

**NEWS RELEASE****UOL'S 3Q 11 NET ATTRIBUTABLE PROFIT DOWN 11% TO \$101 MILLION**

- 3Q revenue up 37% to \$413 million on higher revenue from property development and new contributions from hospitality assets
- Reduced contribution from Nassim Park Residences and higher finance costs behind profit decline

**Singapore, 11 November 2011** – UOL Group today announced a 11% decline in net attributable profit to \$101 million for the three months ended 30 September 2011 (3Q 11) from \$114 million in 3Q 10 due mainly to lower development profit from associated companies and higher finance expenses.

Revenue rose 37% to \$413 million compared to \$302 million in 3Q 10. The increase came mainly from higher progressive recognition from the sale of the Group's development properties, and new contributions from the hospitality operations. PARKROYAL Serviced Suites Kuala Lumpur commenced operations in the fourth quarter of 2010, and PARKROYAL Melbourne Airport was acquired in April this year.

The results for 2010 were restated to be comparable to the current year's results due to the adoption of the INT FRS 115 accounting policy which took effect on 1 January 2011.\* Excluding the effects of INT FRS 115, revenue in 3Q 11 rose 20% to \$413 million while net attributable profit declined 19% to \$101 million from \$125 million in 3Q 10.

For the nine months ended 30 September 2011 (9M 11), revenue jumped 61% to \$1.6 billion from \$988 million a year ago. Net attributable profit rose 38% to \$533 million against \$386 million in 9M 10. Excluding fair value and other gains, net attributable profit jumped 23% to \$438 million from \$356 million a year ago.

Mr Gwee Lian Kheng, UOL Group Chief Executive, said: "In view of the global economic uncertainties and turbulent financial markets with slower GDP growth already projected in Singapore and regional economies, we are cautious about prospects for next year. Management will stay nimble to protect income from existing assets and deploy capital appropriately to sustain future growth."

For the quarter under review, revenue from property development rose 56% to \$267 million from \$171 million while property investments edged up 12% to \$41 million against \$37 million a year ago.

Revenue from hotel operations rose 12% to \$92 million due largely to revenue from the PARKROYAL Melbourne Airport while management services grew 9% to \$5.2 million. Dividend income was up 4% to \$7.4 million from \$7.1 million a year ago.

Share of profit of associated companies declined 44% to \$37 million from \$65 million in 3Q 10. This was due to reduced contribution from Nassim Park Residences following the receipt of TOP in the first quarter of 2011.

Shareholder funds increased 7% to \$5 billion as at 30 September 2011 while net tangible asset per share rose to \$6.43 compared with \$5.91 as at 31 December 2010. The Group's gearing ratio inched upwards to 0.38 from 0.37 as at 31 December 2010 due to higher borrowings for investments and acquisitions. Earnings per share on fully diluted basis for the quarter declined to 13.06 cents from 14.57 cents in 3Q 10.

Going forward, the Group is gearing up for the launch of its joint-venture residential project in Bedok which will comprise 577 premium quality condominium units and strata-titled houses. It is also getting ready to launch the residential units of its Tianjin mixed development in China.

UOL's commitment to quality was also further endorsed by the market recently when its joint venture Duchess Residences, a luxurious condominium project in Bukit Timah, won the inaugural FIABCI Singapore Property Awards 2011 in the Residential (Low rise) category in October. In the same month, at the SIAS 12<sup>th</sup> Investors' Choice Awards 2011, UOL won the "Best Improved Award" for

Singapore Corporate Governance Award. In November, the Group also picked up another award. For its pioneering and innovative design concept, the Group's flagship hotel PARKROYAL on Pickering which is currently under construction was conferred a Solar Pioneer Award by the Singapore Economic Development Board and the Energy Market Authority.

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**\*Note:**

The Group adopted INT FRS 115 – Agreements for the Construction of Real Estate on 1 January 2011, which required a change in accounting policy from the percentage-of-completion method to the completion of construction method for certain of the Group's development projects. Please refer to UOL Group 2011 Third Quarter Financial Statements Page 11 and 12 as disclosed to the SGX (dated November 11, 2011) for details of the change in the policy.

## **About UOL Group**

UOL Group Ltd is one of Singapore's leading public-listed property companies with an extensive portfolio in investment and development properties, hotels and serviced suites.

With a track record of nearly 50 years, UOL strongly believes in delivering product excellence and quality service in all its business ventures. Its impressive list of property development projects includes best selling residential units, award-winning office towers, shopping centres, hotels and serviced suites. UOL, together with its listed hotel subsidiary Pan Pacific Hotels Group Limited (PPHG), owns two acclaimed brands namely Pan Pacific and PARKROYAL. PPHG now owns, manages and/or markets over 30 hotels in Asia, Australia and North America including those under development.

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