments Limited (CDL) achieved revenue of S$863.1 million (Q3 2016: S$922.8 million) and attributable profit after tax and non-controlling interests (PATMI) of S$156.1 million (Q3 2016: S$170.3 million).

For the nine months ended 30 September 2017 (YTD Sep 2017), CDL posted revenue of S$2.5 billion (YTD Sep 2016: S$2.7 billion) and PATMI of S$351.5 million (YTD Sep 2016: S$409.4 million).

The Group continued to maintain stable earnings before interest, tax, depreciation and amortisation (EBITDA) contribution from its regular recurring income streams, making up 72% and 65% for Q3 and YTD Sep 2017 respectively. The contributions to the results were underpinned by healthy sales take-up at Gramercy Park, Coco Palms, D'Nest and The Venue Residences condominiums in Singapore, as well as the progressive handover of the Group's overseas projects namely Hongqiao Royal Lake in Shanghai and Hong Leong City Center (HLCC) in Suzhou.

Financial Highlights

(S$ million)	Q3 2017	Q3 2016	% Change	YTD Sep 2017	YTD Sep 2016	% Change
Revenue	863.1	922.8	(6.5)	2,500.9	2,738.5	(8.7)
Profit before tax*	241.1	239.0	0.9	541.3	582.5	(7.1)
PATMI*	156.1	170.3	(8.3)	351.5	409.4	(14.2)

Note:
The Group's Q3 and YTD Sep 2017 results were boosted by a gain following the divestment of a non-core office building in Osaka. In comparison, YTD Sep 2016 results also included a gain from the divestment of the Group's 52.52% interest in City e-Solutions Limited and the full recognition of revenue and profit of Lush Acres, a fully sold Executive Condominium (EC). Excluding these one-off items, the Group's YTD Sep 2017 PATMI actually increased by 3.5%. YTD Sep 2017 profit before tax would have increased by 8.4%.

As at 30 September 2017, the Group's balance sheet remained strong, with cash and cash equivalent of S$3.7 billion and a net gearing ratio without factoring any revaluation surplus from investment properties at 13%. Interest cover for YTD Sep 2017 was 12.5 times.

Operations Review and Prospects

Strong uptake for launched residential projects in Singapore

- For YTD Sep 2017, the Group and its joint venture (JV) associates sold 1,056 units including ECs, more than double the units sold during the same period last year. Total sales value amounted to approximately S$1.8 billion, almost triple that for YTD Sep 2016 (YTD 2016: 482 units with total sales value of S$ 622 million).

- The luxury freehold 174-unit Gramercy Park along Grange Road, in prime District 10, is now 88% (153 units) sold; the 519-unit Forest Woods near Serangoon MRT station and NEX Shopping Mall, is over 90% (469 units) sold; the 944-unit Coco Palms near Pasir Ris MRT station is over 98% sold, with only 15 units remaining; and the 845-unit Commonwealth Towers adjacent to Queenstown MRT station is fully sold.

- Similarly, sales of the Group's two JV EC projects are progressing well. The 638-unit The Brownstone next to the upcoming Canberra MRT station is about 99% (629 units) sold; and the 505-unit The Criterion in Yishun is about 90% (454 units) sold.

- To date, as the Group has been able to sell its units within a stipulated period, it has not been liable for any Qualifying Certificate (QC) and/or Additional Buyer's Stamp Duty (ABSD) penalties.

Healthy demand for residential projects in China

- Healthy sales for Hongqiao Royal Lake development with 85 luxury villas, located in the high-end residential enclave of Qingpu District in Shanghai, continue to take place with 17 villas sold and 32 villas booked with total sales value of RMB360 million and RMB670 million respectively.

- HLCC, a mixed-use waterfront development in Suzhou Industrial Park, has also continued to register good sales. For its Phase 1 launch (comprising 1,374 units), 1,143 units (83%) have been sold with a sales value of RMB 2.5 billion. For Phase 2 of HLCC, 212 units (49%) of the 430-unit residential tower have been sold to date with a sales value of RMB 671 million.

Upcoming launches in Singapore

<u>New Futura</u>

- New Futura, a newly-completed 124-unit rare freehold condominium at Leonie Hill Road in District 9, a stone's throw from Orchard Road, is scheduled for launch in Q1 2018. The project has a range of apartment sizes ranging from 1,098 sq ft to 7,836 sq ft to cater to different lifestyle needs. This project is expected to benefit from increased sales activity and progressive price recovery for the high-end market segment.

<u>Tampines Avenue 10 condominium</u>

- In Q1 2018, the Group also expects to launch a 861-unit condominium near the upcoming Tampines West MRT station within the Tampines North Hub. It is close to reputable educational institutions such as Temasek Polytechnic, United World College South East Asia and St Hilda's Primary and Secondary Schools. Catering to young families, the project will have a child care centre.

<u>South Beach Residences</u>

- The Group is preparing to soft launch the 190-unit South Beach Residences in 1H 2018 – the final phase of the JV mixed-use South Beach development which comprises office, retail and F&B components, and the 634-room JW Marriott Hotel Singapore South Beach. There has been keen interest for this project given its iconic design by Philippe Starck, superb location and panoramic views of the Marina Bay area, Padang and entire city.

<u>Amber Park site</u>

- The transaction for the freehold Amber Park condominium site, which the Group and its JV partner successfully tendered for in October 2017, is expected to be completed by 1H 2018. Strategically located in the established and sought-after Katong and East Coast area, the site is expected to be launch ready by Q1 2019. It is close to key amenities, including being within walking distance of Parkway Parade, one of the best anchor malls in the East Coast, the upcoming Tanjong Katong MRT station and an underpass which affords easy access to the East Coast Parkway beach front.

Expanding collaboration in Australia's burgeoning luxury senior housing sector

- In Q3 2017, the Group entered into its second collaboration with Waterbrook Lifestyle Resorts to develop a luxury retirement village in Bowral, New South Wales. Waterbrook Bowral will be built on a 175,000 square-metre site which was formerly a boarding school.

- The proposed development is near the Bowral and District Hospital and is well-connected to major transportation nodes. The tranquil environment at Bowral together with the iconic nature and vastness of the site provide an opportunity to create a premium retirement village development which the Group believes will be well received by the growing retiree population in the area. Expected to be completed in 2021, the project is currently in the planning stages. The Group will be participating through debt financing of A$22 million, for which the specific terms are confidential.

- Waterbrook will provide resort-style facilities and a vast array of services catered to retirees including 24/7 concierge service, a variety of wellness and recreational spaces, chauffeured courtesy vehicles as well as in-house nurses. The product differentiates itself from the traditional retirement village model through its high-end hospitality experience.

Unlocking value for capital recycling

- As part of the Group's capital recycling strategy, in Q3 2017, it completed the divestment of one office building in Osaka, Japan, a non-core asset, and realised a gain of approximately S$38 million.

Strategic partnership with China Vanke

- The Group's wholly-owned subsidiary CDL China Limited (CDL China) entered into a strategic partnership with China Vanke Co., Ltd (Vanke), one of China's biggest residential developers, through the partial divestment of its two properties in Chongqing, namely 70% of Chongqing Huang Huayuan and 50% of Eling Residences, for an aggregate consideration of approximately RMB 986 million. The Transaction Cooperation Agreement was inked in September, with the final effective completion of the divestment subject to the fulfilment of certain conditions expected in December 2017. Following the partial divestment, CDL China continues to retain a 30% and 50% equity stake in Chongqing Huang Huayuan and Eling Residences respectively for future upside.

- The strategic partnership will see both projects being jointly developed and managed by CDL China and Vanke. The Group will tap on Vanke's extensive local experience, expertise, business networks and development capabilities in China. CDL China will also contribute its international knowledge, best practices and networks to further enhance the projects' positioning, design and sales, creating a win-win alliance with Vanke. This alliance will pave the way for future collaborations and business expansion opportunities in both China and Singapore.

Mr Kwek Leng Beng, CDL Executive Chairman, said, "As Singapore's economy seems to be recovering, the prospects for the local property market are brighter. The current momentum will strengthen and the positive sentiment of pent-up demand will fuel increased activity in the residential property sector which has undergone several years of subdued market conditions since its peak in 2007. Many countries like China, Australia, UK and others have reached their peak of the property boom and have only recently implemented property cooling measures. However, for Singapore, a series of property cooling measures have been imposed since 2009. Today, while there seems to be increased buzz in the marketplace, it is compared against a low base from the year before. With the Singapore property cooling measures still firmly in place, the property market is still far from its previous peak – almost a decade ago. We are confident that the Government will continue to be nimble and make necessary tweaks to these measures, when the situation warrants.

Land is the most critical raw material for developers, similar to the raw materials for a manufactured good, and many are hungry to replenish their land banks, resulting in aggressive, all-time high bids for Government Land Sales and en bloc sites. To balance supply and demand, and moderate escalating land prices to be in line with the growth of the economy, the Group hopes that the Government will sooner rather than later, review the QC policy which prevents land banking for listed property companies, which are typically larger entities. The policy is imposed on developers with just one foreign shareholder which includes locally-controlled companies listed on the Singapore Exchange (SGX). On one hand, while SGX seeks to attract more listings, and the Government continues to successfully market Singapore as a financial hub, especially with the recent success in attracting Charles Schwab to set up an office in Singapore, policies like the QC are an impediment which have resulted in the rush to bid up land prices as land must be acquired and then developed within a limited period, rather than being held on a balance sheet over the longer term, which would moderate escalating prices. Singapore is our home ground where we have operated for over 50 years. The sustained property market recovery will augur well for our Group."

Mr Grant Kelley, CDL Chief Executive Officer, said, "With a strong balance sheet, new acquisitions and investments both locally and overseas will be key focus areas for CDL. Recently, CDL and our JV partner successfully tendered for the freehold Amber Park site. This is one of the largest collective sale sites in the exclusive Amber Road enclave, and one of CDL's most significant investment deals in the Singapore residential market in recent years. Positive on Australia's luxury retirement sector, we also expanded our collaboration with Waterbrook Lifestyle Resorts given the strong unmet demand from a growing demographic of well-heeled retirees. In addition, as the existing shareholder of Distrii, one of China's leading operators of co-working spaces, we participated in Distrii's latest Series A funding round of RMB 200 million, making CDL the second largest shareholder of Distrii after its founder. To date, the Group has made S$4.2 billion in acquisitions and investments since 2014, on track to achieve our target of S$5 billion by end 2018. Concerning our possible cash offer for shares in Millennium & Copthorne Hotels plc which we do not currently own, as the deadline has been extended, we will make a further announcement by 8 December 2017."

Please visit www.cdl.com.sg for CDL's Q3 2017 financial statement.
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CITY DEVELOPMENTS LIMITED

Trusted Since 1963

Q3 2017 RESULTS PRESENTATION

9 November 2017

AGENDA

- EXECUTIVE SUMMARY
- FINANCIAL HIGHLIGHTS
- SINGAPORE OVERVIEW
- INTERNATIONAL OVERVIEW
- HOTEL OPERATIONS

EXECUTIVE SUMMARY

Key Highlights

- Resilient financial performance:
  - Revenue: $863.1 million (Q3 2016: $922.8 million) $2.5 billion (YTD Sep 2016: $2.7 billion)
  - EBITDA: $312 million (Q3 2016: $313 million) $753 million (YTD Sep 2016: $798 million)
  - PATMI: $156.1 million (Q3 2016: $170.3 million) $351.5 million (YTD Sep 2016: $409.4 million)

- Excluding one-off items including the gains from divestment of non-core asset in Osaka, Japan (Q3 2017), and divestment of City e-Solutions Limited and full project recognition of Lush Acres EC (YTD Sep 2016), the Group's revenue and PATMI would have increased:
  - YTD Sep 2017: 4.9% increase in revenue 3.5% increase in PATMI

- Robust performance by property development business:
  - 1,056 units with sales value of approx. $1.8 billion for YTD Sep 2017 in Singapore (YTD Sep 2016: 482 units sold with sales value of $622 million)
  - To date, the Group has not been liable for any Qualifying Certificate (QC) and/or Additional Buyer's Stamp Duty (ABSD) penalties

- Key acquisitions and investments – approx. $800 million for Q3-Q4 2017 to date:
  - **Singapore**: Amber Park collective sale site – $906.7 million*
  - **Australia**: Waterbrook Bayview (A$35 million) and Waterbrook Bowral (A$22 million)

- Strategic partnership between CDL China Limited and China Vanke Co., Ltd:
  - RMB 986 million for partial divestment of two CDL China developments in Chongqing: Huang Huayuan (70%) and Eling Residences (50%)
  - Both projects will be jointly developed and managed; CDL China retains equity interest for future upside
  - Alliance paves the way for future collaborations and business expansion opportunities in both China and Singapore

- Basic earnings per share at 17.2 cents for Q3 2017 (Q3 2016: 18.7 cents) and 38.0 cents for YTD Sep 2017 (YTD Sep 2016: 44.3 cents)

- Robust cash position maintained: $3.7 billion with net gearing ratio of 13%^ as at 30 Sep 2017

* CDL's equity interest is 80%

^ Without factoring in fair value gains on investment properties

Resilient Performance for Q3 & YTD Sep 2017

Summary of Financial Results

	Q3 2017	Q3 2016	% Change	YTD Sep 2017	YTD Sep 2016	% Change
Revenue ($m)	**863**	923	**(6.5)**	**2,501**	2,738	**(8.7)**
PATMI ($m)	**156**	170	**(8.3)**	**351**	409	**(14.2)**
Basic Earnings Per Share (cents)	**17.2**	18.7	**(8.0)**	**38.0**	44.3	**(14.2)**
NAV Per Share ($)				**10.38**	9.91	**4.7**
Return on Equity (%)				**3.73**	4.54	**(0.8) pts**

