UOL Group Limited

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NEWS RELEASE

UOL'S 1Q 2012 NET ATTRIBUTABLE PROFIT DOWN 63% TO $84 MILLION

- *Revenue 59% lower at $297.7 million due mainly to accounting boost for Duchess Residences in 1Q 2011*
- *Share of profits from associates down 52% to $27.8 million*
- *Property investments and hospitality raise contributions*

Singapore, 11 May 2012 - UOL Group today announced a 63% decline in net attributable profit to $84 million for the first quarter ended 31 March 2012 (1Q 2012) from $230 million in the same period last year. The drop in earnings was due to lower revenue from property development and a 52% fall in share of profits from associated companies to $27.8 million following the completion of Nassim Park Residences in the first quarter of 2011.

Group revenue was 59% lower at $297.7 million and this was largely due to the 75% decline in revenue from property development to $153.2 million. The adoption of INT FRS 115 last year resulted in the recognition of $349 million in revenue in 1Q 2011 for units in Duchess Residences sold under the deferred payment scheme which were accounted using the completion of construction method. In addition to Duchess Residences, contributions from Breeze by the East were also absent in this year's numbers, having received Temporary Occupation Permit (TOP) in 1Q last year while contributions were lower from Meadow@Peirce following the receipt of TOP in February 2012.

During the quarter under review, revenue from property investments rose 7% to $41.9 million while gross revenue from hotel ownership and operations was 22% higher at $96.8 million.

Separately, Pan Pacific Hotels Group Limited (PPHG), in which UOL Group owns 81.6 per cent, reported a 65% jump in net attributable profit to $17.3 million for

1Q 2012 from $10.5 million previously. Revenue was 23% higher at $96.6 million with the inclusion of revenue from PARKROYAL Melbourne Airport which was acquired in April 2011 and with higher contribution from the hotel in Myanmar.

UOL Group’s expenses edged up 2% to $47 million in the first three months of this year, the main reason being a 15% rise in administrative expenses from $14.1 million to $16.3 million. The increases came from higher payroll costs for new staff needed to support expanded operations, including PARKROYAL Melbourne Airport as well as higher maintenance expenses for a newly-acquired enterprise resource planning system.

Mr Gwee Lian Kheng, UOL’s Group Chief Executive, said: “Our first quarter results reflected a slowdown in new launches since last year and the completion of several projects. We are pleased that sales of recent property launches have picked up. All 244 units of our Katong Regency project were snapped up within a week of launch in April while Archipelago, launched earlier in December 2011, is now 66% sold.”

Mr Gwee said UOL expects demand for new homes in the mass market segment will remain stable, underpinned by high liquidity and low interest rates. The Group will replenish its landbank in Singapore, and selectively acquire overseas sites. He remained concerned about the global economic slowdown and the lack of resolution in the Eurozone crisis.

The Group’s commercial properties remained well received with occupancy of at least 95% in all its major office and retail buildings. But rents in commercial properties are expected to be affected marginally by the economic slowdown in Singapore and the region. Growth in visitor arrivals to Singapore is expected to moderate in 2012 with a projected increase of up to 10% compared to the 13.8% achieved in 2011.

The Group is targeting to launch the sale of its apartment units at its mixed-development, The Esplanade, in Tianjin towards the end of the current quarter. In Singapore, it has obtained the Strata Titles Board order for the approval of the enbloc sale of St Patrick's Gardens estate. The Group is working towards launching the residential project in early 2013.

Meanwhile, rentals from The Furniture Mall at The Plaza, Beach Road will cease from May 2012 as the space makes way for the new development of the 180-unit Pan Pacific Serviced Suites Beach Road and a column-free ballroom and meeting rooms for the adjoining PARKROYAL on Beach Road. The 363-room PARKROYAL on Pickering and One Upper Pickering office building are progressing on schedule and the hotel will open towards the end of this year while Pan Pacific Serviced Suites Beach Road will open in the first quarter of 2013.

Shareholder funds increased to $5.4 billion as at 31 March 2012 from $5.3 billion as at end December 2011. In the same period, net tangible asset per ordinary share rose to $7.05 from $6.82. The Group's gearing ratio decreased to 0.33 as at 31 March 2012 from 0.35 as at 31 December 2011.

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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 25 hotels in Asia, Australia and North America with over 8,000 rooms in its portfolio.

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