UOL 华业集团

COMPANY REGISTRATION NO. 196300438C

For Immediate Release

NEWS RELEASE

UOL'S 3Q14 NET ATTRIBUTABLE PROFIT UP 10% TO $102.6 MILLION

- *Revenue increases due mainly to completion of The Esplanade, Tianjin*
- *Property investments and hotel business record steady growth of 5%*
- *Share of profit from associated and joint venture companies up 39% to $39.8 million*

Singapore, 11 November 2014 – UOL Group Limited today announced net attributable profit of $102.6 million for the third quarter ended 30 September 2014 (3Q14), up 10% from $93.5 million in the corresponding quarter last year due mainly to higher profits from associated and joint venture companies.

Group revenue increased 66% to $433.5 million from $261.8 million mainly due to the recognition of property development revenue upon the completion of The Esplanade in Tianjin, China and higher contributions from PARKROYAL on Beach Road, PARKROYAL on Pickering and Pan Pacific Serviced Suites Beach Road.

Share of profit from associated companies rose 29% to $30.7 million, mainly from United Industrial Corporation Limited (UIC), which registered higher gains from Pan Pacific Singapore, and the Archipelago and Thomson Three projects, as well as an increased 99.5% interest in UIC's subsidiary, Singapore Land Limited (SingLand), after its voluntary cash offer for SingLand.

Share of profit from joint venture companies jumped 88% to $9.1 million, largely from the Archipelago and Thomson Three projects.

During the quarter, Group expenses edged up 2% to $53.6 million. Marketing and distribution expenses increased 12% to $9.6 million as higher showflat costs were incurred for the launches of Riverbank@Fernvale, a 555-unit condominium project in Sengkang, and Seventy Saint Patrick's, a 186-unit freehold condominium project in Marine Parade. Finance expenses fell 32% to $5.3 million due to lower average interest rates and higher borrowing costs capitalised. Other operating expenses rose 14% to $20.3 million, resulting from the pre-opening expenses incurred for Pan Pacific Hotel and Serviced Suites Tianjin.

For the nine months ended 30 September 2014, Group net attributable profit was down 27% to $435.1 million due to higher fair value gains in the same period last year. Pre-tax profit before fair value and other gains totalled $411.1 million, up 29% from the same period last year. The increase was due to higher profits from all segments and a one-time gain of $98.4 million from the sale of the land at Jalan Conlay, lower finance expenses as well as higher share of profit from associated and joint venture companies.

During the year, the Group also acquired two sites in Singapore – Upper Paya Lebar and Prince Charles Crescent for $392.3 million and $463.1 million respectively – and in London, a 3,200 square metre freehold site at Bishopsgate for $200.9 million. The acquisitions nearly doubled the value of the Group's development properties from $895.4 million to $1.7 billion, after accounting for the sale of Jalan Conlay and the completion of The Esplanade.

Group Chief Executive Gwee Lian Kheng said: "With the tepid global economic outlook and subdued residential market in Singapore, we will continue to be selective in residential land acquisitions and focus more effort on commercial and hospitality properties with recurring income. Our maiden investment in London will act as a springboard for us to expand our hotel management business in Europe."

UOL successfully launched Seventy Saint Patrick's in September 2014 with 67% take-up rate achieved to date. The Group is slated to have the official opening of OneKM retail mall in Katong on 30 November 2014. It plans to launch its Upper Paya Lebar project, a 20,078 square metre residential site, in the first quarter of 2015.

As at 30 September 2014, shareholders' funds increased to $7.3 billion from $6.8 billion as at 31 December 2013 with profits recognised in the first nine months of 2014 and higher reserves from fair value gains on available-for-sale financial assets. Net tangible asset per ordinary share rose to $9.26 from $8.73.

Group gearing ratio increased to 0.35 as at end September 2014 from 0.28 as at end December 2013 with higher borrowings for land acquisitions.

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About UOL Group Limited

UOL Group Limited 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 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 wholly-owned 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, Oceania and North America with more than 9,600 rooms in its portfolio.

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