No fair values adopted on investment properties.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

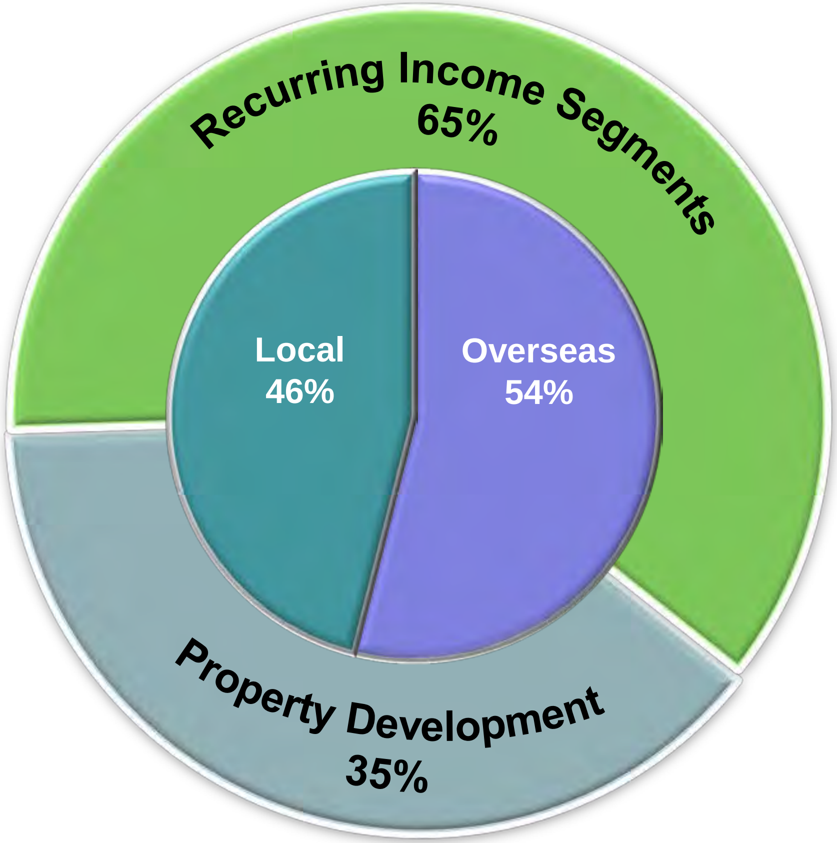
Portfolio Composition – YTD Sep 2017

S$ million	Property Development	Recurring Income Segments: Hotel Operations	Recurring Income Segments: Rental Properties	Recurring Income Segments: Others	Total	Funds
EBITDA *						
Local	161	58	120	10	349	
Overseas	105	202	91	6	404	
	266	**260**	**211**	**16**	**753**	
Total Assets ^						
Local	5,950	666	3,317	295	10,228	**AUM = $3.5B**
Overseas	3,029	4,817	1,229	225	9,300	
	8,979	**5,483**	**4,546**	**520**	**19,528**	

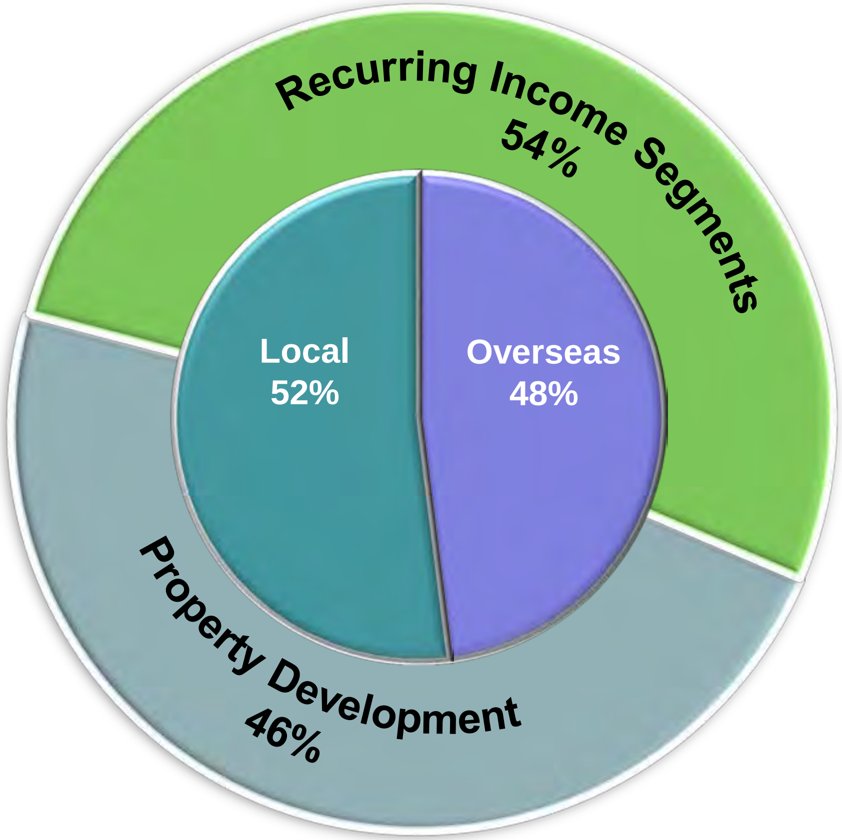
* Earnings before interest, tax, depreciation and amortisation.
^ Excludes tax recoverable and deferred tax asset.

Portfolio Composition – YTD Sep 2017

EBITDA



Total Assets



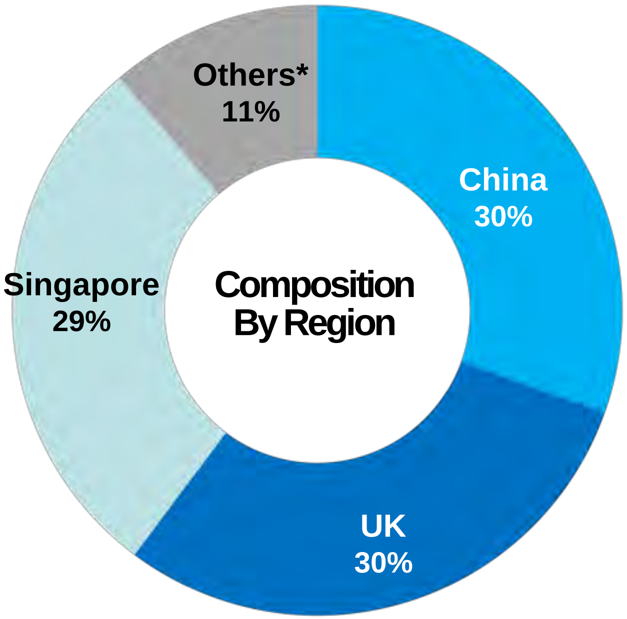
- **Stability from Recurring Income segments** comprising 65% of EBITDA / 54% of Total Assets (excluding tax recoverable and deferred tax asset)
- **Diversification overseas** with international segments accounting 54% of EBITDA and 48% of Total Assets

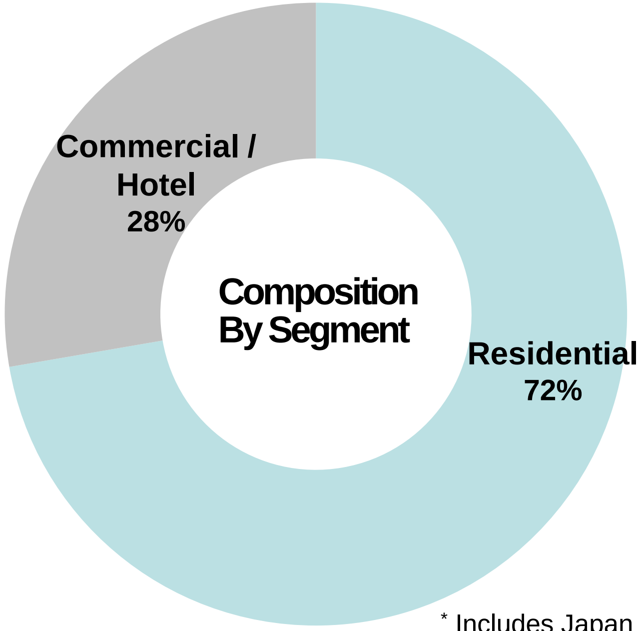
Diversified Land Bank

Land Area (as of 30 Sep 2017) – CDL's Attributable Share

Type of Development	Land Area (sq ft)			
	Singapore	International	Total	%
Residential	741,102	1,809,842	2,550,945	92
Commercial / Hotel	20,886	187,862	208,748	8
Total	**761,988**	**1,997,704**	**2,759,692**	**100**

Total Proposed GFA – 5.78 million sq ft





* Includes Japan and Malaysia

Strategic Acquisition of Amber Park

Successful Collective Sale Bid of Prime East Coast development at $906.7 million

Keen Contest with Eight Competitively Priced Bids

- CDL and its 20% JV partner successfully tendered for the collective sale of the Amber Park condo site on 4 Oct 2017
- Rare freehold site with excellent locational attributes:
  - Established and sought-after private residential estate in the Katong and East Coast area
  - Walking distance of Parkway Parade and upcoming Tanjong Katong MRT station
- Site to be redeveloped into a higher-end condo comprising four 25-storey blocks with about 800 units and a basement carpark
- Most apartments will have a North-South orientation with many commanding sea views
- Transaction expected to be completed by 1H 2018 and be launch ready by Q1 2019

Site Information	
Site Area	213,675 sq ft
Maximum GFA	598,290 sq ft (plot ratio – 2.8)
Land Price	$906.7 million / $1,515 ppr
Tenure	Freehold

Photo credit: EdgeProp Singapore

Share Price Performance

Stellar Performance for 2017 to date

50% in share price since Jan 2017*

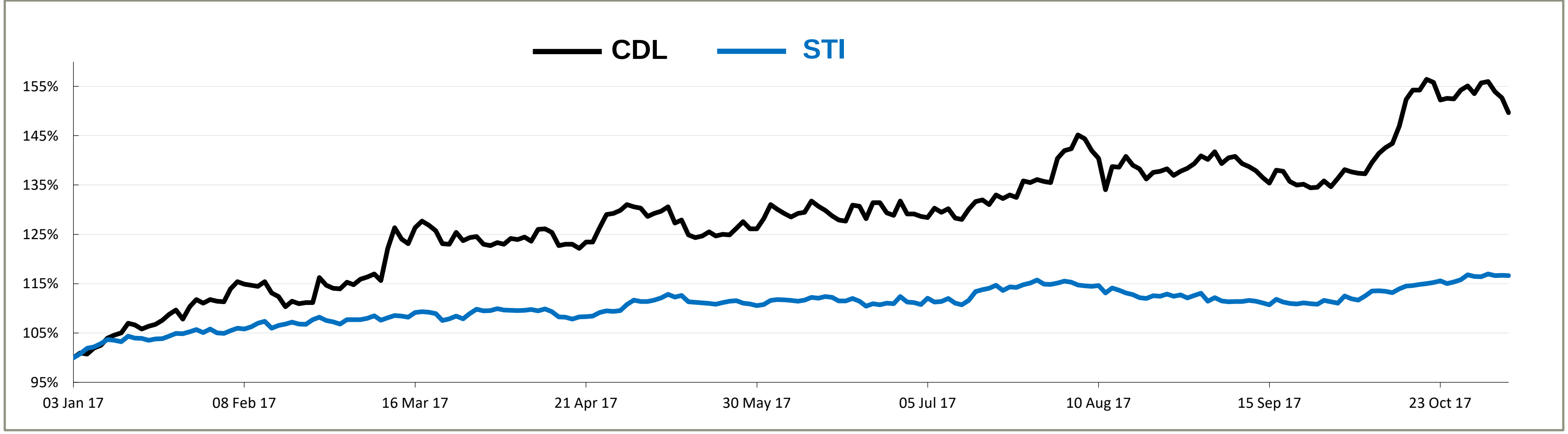
- **Q3 Close - $11.33**
  (29 Sep)
  (↑ **36.3%** from 3 Jan)
- **Highest Close - $13.00**
  (19 Oct)
  (↑ **56.4%** from 3 Jan)
- **Lowest Close - $8.31**
  (3 Jan)

*As of 6 Nov 2017

Share Price Performance

CDL vs STI (3 Jan – 6 Nov 2017)

Price, Volume & Performance (Rebased)



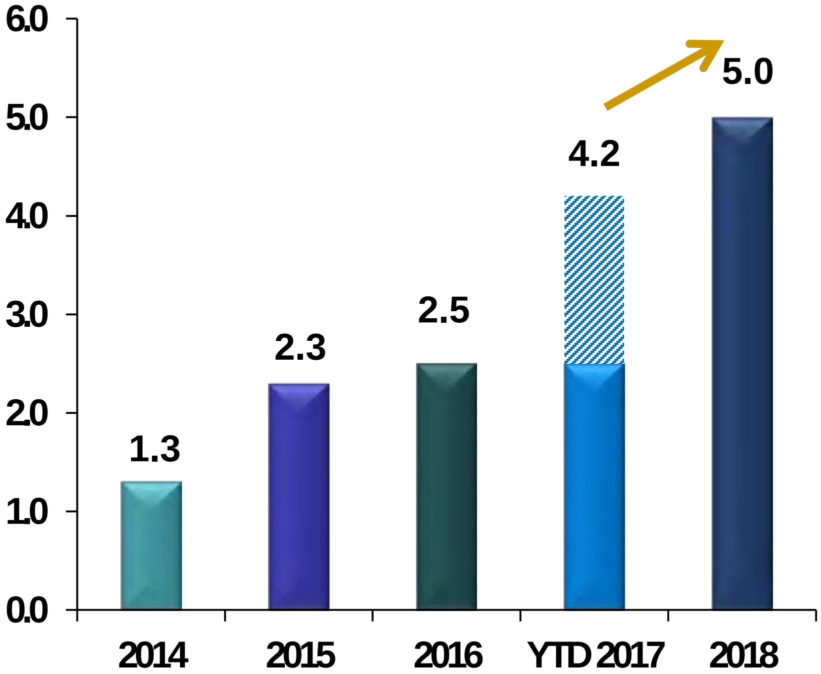
			Price				
Name	**Code**	**Cur**	**Open**	**High**	**Low**	**Close**	**Change %**
City Developments Limited	C09.SGX	SGD	8.31	13.30	8.26	12.44	▲ 49.70
Straits Times	STI	SGD	2,898.97	3,391.61	2,898.97	3,381.85	▲ 16.66

Source : Orient Capital

Acquisition Highlights – YTD 2017

On target to meet $5 billion in Acquisition Objective by end 2018

ACQUISITIONS $ BILLION



Site Acquisitions

- **Hong Leong Plaza Hongqiao –** RMB 900 million
- **Ransomes Wharf –** £58 million
- **Tampines Ave 10 –** $370.1 million
- **Amber Park collective sale site –** $906.7 million

Strategic Investments

- **Distrii –** RMB 72 million & Participated in Series A Funding
- **Waterbrook Bayview –** A$35 million
- **Waterbrook Bowral –** A$22 million

Hotel Acquisitions

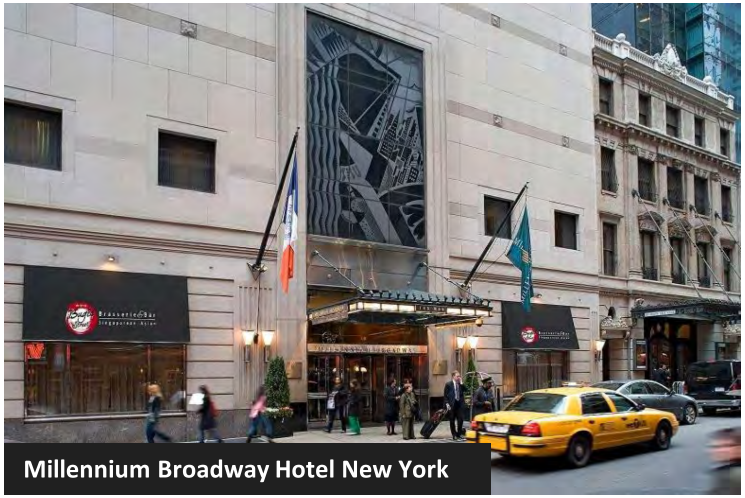
- **The Lowry Hotel –** £52.5 million
- **Pullman Hotel Munich –** €98.9 million

Millennium & Copthorne Hotels plc (M&C) – Possible Cash Offer

Possible Recommended Cash Offer of 552.5 pence for each M&C Share

Possible cash offer announced on 9 Oct 2017
In accordance with Rule 2.6(a) of UK Takeover Code, CDL is required to announce its intent by 8 Dec 2017

- M&C's generation of recurring income has been a key component of the Group's operating performance
- Privatisation will enable M&C to navigate challenges and long-term financial requirements it faces more nimbly
- CDL is able to provide M&C with direct access to its larger infrastructure as a diversified, global operating group – M&C will be able to leverage CDL's network, financial resources and its proven execution capabilities for a quicker turnaround at a lower cost
- CDL has until 8 Dec 2017 to announce a firm intention to make an offer, or to announce that it does not intend to make an offer for M&C

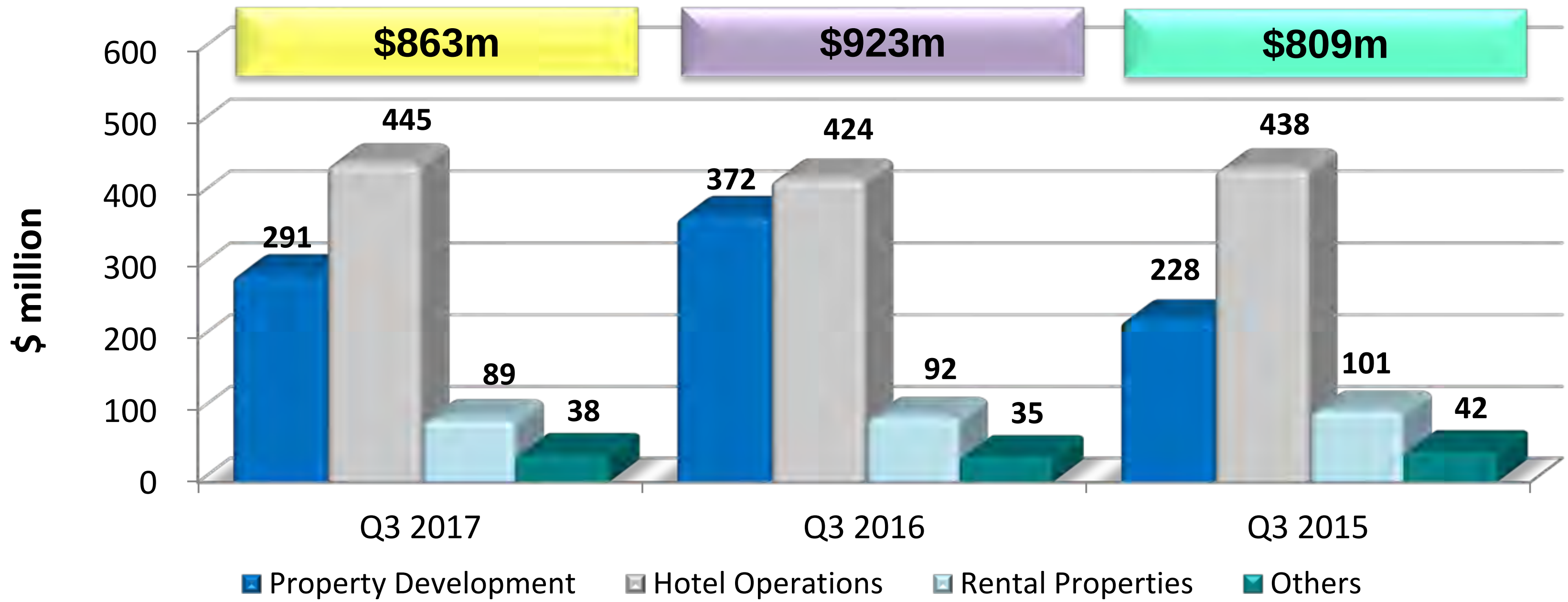

Millennium Broadway Hotel New York

Possible Recommended Cash Offer	
Cash Consideration	552.5 pence *Comprising 545 pence (cash) + 7.5 pence (special dividend) per M&C share*
Valuation	Approx. £1,794 million for M&C's entire issued ordinary share capital
CDL's Equity Interest in M&C	65.2% (211,749,487 shares) *As at 9 Oct 2017*

FINANCIAL HIGHLIGHTS

Financial Highlights

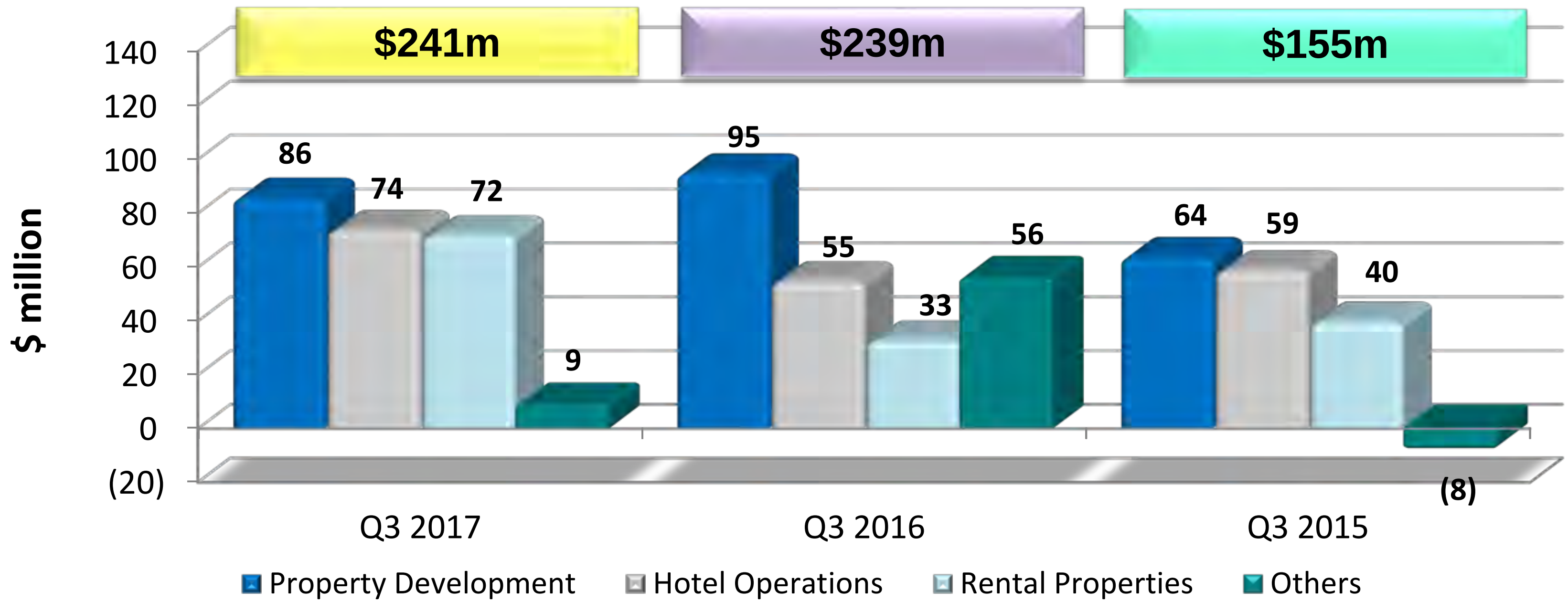
Revenue by Segment for 3rd Quarter (2015 – 2017)



	Q3 2017	Q3 2016	Q3 2015
Property Development	34%	40%	28%
Hotel Operations	52%	46%	54%
Rental Properties	10%	10%	13%
Others	4%	4%	5%

Financial Highlights

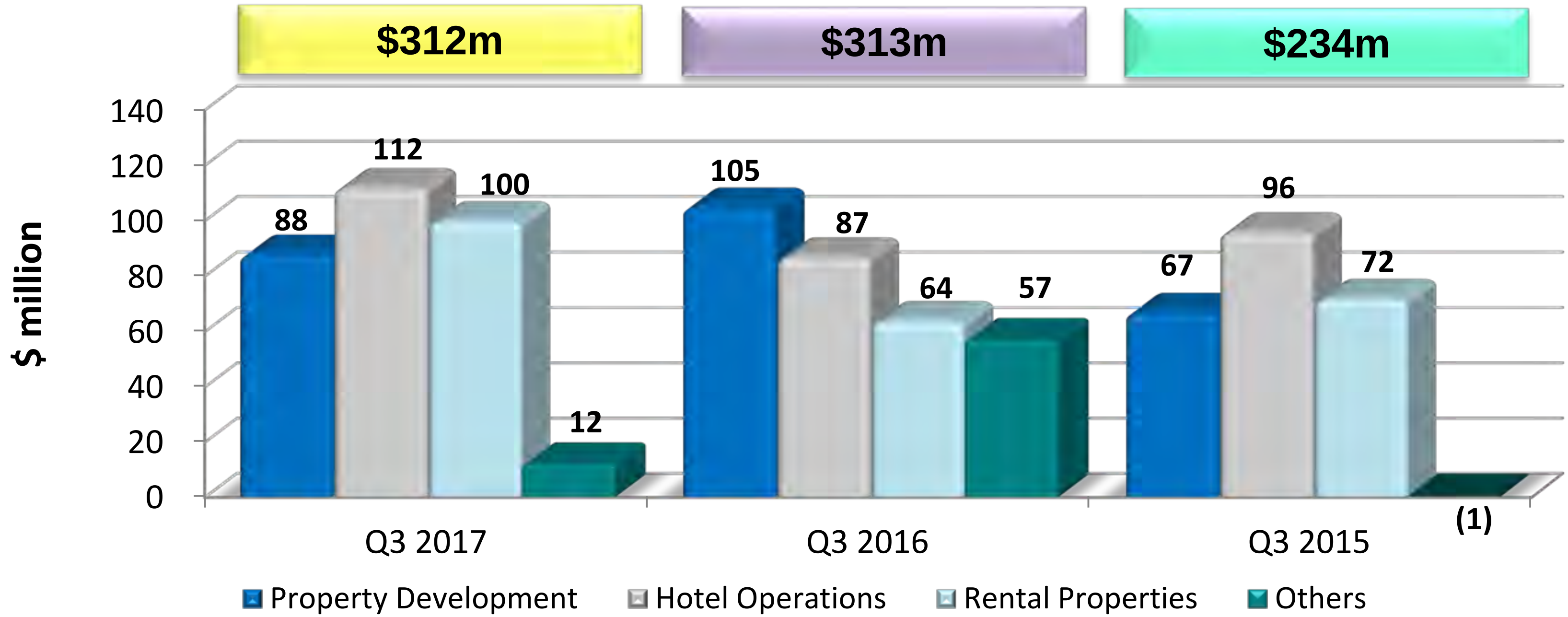
Profit Before Tax by Segment for 3rd Quarter (2015 – 2017)



	Q3 2017	Q3 2016	Q3 2015
Property Development	36%	40%	41%
Hotel Operations	31%	23%	38%
Rental Properties	30%	14%	26%
Others	3%	23%	(5%)

Financial Highlights

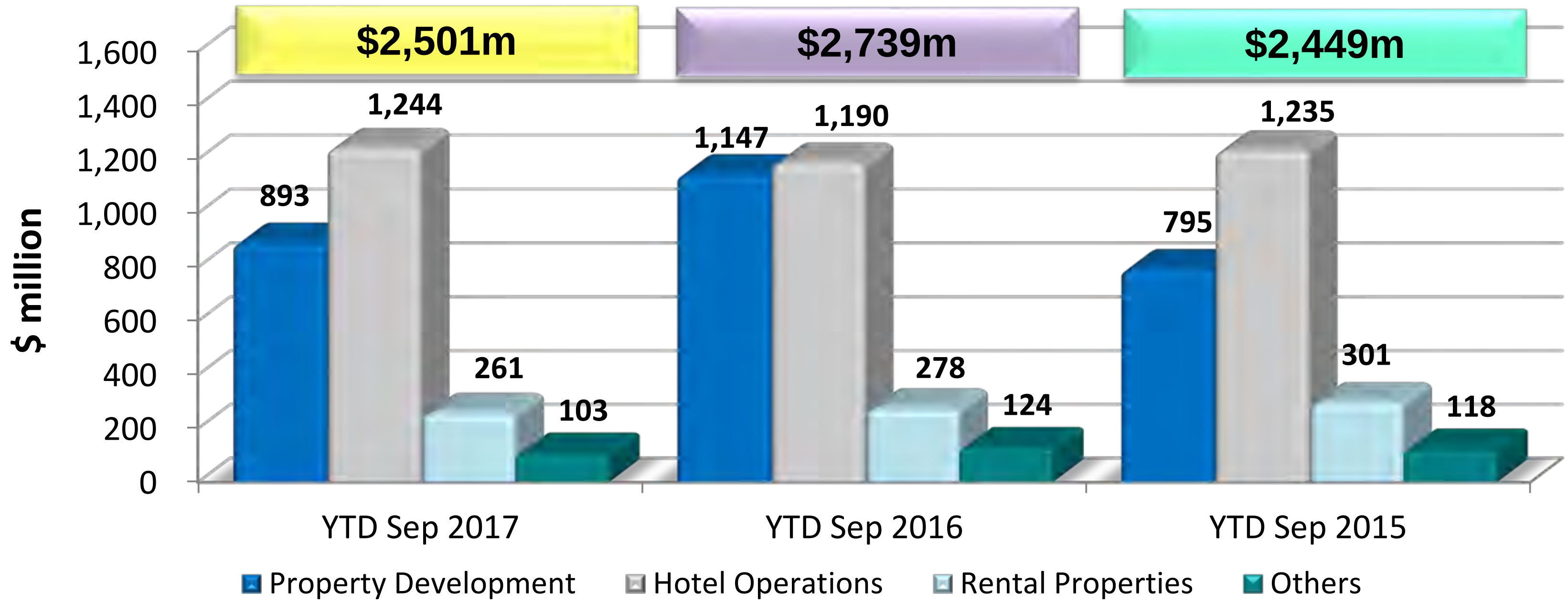
EBITDA by Segment for 3rd Quarter (2015 – 2017)



	Q3 2017	Q3 2016	Q3 2015
Property Development	**28%**	**34%**	**29%**
Hotel Operations	**36%**	**28%**	**41%**
Rental Properties	**32%**	**20%**	**30%**
Others	**4%**	**18%**	**-**

Financial Highlights

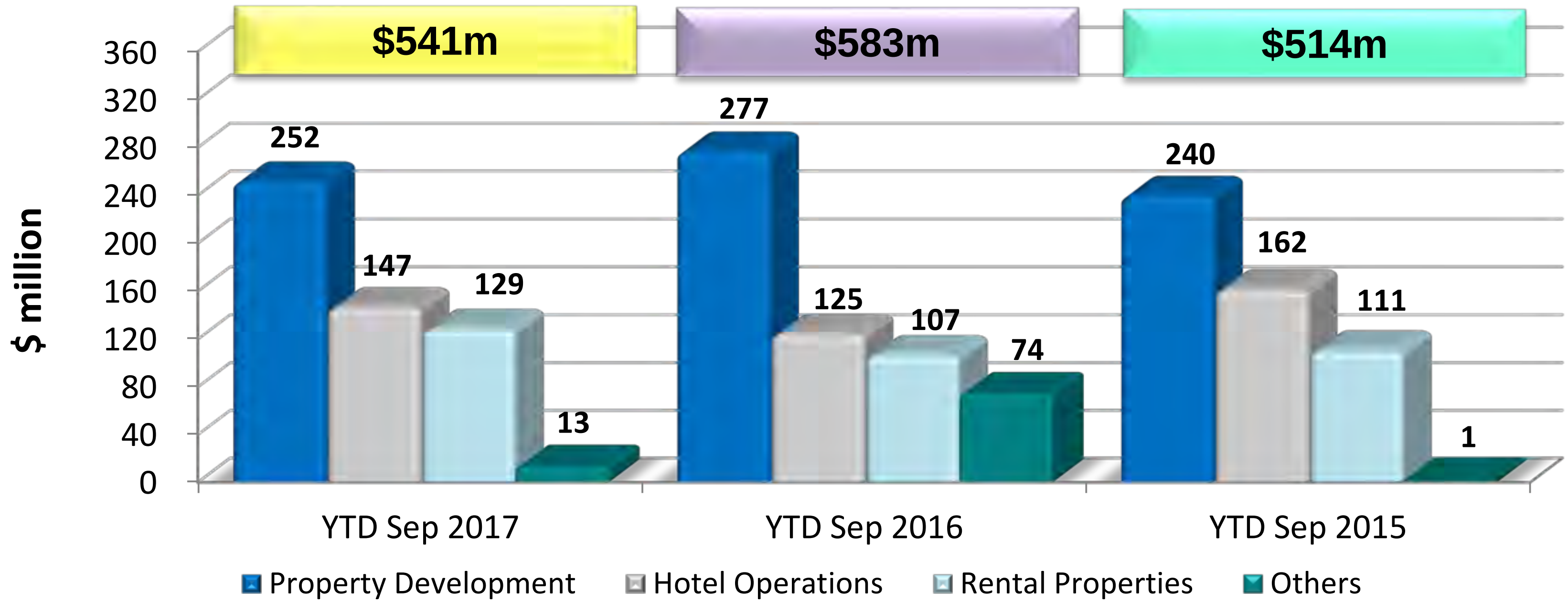
Revenue by Segment for YTD Sep (2015 – 2017)



	YTD Sep 2017	YTD Sep 2016	YTD Sep 2015
Property Development	36%	42%	32%
Hotel Operations	50%	43%	51%
Rental Properties	10%	10%	12%
Others	4%	5%	5%

Financial Highlights

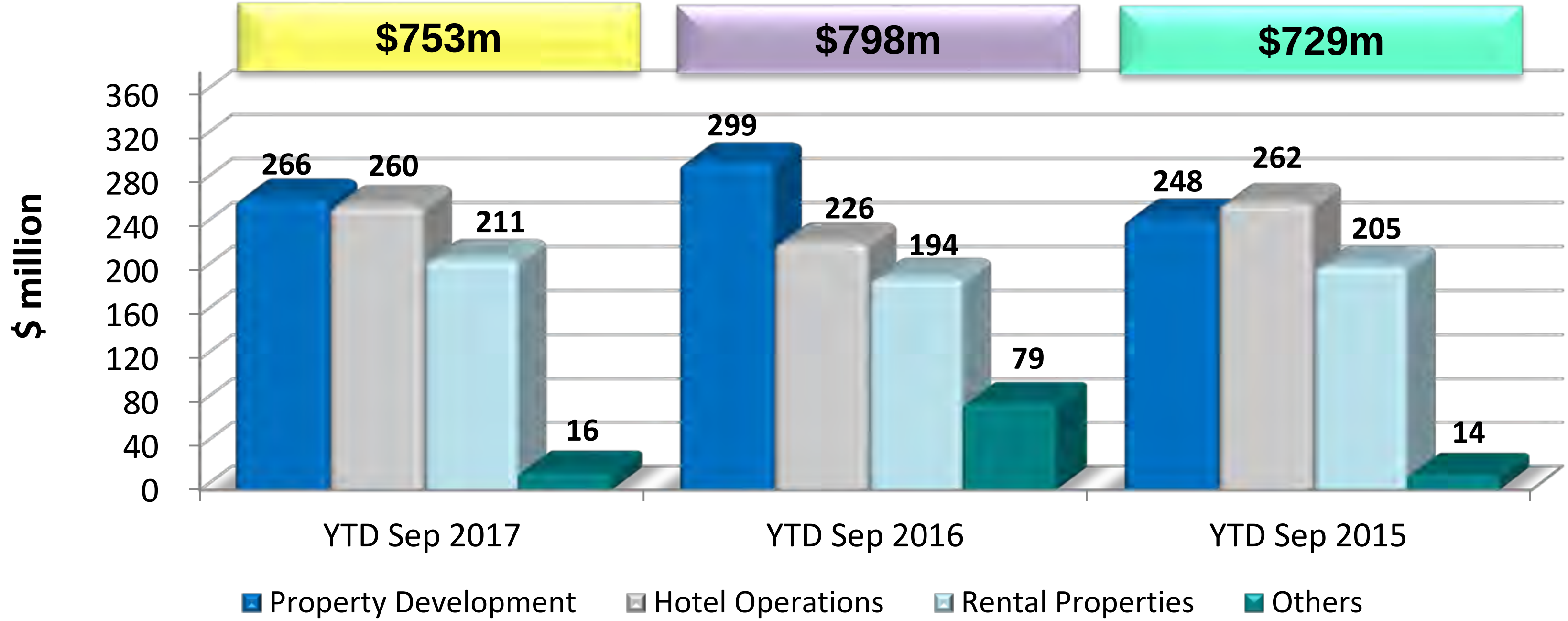
Profit Before Tax by Segment for YTD Sep (2015 – 2017)



	YTD Sep 2017	YTD Sep 2016	YTD Sep 2015
Property Development	47%	48%	47%
Hotel Operations	27%	21%	32%
Rental Properties	24%	18%	21%
Others	2%	13%	-

Financial Highlights

EBITDA by Segment for YTD Sep (2015 – 2017)



	YTD Sep 2017	YTD Sep 2016	YTD Sep 2015
Property Development	35%	38%	34%
Hotel Operations	35%	28%	36%
Rental Properties	28%	24%	28%
Others	2%	10%	2%

Financial Highlights

Robust Balance Sheet

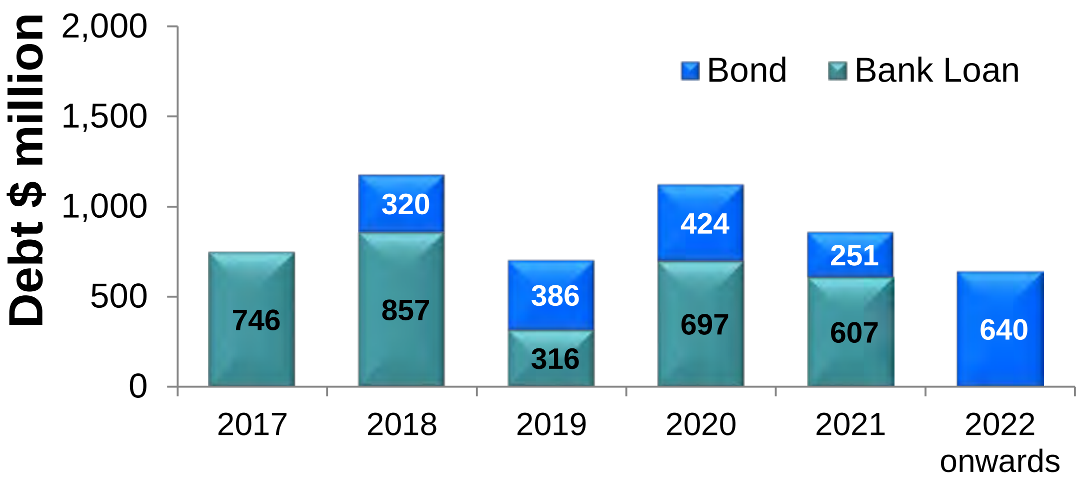
	As at 30/09/17	As at 31/12/16
Gross borrowings *	**$5,244m**	$5,752m
Cash and cash equivalents (include restricted deposits of $214m classified in other non-current assets and $9m cash and cash equivalents classified as asset held for sale)	**$3,725m**	$3,887m
Net borrowings	**$1,519m**	$1,865m
Net gearing ratio without taking in fair value gains on investment properties	**13%**	16%
Net gearing ratio after taking in fair value gains on investment properties	**10%**	12%
Interest cover ratio	**12.5 x**	12.5 x

* Included borrowings that were accounted as liabilities classified as held for sale.

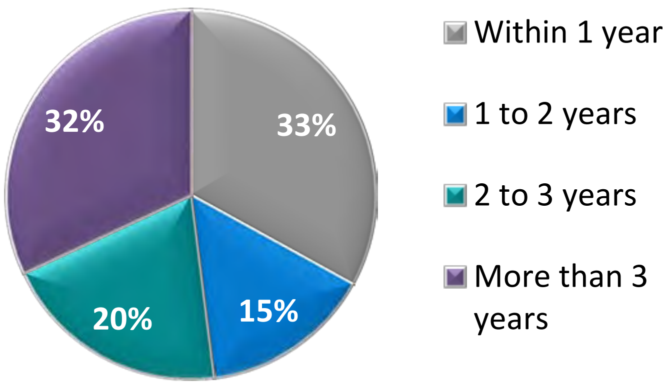
Financial Highlights

Prudent Capital Management

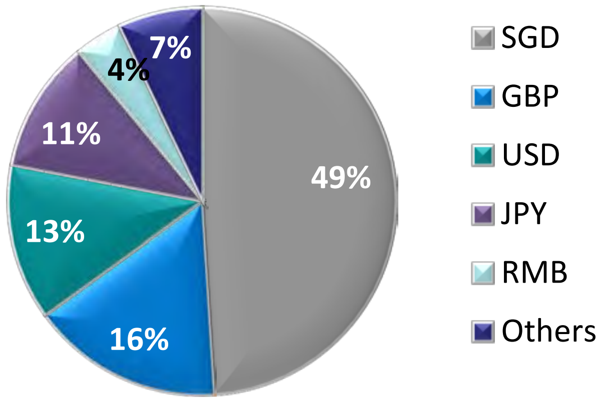
Debt Expiry Profile



Debt Maturity



Debt Currency Mix

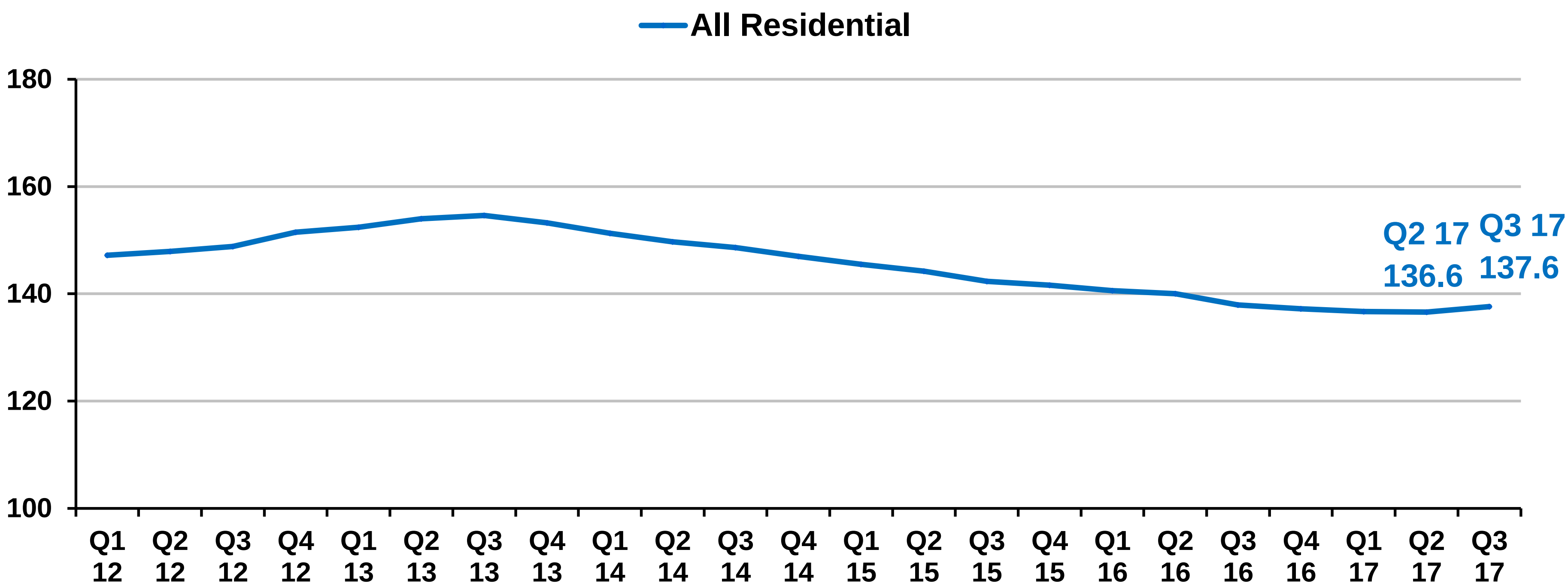


	31/12/2016	30/09/2017
Average Borrowing Cost	2.2%	2.2%
% Secured Borrowings	16%	15%

SINGAPORE OVERVIEW

Singapore Property Market

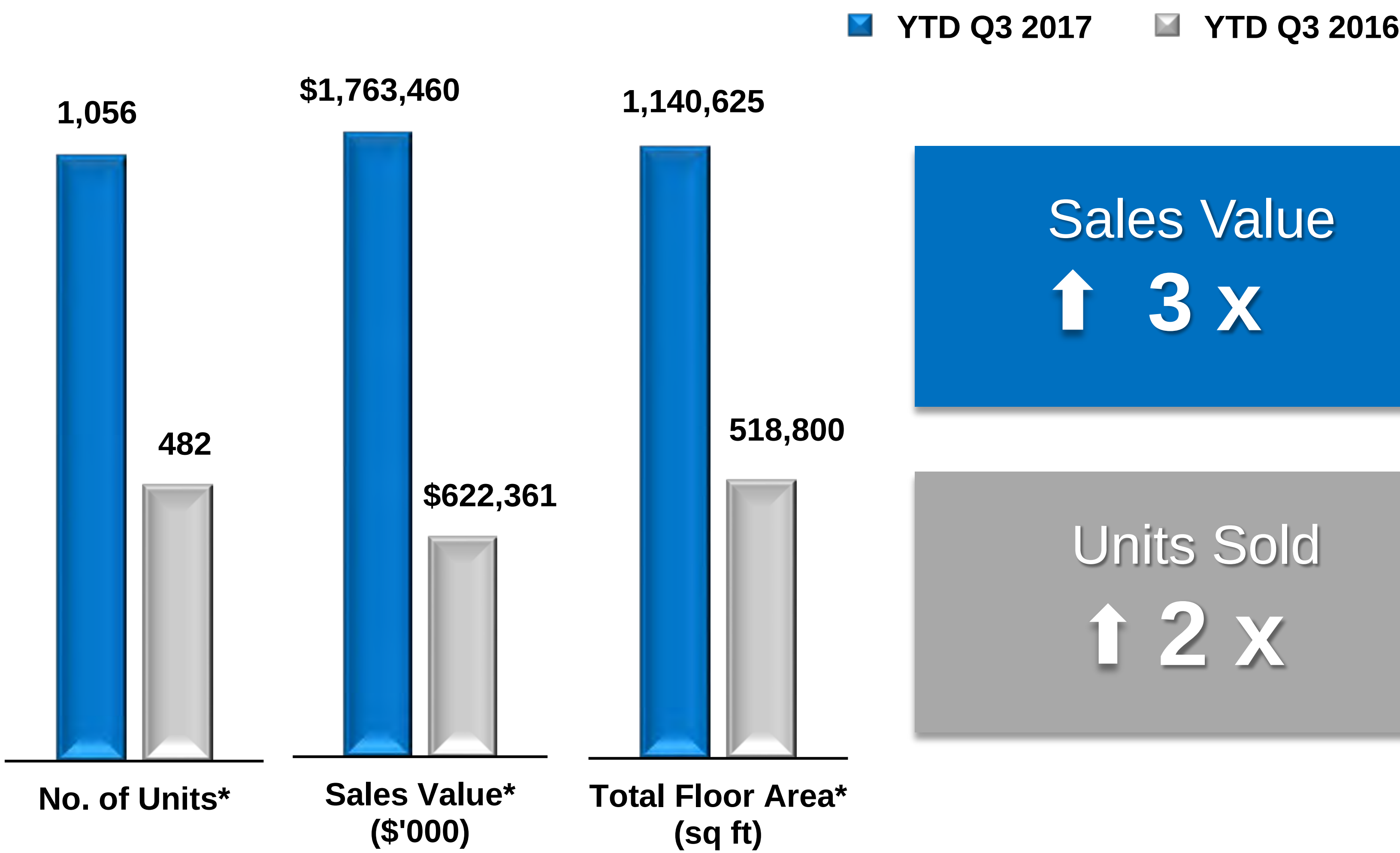
Property Price Index – Residential (2012 – Q3 2017)



Source : URA, Q3 2017

Singapore Property Development

Residential Units Sold



Sales Value

⬆ 3 x

Units Sold

⬆ 2 x

* Includes share of JV partners

Singapore Property Development

Gramercy Park – 88% sold; Final Choice Units Released

Project	Location	Tenure	Equity Stake	Total Units	Total Units Sold	% Sold	Total Saleable Area (sq ft)
Gramercy Park	Grange Road	Freehold	100%	174	153	Over 89	368,743

Strong Uptake:

- **Phase 1 (North Tower) – 98% sold**
- **Phase 2 (South Tower) – 78% sold**

- All 4-bedroom units are fully sold
- 3 out of the 4 penthouse units have been sold at over $3,000 psf
- Achieved average selling price:
  North Tower - $2,674 psf
  South Tower - $2,869 psf
  Overall - $2,761 psf

**As of 5 Nov 2017*

Singapore Property Development

Forest Woods – Continued Strong Uptake; 90% sold

Project	Location	Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold*	Total Saleable Area (sq ft)	% Completed (as of 30 Sep 2017)	Expected TOP
Forest Woods	Lorong Lew Lian	99-year leasehold	50%	519	469	90	431,265	10.7	Q4 2020

Steady Sales – Over 460 units sold:

- Average selling price of $1,414 psf (on project basis)
- All 1-bedroom + study, 2-bedroom apartment types and penthouses have been sold
- Remaining units comprise 2-bedroom + study to 4-bedroom unit types

*As of 5 Nov 2017

Singapore Property Development

Upcoming Residential Project Launches for Q1 / 1H 2018#

Project	Location	Tenure	Equity Stake	Total Units	Gross Floor Area (sqm)	Expected TOP
New Futura	Leonie Hill Road	Freehold	100%	124	23,043	Completed – TOP in Aug 2017
Tampines Ave 10 project	Tampines Ave 10	99-year leasehold	100%	861	60,810*	2021
South Beach Residences#	Beach Road	99-year leasehold	50.1%	190	36,340	Completed – TOP in Dec 2016

New Futura

Tampines Avenue 10 project

Artist's Impression – Subject to changes

*Refers to maximum GFA for site

Singapore Property Development

Inventory of Launched Residential Projects – As of 30 Sep 2017

Project	Equity Stake	Total Units	Units Sold	% Sold	Total Unsold Inventory	CDL's Share of Unsold Inventory
St. Regis Residences	33%	173	161	93%	12	4.0
The Oceanfront @ Sentosa Cove	50%	264	263	99%	1	0.5
One Shenton	100%	341	327	96%	14	14
Cliveden at Grange**	100%	110	43	39%	67	67
UP@Robertson Quay	100%	70	58	83%	12	12
Echelon	50%	508	506	99%	2	1
D'Nest	51%	912	912	100%	0	0
The Venue Shoppes	60%	28	16	57%	12	7.2
The Venue Residences	60%	266	266	100%	0	0
Coco Palms	51%	944	922	98%	22	11.2
The Brownstone Executive Condo	70%	638	624	98%	14	9.8
The Criterion Executive Condo	70%	505	403	80%	102	71.4
Gramercy Park	100%	174	147	84%	27	27
Forest Woods	50%	519	463	89%	56	28
Commonwealth Towers	30%	845	841	99%	4	1.2
TOTAL:		**6,297**	**5,952**		**345**	**254.3**

** Leasing strategy implemented

Note: Above excludes inventory from The Residences at W Singapore – Sentosa Cove (203 units); unlaunched projects Nouvel 18 (156 units) and New Futura (124 units)

Singapore Property Development

Completed Residential Projects in Q3 2017

Project	Location	Equity Stake	Total Units	% Sold*	TOP Obtained
D'Nest	Pasir Ris Grove	51%	912	100	Phase 1 – Jul 2017 Phase 2 – Oct 2017
New Futura	Leonie Hill Road	100%	124	-^	Aug 2017


New Futura

Residential Projects to be Completed in Q4 2017

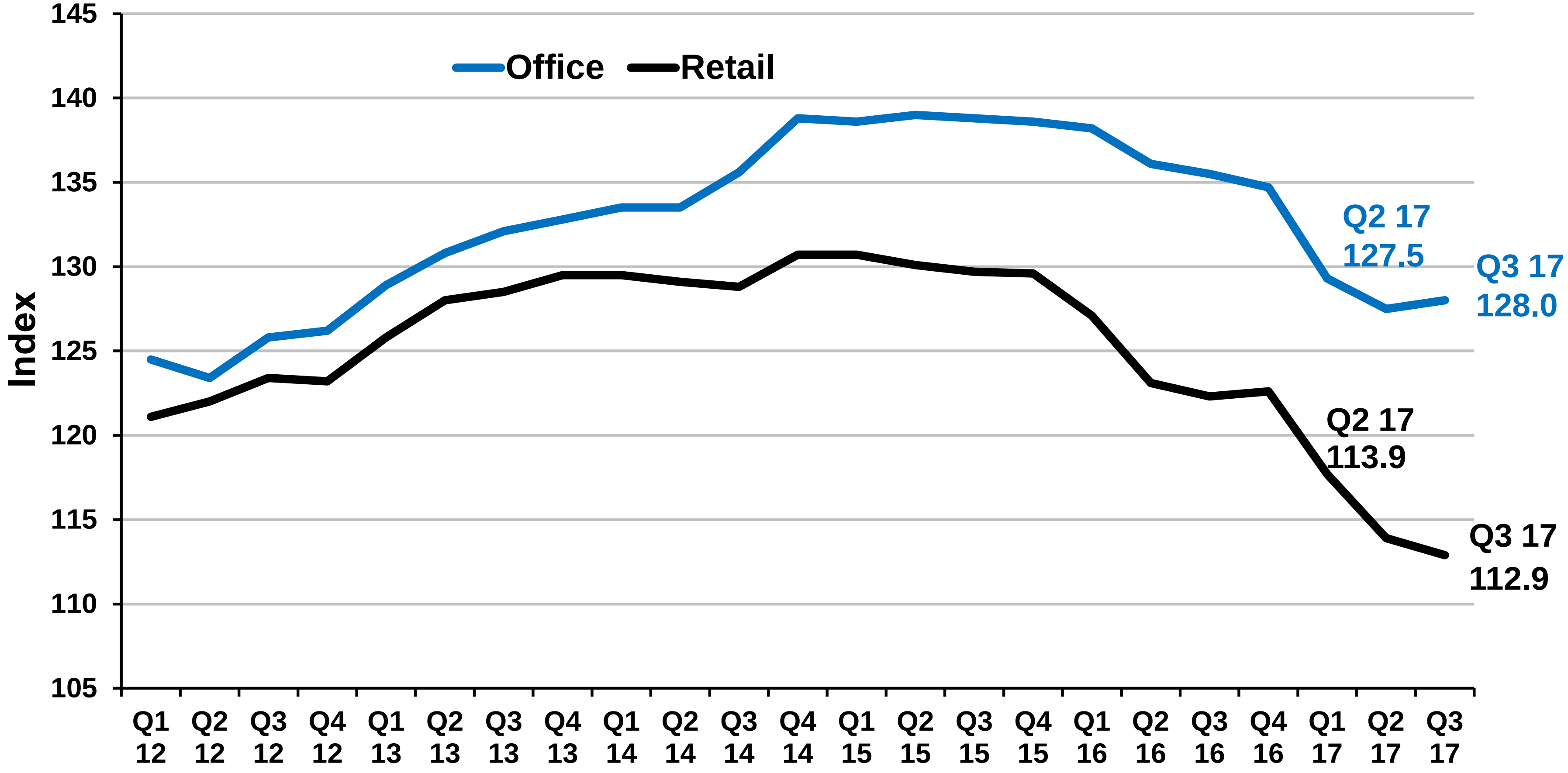
Project	Location	Equity Stake	Total Units	% Sold*	Expected TOP
The Brownstone Exec Condo (EC)	Canberra Drive	70%	638	99	Completed – TOP obtained in Oct 2017
Commonwealth Towers	Commonwealth Avenue	30%	845	100	Q4 2017


D'Nest

**As of 5 Nov 2017* *^ Unlaunched project*

Singapore Commercial Market

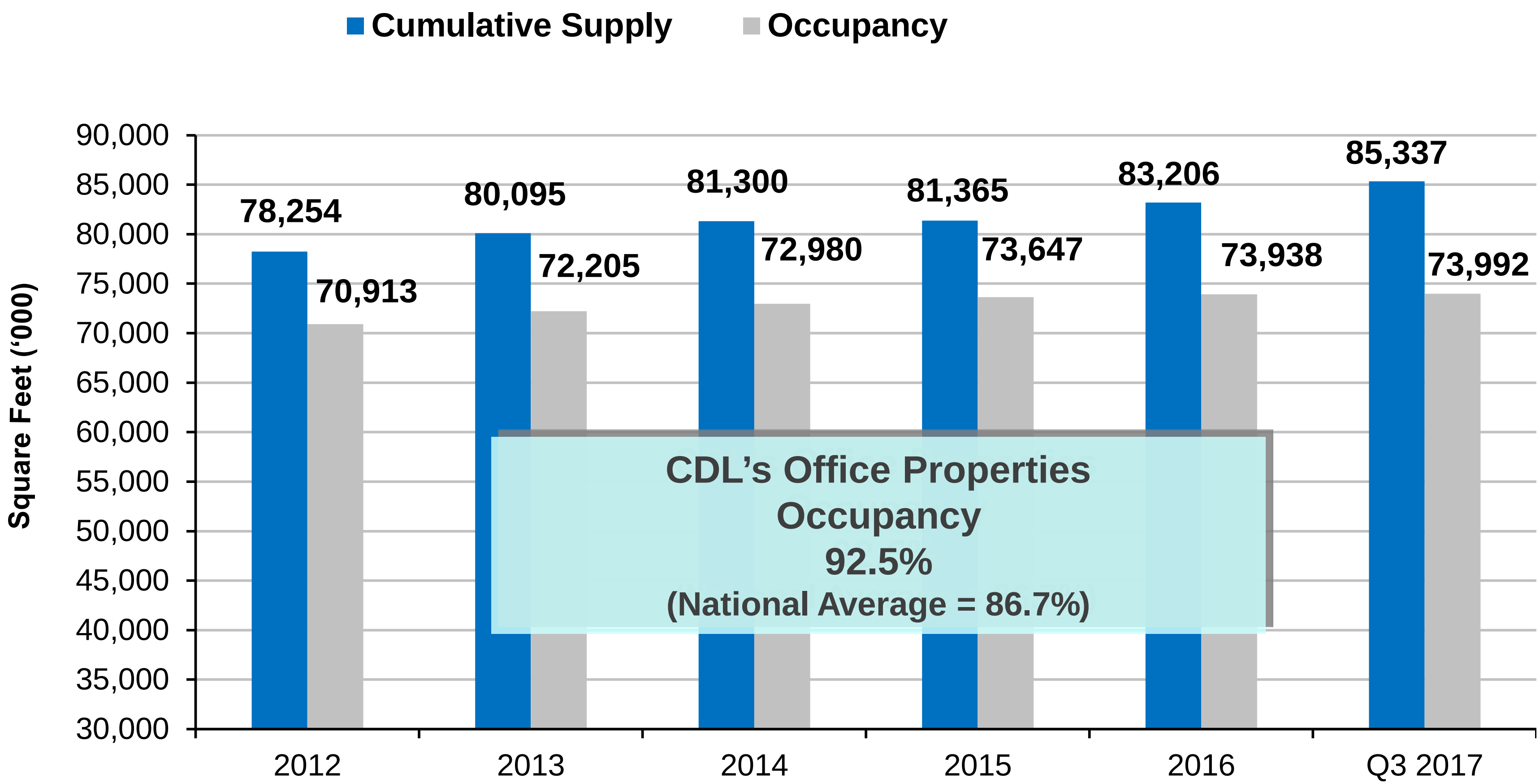
Property Price Index – Commercial (2012 – Q3 2017)



Source : URA, Q3 2017

Singapore Office Market

Office Space Demand & Supply (2012 – Q3 2017)
Private & Public Sector



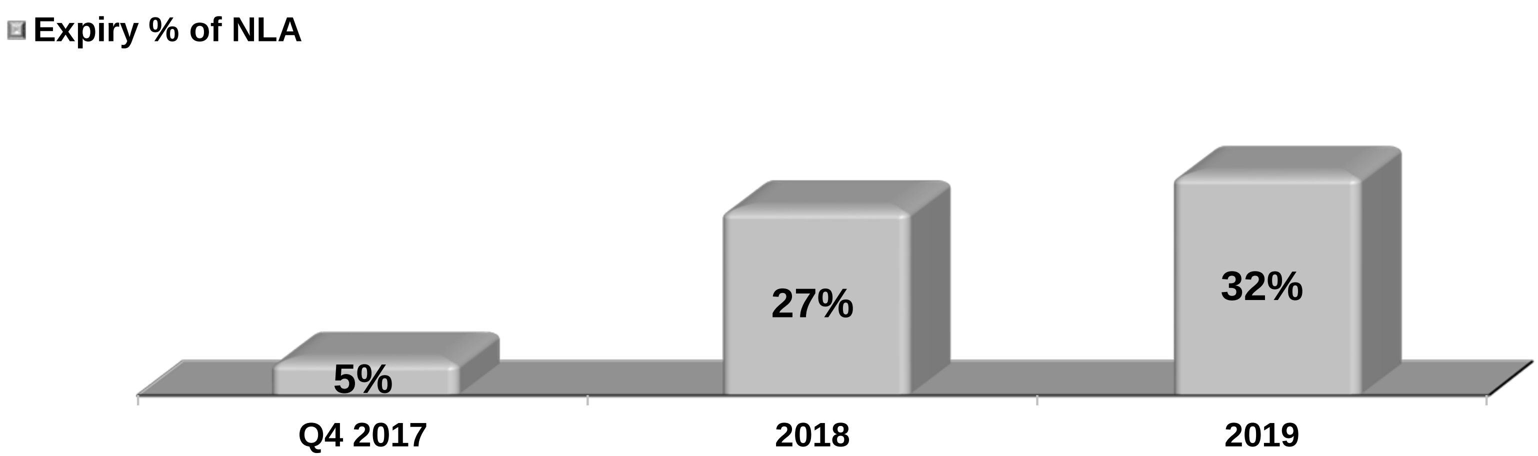
Occupancy as of 30 Sep 2017
Source : URA, Q3 2017

Rental Properties

Office Portfolio – Lease Expiry Q4 2017 – 2019

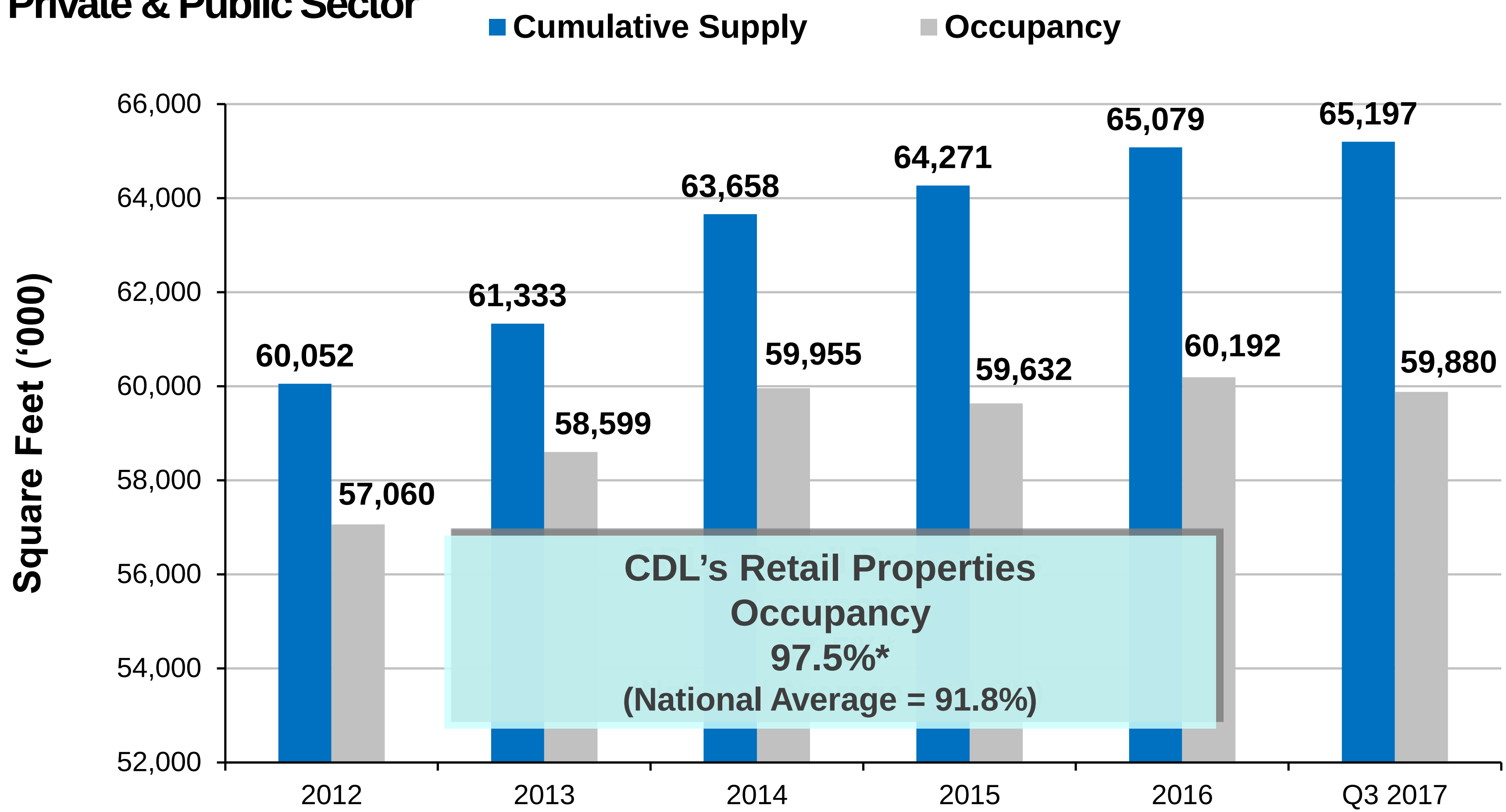
As of 30 Sep 2017

NLA: ~2,342,000 sq ft	16 Properties	92.5% Occupancy



Singapore Retail Market

Retail Space Demand & Supply (2012 – Q3 2017)*
Private & Public Sector



*With effect from Q1 2014, the coverage of retail space has been expanded to include non-shop retail uses and data are available from 2011 onwards.

Occupancy as of 30 Sep 2017

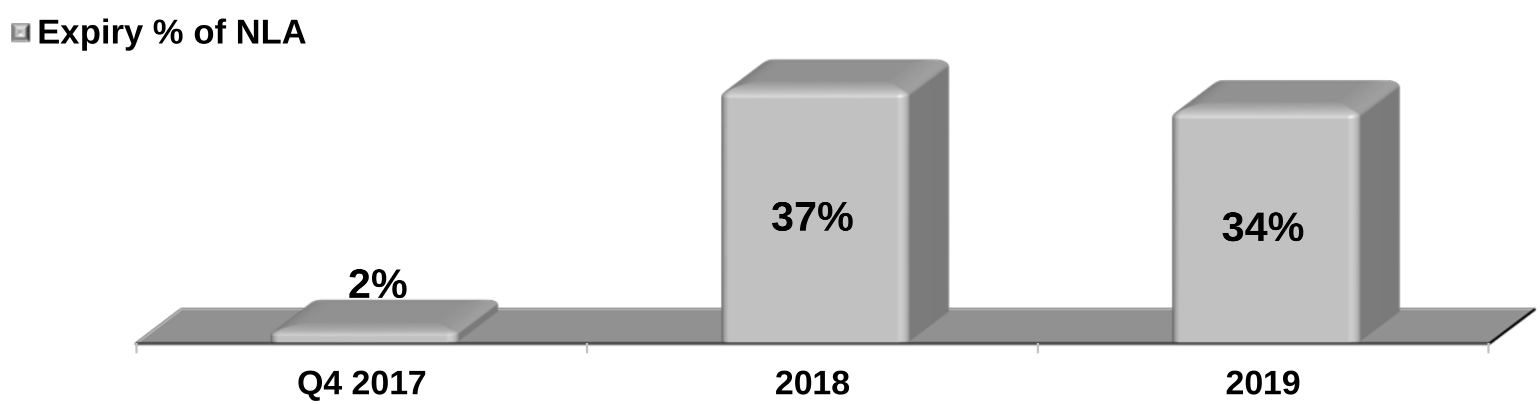
Source : URA, Q3 2017

Rental Properties

Retail Portfolio – Lease Expiry Q4 2017 – 2019

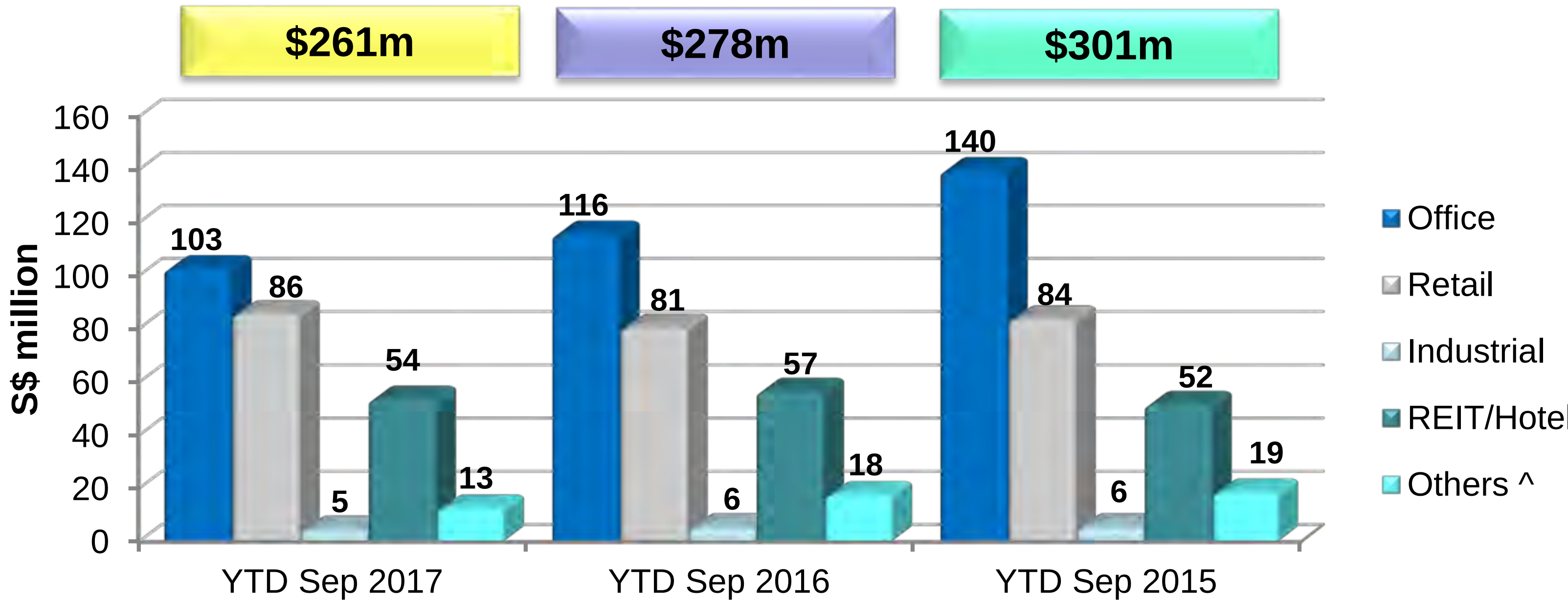
As of 30 Sep 2017

NLA: ~845,000 sq ft	19 Properties	97.5% Occupancy



Rental Properties

Revenue by Sector for YTD Sep (2015 – 2017)



	YTD Sep 2017	YTD Sep 2016	YTD Sep 2015
Office	40%	42%	47%
Retail	33%	29%	28%
Industrial	2%	2%	2%
REIT/Hotel	20%	21%	17%
Others ^	5%	6%	6%

^ Including car park, serviced apartments and residential.

INTERNATIONAL OVERVIEW

International Property Development

Residential Projects Launched To Date*

Project	City	Equity Stake	Total Units	Total Units Sold / Booked	% Sold/ Booked	Est. Total Saleable Area (sq ft)	Expected Completion
Australia							
Ivy and Eve	Brisbane	33%#	476	461	97	348,678	1H 2018
China							
Hong Leong City Center (Phase 1)	Suzhou	100%	1,374	1,143	83	1,378,891	Completed
Hong Leong City Center (Phase 2 – T2)	Suzhou	100%	430	212	49	439,716	Q2 2018
Hongqiao Royal Lake	Shanghai	100%	85	Sold: 17 Booked: 32	Sold: 20 Booked: 38	385,394	Completed
Eling Residences	Chongqing	50%	126	^	^	325,854	Completed
Japan							
Park Court Aoyama The Tower	Tokyo	20%	163	-	>75	184,959	1H 2018

Effective economic interest is ~49%

**As of 5 Nov 2017*

^ JV entity will manage project sales & marketing

International Property Development

Unlaunched Residential Projects

Project	City	Tenure	Equity Stake	Total Units	Est. Total Saleable Area / GFA^ / Site Area+ (sq ft)	Expected Completion
China						
Huang Huayuan	Chongqing	50-year lease	30%	>600	1,041,589	TBC
UK						
Belgravia	London	Freehold	100%	6	12,375	Q1 2018
Knightsbridge	London	Freehold	100%	3	5,193	Q1 2018
Chelsea	London	Freehold	100%	9	16,143	Q1 2019
Knightsbridge (Pavilion Road)	London	Freehold	100%	34	135,000^	2020
Teddington Riverside	London	Freehold	100%	240	233,552	Q4 2019
Stag Brewery, Mortlake	London	Freehold	100%	TBC	1,000,000	TBC
Ransomes Wharf, Battersea	London	Freehold	100%	118	240,899^	2020
Japan						
Shirokane	Tokyo	Freehold	100%	TBC	180,995+	TBC

International Property Development

Australia & Japan – Good Progress on Launched Projects

Ivy and Eve, Brisbane

Brisbane – Ivy and Eve

Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold	Expected Completion
Freehold	33%#	476	461	97	1H 2018

- Approx. 97% of project sold to date
- Completion in early 2018


Park Court Aoyama The Tower, Tokyo

Tokyo – Park Court Aoyama The Tower

Tenure	Equity Stake	Total Units	Total Units Sold*	Expected Completion
Freehold	20%	163	Over 75%	1H 2018

- Over 75% of units sold since its launch in Oct 2016
- On-track for completion in 1H 2018

Tokyo – Shirokane

- Prime freehold site to be land banked for value appreciation

Effective economic interest is ~49%

*As of 5 Nov 2017

Collaboration with Waterbrook Lifestyle Resorts

Australia – Investment in its 2nd Luxury Retirement Village Development

Strategic Focus on Luxury Retirement Sector

Project	Location	Tenure	Est. Site Area (sqm)	Expected Completion
Waterbrook Bayview	Northern Sydney	Freehold	20,000	2020
Waterbrook Bowral	New South Wales	Freehold	175,000	2021

- Entered into 2nd collaboration with Waterbrook Lifestyle Resorts in Sep 2017 to develop a luxury retirement village in Bowral, New South Wales
  - Participation via debt financing of A$22 million*
  - Project is in planning stages
  - Earlier collaboration for Waterbrook Bayview on the Northern Beaches of Sydney (announced in Aug 2017): participation via debt financing of A$35 million*
- Waterbrook Bowral is near the Bowral and District Hospital and is well-connected to major transportation nodes
- Both projects will have resort-style facilities and services catered to retirees, including 24/7 concierge service, a variety of wellness and recreational spaces, chauffeured courtesy vehicles as well as in-house nurses
- The developments offer a high-end hospitality experience that differs from the traditional retirement village model

*Specific terms are confidential

Strategic Partnership with China Vanke Co., Ltd

Partial Divestment of 2 Chongqing Projects for RMB 986 million

Unlocking Value of Huang Huayuan and Eling Residences

Project	Tenure	Equity Stake	Total Units	Expected Completion
Huang Huayuan	50-year-lease	30%	>600	TBC
Eling Residences		50%	126	Completed

Eling Residences, Chongqing

- Strategic partnership between CDL China Limited and China Vanke Co., Ltd, one of China's top real estate company and biggest residential developer:
  - Leverage Vanke's extensive local experience and expertise, business networks and development capabilities in China
  - Alliance to pave the way for future collaborations and business expansion opportunities in China and Singapore
- Divested 70% of Huang Huayuan (黄花园) and 50% of Eling Residences (鹅岭峰) for aggregate consideration of approx. RMB 986 million
- Agreement entered in September 2017, with final completion expected in December 2017
- CDL continues to retain stake in both projects – 30% of Huang Huayuan and 50% of Eling Residences for future upside
- Both projects will be jointly developed and managed by CDL China and Vanke:
  - Design development of Huang Huayuan project is currently under review by the JV entity
  - Sales and marketing of Eling Residences to be managed by JV entity

International Property Development

China – Healthy Sales for Launched Residential Projects

Suzhou – Hong Leong City Center (丰隆城市中心)

Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold	Expected Completion
70 years (Residential) / 40 years (Commercial)	100%	1,804	1,355	75	Completed (Phase 1) Q2 2018 (Phase 2)^

- Continued healthy uptake:
  - Phase 1 – 83% sold with sales value of RMB 2.5 billion
  - Phase 2 – 49% sold with sales value of RMB 671 million
- 287-room hotel will be branded as M Social, a hip lifestyle hospitality brand
- Phase 2 of Mixed-use waterfront project to be completed by Q2 2018

Shanghai – Hongqiao Royal Lake (御湖)

Tenure	Equity Stake	Total Units	Total Units		Expected Completion
			Sold	Booked	
70 years	100%	85	17	32	Completed
		Sales Value	RMB 360 million	RMB 670 million	

**As of 5 Nov 2017*

^Phase 2 completion excludes hotel component

International Rental Properties

China – Completion of Shanghai Commercial Project by Q4 2017

Hong Leong Plaza Hongqiao

Hong Leong Plaza Hongqiao, Shanghai

Tenure	Equity Stake	Est. Total GFA (sqm)	Expected Completion
50-year lease	100%	32,182	Q4 2017

- Formerly known as Meidao Business Plaza, the project comprises five office towers with two levels of basement carparks
- Strategic location within Shanghai's Hongqiao CBD:
  - Hongqiao CBD is one of the fastest business areas of strategic importance
  - Next to the mega Shanghai Hongqiao International Medical Centre
  - Surrounded by many international schools, upcoming R&D centres and business park

- Slated for completion in Q4 2017, the property is well positioned to benefit from the growth prospects of the up-and coming area
- Rental income from the property is expected to contribute to the Group's recurring income streams in 2018

International Investment Platforms

Strategic Investments in Synergistic Sharing Economy Sectors

mamahome

mamahome – China's Fast-Growing Online Apartment Rental Platform

- Acquired 20% equity stake for RMB 100 million in Sep 2016
- Currently has around 177,000 apartment listings across 30 cities in China – platform serves the largest population of domestic and international travellers

DISTRii 办伴

办公智慧 · 更近一步

Distrii – China's Leading Operator of Co-working Space

- Acquired 24% equity stake for RMB 72 million in Jan 2017
  - ➢ In Sep 2017, participated in its Series A Funding of RMB 200 million, which includes new investors, i.e. Jingrui Holdings' investment platform and Junzi Capital
  - ➢ Following the latest round of funding, CDL is now Distrii's second largest shareholder after its founder
- Capital raised will accelerate Distrii's expansion plan and launch its international expansion, starting with a facility at Republic Plaza
- Currently 21 locations in Shanghai, Beijing and Hangzhou; 12 more locations committed

Distrii Suhe Center, Shanghai

International Property Development

UK – Upcoming Launches in Q1 2018

Project	Tenure	Equity Stake	Total Units	Est. Total Saleable Area (sq ft)	Expected Completion	Expected Launch
Belgravia	Freehold	100%	6	12,375	Q1 2018	Q1 2018
Knightsbridge	Freehold	100%	3	5,193	Q1 2018	Q1 2018
Teddington Riverside	Freehold	100%	240	233,552	Q4 2019	2H 2017

Teddington Riverside, London

Teddington Riverside, Teddington TW11

- Soft launched in Oct 2017 with opening of on-site sales centre
- Considerable interest from buyers, but sales transactions expected to take time to gain traction due to UK buyers' preference for finished product
- The first block, comprising 57 units, expected to be completed in 12 months
- Expected completion of entire project by Q4 2019

International Property Development

UK – Pipeline Projects

28 Pavilion Road, Knightsbridge, London SW1

Tenure	Equity Stake	Total Units	Est. GFA (sq ft)
Freehold	100%	34	135,000

- Planning consent received for redevelopment into a 34-unit luxury care home, with the possibility to re-engineer into a revised residential scheme
- Demolition works are being planned to commence; with construction works to be synchronised with planned refurbishment works at Millennium Hotel London Knightsbridge

Pavilion Road

Stag Brewery, Mortlake, London SW14

Tenure	Equity Stake	Est. Total Saleable Area (sq ft)
Freehold	100%	1,000,000

- Planning consultations continue with local stakeholders
- New planning application is scheduled for submission in Nov 2017 with a determination in Q3 2018

Stag Brewery, London

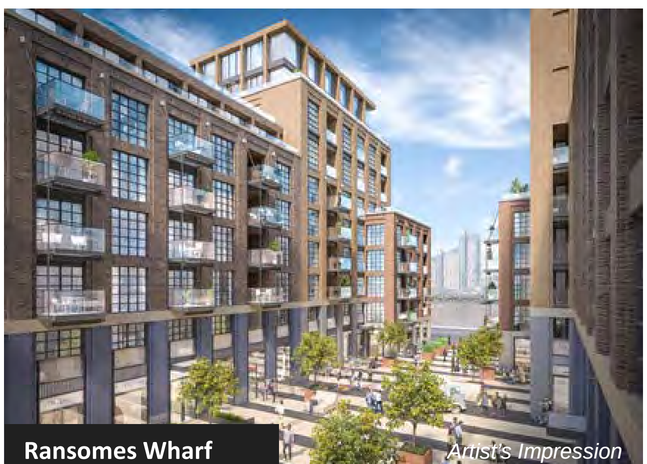
International Property Development

UK – Commercial / Mixed-Use Projects

Development House, Leonard Street, Shoreditch

Tenure	Equity Stake	Est. Total Lettable Area (sq ft)
Freehold	100%	90,000

- Existing 28,000 sq ft building is fully leased; vacant possession expected from Q3 2018
- Submission of planning application for redevelopment in Nov 2017; application outcome expected in Q3 2018



Ransomes Wharf, Battersea, SW11

Tenure	Equity Stake	Total Units	Est. GFA (sq ft)	Expected Completion
Freehold	100%	Residential:118 units Commercial: 8 units	240,899	2020

- In process of implementing 2015 planning consent; with planning improvements to the scheme
- Site demolition targeted to commence in Q1 2018

HOTEL OPERATIONS

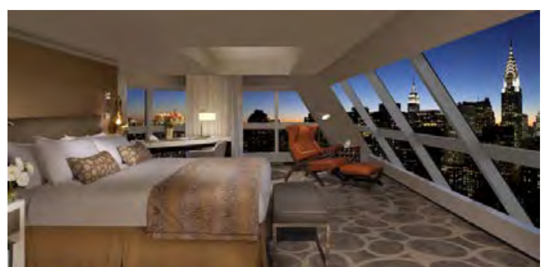
M&C Hotel Operations

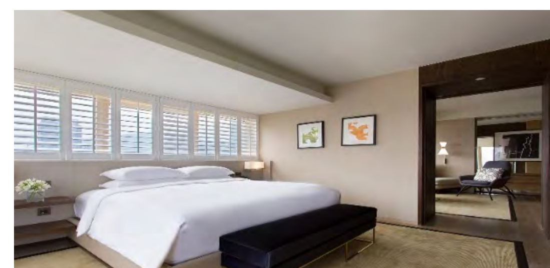
Trading Performance

		Reported Currency		Constant Currency	
	YTD Sep 2017	YTD Sep 2016	Change	YTD Sep 2016	Change
Revenue	£748m	£665m	12.5%	£716m	4.5%
Revenue (hotel)	£649m	£581m	11.7%	£624m	4.0%
Profit before tax	* £118m	£102m	15.7%	£109m	8.3%
PATMI	* £92m	£59m	56.0%		

- In constant currency, Group RevPAR increased by 2.5% and 4.0% for Q3 and YTD Sep 2017. Like-for-like^ Group RevPAR increased by 0.3% and 1.4% for 3Q and YTD Sep 2017 respectively.
- Increase in revenue is driven by higher contribution from Millennium Hilton New York One UN Plaza (previously known as ONE UN New York) which was closed for refurbishment during the same period last year and Grand Millennium Auckland which was added to the M&C's hotel portfolio at the end of 2016, as well as higher land sales in New Zealand.
- PATMI surged 56% due to a release of £17m tax provision in relation to exposures in Singapore that are finalised.


The Bailey's Hotel London


Millennium Hilton New York ONE UN Plaza


Grand Hyatt Taipei

* Included reversal of impairment of loans of £12m offset by impairment losses of £9m.
^ Like-for-like comparisons exclude the impact of acquisitions, closures and refurbishments, and are stated in constant currency terms.

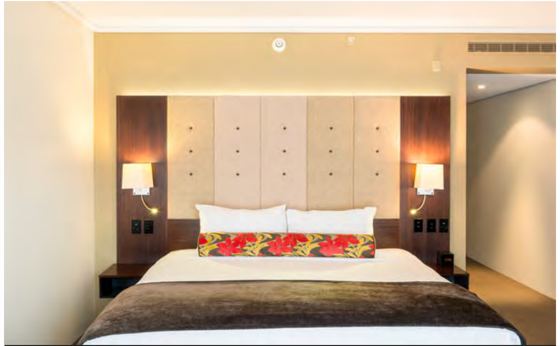
M&C Hotel Operations

Trading Performance

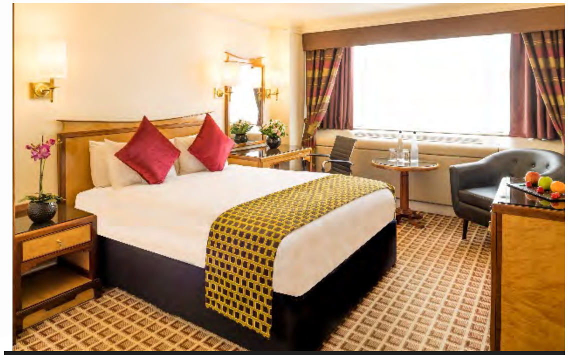
- RevPAR in reported currency and constant currency were up by 11.5% and 4.0% respectively for YTD Sep 2017 as compared to the same period last year:

	YTD Sep 17	Reported Currency	Constant Currency
New York	£156.36	↑ 20.0%	↑ 10.0%
Regional US	£65.80	↑11.9%	↑ 2.6%
Total US	**£95.62**	**↑ 16.1%**	**↑ 6.4%**
London	£110.73	↑ 5.2%	↑ 5.2%
Rest of Europe	£54.03	↑ 2.6%	↓ 0.2.%
Total Europe	**£82.86**	**↑ 4.5%**	**↑ 3.5%**
Singapore	£84.67	↑ 6.4%	↓ 1.4%
Rest of Asia	£62.11	↑ 7.3%	↓ 2.7%
Total Asia	**£70.84**	**↑ 6.9%**	**↓ 2.1%**
Australasia *	£71.88	↑ 38.4%	↑ 22.5%
Total Group	**£82.41**	**↑ 11.5%**	**↑ 4.0%**

* Stellar performance for Grand Millennium Auckland, which joined the hotel portfolio in September 2016. This hotel is a major contributor to the 22.5% increase in RevPAR for YTD September 2017.



Grand Millennium Auckland



Copthorne Tara Kensington Hotel

M&C Hotel Operations

Asset Enhancement

M Social Auckland
(previously known as Copthorne Hotel Auckland Harbourcity)

- Soft-opening in early October 2017
- During the coming months all of the hotel's 190 guest rooms and facilities will be commissioned in weekly releases, with the aim of having the new hotel fully operational by the end of December 2017

Millennium Hotel London Mayfair

- Will commence refurbishment before end 2017

Millennium Hotel London Knightsbridge

- Will commence refurbishment in 2018

Grand Millennium Kuala Lumpur

- Refurbishment of guestrooms at level 7 and level 8 is postponed to 2H 2018

M&C Hotel Operations

Asset Enhancement

Orchard Hotel Singapore

Orchard Hotel Singapore

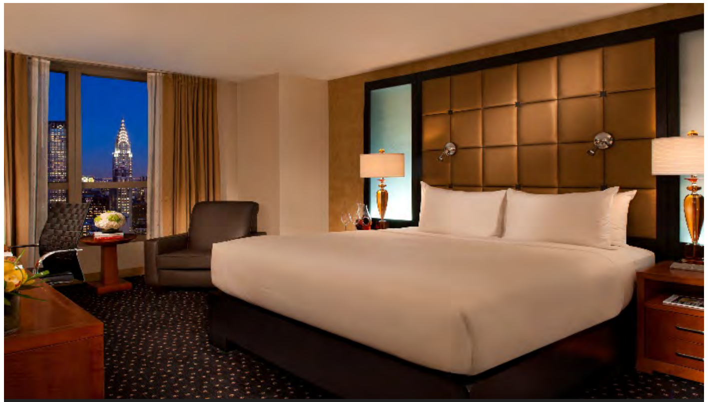
- The renovation of 260 deluxe guest rooms will be carried out by the end 2017 for completion in 1H 2018
- The interior renovation works at the hotel's Chinese restaurant, Hua Ting commenced in August 2017 and it is scheduled for completion in Q1 2018

Hua Ting

M&C Hotel Operations

Hotel Room Count and Pipeline

Hotel and Room Count	Hotels 30-Sep 2017	Hotels 31 Dec 2016	Rooms 30-Sep 2017	Rooms 31 Dec 2016
By region:				
• New York	4	4	2,238	2,238
• Regional US	15	15	4,559	4,559
• London	8	8	2,651	2,651
• Rest of Europe	21	19	3,528	3,081
• Middle East *	31	26	10,346	7,805
• Singapore	7	7	3,011	3,011
• Rest of Asia	26	27	9,694	10,036
• Australasia	25	25	3,641	3,641
Total:	**137**	**131**	**39,668**	**37,022**
Pipeline				
By region:				
• Middle East *	10	17	3,239	5,465
• Asia	4	4	1,587	1,608
• Regional US	1	1	263	263
• Rest of Europe	1	1	152	153
Total:	**16**	**23**	**5,241**	**7,489**


Millennium Broadway Hotel New York


Millennium Biltmore Hotel Los Angeles

* Mainly franchise contracts

CDL Hospitality Trusts

Trading Performance

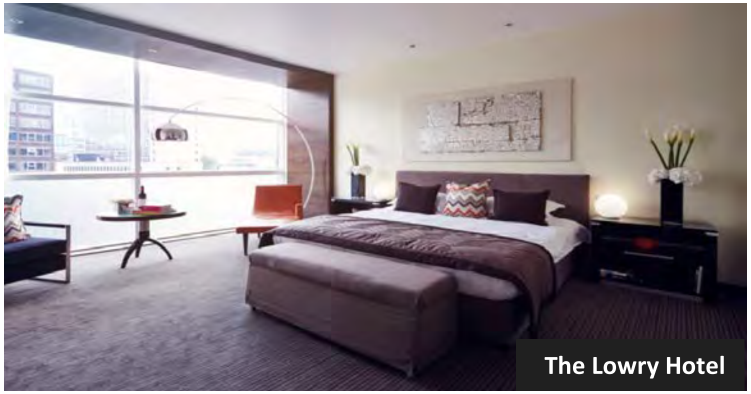
	YTD Sep 2017 S$'000	YTD Sep 2016 S$'000	Change
Gross Revenue	**149,075**	132,531	12.5%
Net Property Income (NPI)	**111,136**	99,866	11.3%

Gross revenue and NPI increased mainly due to:

- Inorganic contribution from The Lowry Hotel and Pullman Hotel Munich which were acquired in 2017
- Stellar performance from Grand Millennium Auckland as a result of higher variable rent
- Stable performance of Singapore hotels while there was higher contribution from Claymore Connect

This was partially offset by:

- Lower contributions from the Japan hotels and Maldives resorts due to competitive trading environment
- Lower contribution from Hilton Cambridge City Centre, United Kingdom due to weaker GBP



CDL Hospitality Trusts

Appointment of AccorHotels as new resort operator for Jumeirah Dhevanafushi

- Renamed as Dhevanafushi Maldives Luxury Resort (formerly known as Jumeirah Dhevanafushi)
- Appointment effective from 1 Sep 2017
- Plans for enhancements in late 2018 and repositioned to join the iconic collection of Raffles Hotels and Resorts

Dhevanafushi Maldives Luxury Resort

Disclaimer:

This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. Numbers in tables and charts may not add up due to rounding.

Gramercy Park, Singapore