UOL Group Limited
Company Registration No. 196300438C

UNAUDITED FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Income Statement

		The Group		
		For the year ended 31 December		
	Note	2010	2009	+ / (-)
		$'000	$'000	%
Revenue	A	1,294,580	1,007,061	29
Cost of sales		(795,292)	(554,587)	43
Gross profit		499,288	452,474	10
Other income				
- Finance income	B	3,512	3,887	(10)
- Miscellaneous income		10,343	9,594	8
Expenses				
- Marketing and distribution	C	(47,362)	(37,339)	27
- Administrative		(58,521)	(46,381)	26
- Finance	D	(26,488)	(44,728)	(41)
- Other operating	E	(69,830)	(61,972)	13
Share of profit of associated companies excluding fair value gains/(losses) of associated companies' investment properties		232,948	154,372	51
Profit before fair value and other gains/(losses) and income tax		543,890	429,907	27
Other gains	F	50,790	277,269	(82)
Fair value gains/(losses) on associated companies' investment properties		152,904	(66,102)	331
Fair value gains/(losses) on the Group's investment properties		134,863	(147,562)	191
Profit before income tax	G	882,447	493,512	79
Income tax expense	H	(66,927)	(32,000)	109
Net profit		815,520	461,512	77
Attributable to:				
Equity holders of the Company		745,795	424,178	76
Non-controlling interests		69,725	37,334	87
		815,520	461,512	77
The above net profit attributable to equity holders of the Company can be analysed as follows:				
Attributable profit before fair value and other gains/(losses)		429,022	331,756	29
Other gains		50,762	277,269	(82)
Fair value gains/(losses) on investment properties including those of associated companies		266,011	(184,847)	244
Net attributable profit		745,795	424,178	76

1(a)(ii) Explanatory Notes to the Consolidated Income Statement

	The Group		
	For the year ended 31 December		
	2010	2009	+ / (-)
	$'000	$'000	%
A Revenue			
Revenue from property development	781,058	533,843	46
Revenue from property investments	147,943	141,674	4
Gross revenue from hotel operations	325,089	294,485	10
Revenue from management services	18,540	15,867	17
Dividend income from available-for-sale financial assets	21,950	21,192	4
	1,294,580	1,007,061	29
B Finance income			
Interest income	3,512	3,887	(10)
	3,512	3,887	(10)
C Marketing and distribution expense			
Sales commissions	12,429	9,480	31
Showflat expenses	8,667	4,562	90
Advertising, sales and marketing	15,838	14,770	7
Marketing and distribution payroll expenses	8,692	7,137	22
Others	1,736	1,390	25
	47,362	37,339	27
D Finance expense			
Bank facility fees	3,015	18,292	(84)
Interest expense	20,912	25,852	(19)
Currency exchange losses (net)	2,561	584	339
	26,488	44,728	(41)
E Other operating expense			
Property tax	15,794	14,265	11
Repairs, maintenance and security	9,581	8,254	16
Heat, light and power	19,104	16,869	13
Others	25,351	22,584	12
	69,830	61,972	13
F Other gains			
Negative goodwill on acquisition of interests in associated companies	50,271	281,069	(82)
Impairment of property, plant and equipment	-	(3,800)	100
Gain on liquidation of an available-for-sale financial asset	362	-	n.m.
Gain on liquidation of a subsidiary	157	-	n.m.
	50,790	277,269	(82)

n.m. : not meaningful

1(a)(ii) Explanatory Notes to the Consolidated Income Statement (cont'd)

	The Group		
	For the year ended 31 December		
	2010	2009	+ / (-)
	$'000	$'000	%
G Profit before income tax			
Profit before income tax is stated after charging :			
Depreciation and amortisation	43,303	41,865	3
H Income tax expense			
Tax expense attributable to profit is made up of:			
Current income tax			
- Singapore	37,959	33,826	12
- Foreign	14,087	7,725	82
Withholding tax paid	-	211	(100)
Deferred income tax			
- fair value gains/(losses) of investment properties	7,516	(13,946)	154
- others	10,930	16,274	(33)
	70,492	44,090	60
(Over)/under provision in preceding financial years			
Current income tax			
- Singapore	(4,054)	(5,963)	(32)
- Foreign	(6)	8	(175)
Deferred income tax	495	413	20
	66,927	38,548	74
Effect of change in tax rate on deferred taxation	-	(6,548)	100
	66,927	32,000	109

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

	Note	The Group For the year ended 31 December 2010	 2009	 + / (-)
		$'000	$'000	%
Net profit		815,520	461,512	77
Other comprehensive (loss)/income:				
Fair value (losses)/gains on available-for-sale financial assets	A	(33,600)	239,635	(114)
Cash flow hedges:				
- Fair value gains		1,194	1,365	(13)
- Transfer to income statement		(1,187)	(1,469)	(19)
Effect of change in tax rate on asset revaluation reserve		-	165	(100)
Revaluation of property, plant and equipment prior to transfer to investment property		3,188	-	n.m.
Capital reserves arising from transfer of available-for-sale financial asset to investment in associated company	B	-	174,578	(100)
Currency translation differences arising from consolidation of foreign operations		356	28,136	(99)
Share of other comprehensive loss of an associated company		(1,232)	(1,416)	(13)
Other comprehensive (loss)/income, net of tax		(31,281)	440,994	(107)
Total comprehensive income		784,239	902,506	(13)
Attributable to:				
Equity holders of the Company		712,940	853,807	(16)
Non-controlling interests		71,299	48,699	46
		784,239	902,506	(13)

n.m. : not meaningful

1(a)(iv) Explanatory Notes to the Consolidated Statement of Comprehensive Income

A Fair value (losses)/gains on available-for-sale financial assets

The quoted available-for-sale financial assets are stated at their fair values based on the quoted closing bid prices as at the reporting date. The decrease in value for the financial year ended 31 December 2010 was due to a decrease in the closing bid prices of the relevant quoted equity shares from the previous financial year.

B Capital reserves arising from transfer of available-for-sale financial asset to investment in associated company

The capital reserves for the financial year ended 31 December 2009 relate to the increase in fair value of the identifiable net assets of United Industrial Corporation Limited ("UIC") over the period from the date of the first acquisition of its shares to the date it became an associated company of the Group in the first quarter of 2009.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Statement of Financial Position

	Note	The Group 31.12.10 $'000	The Group 31.12.09 $'000	The Company 31.12.10 $'000	The Company 31.12.09 $'000
ASSETS					
Current assets					
Cash and bank balances		313,169	281,459	1,727	8,088
Trade and other receivables	A	215,691	112,146	254,866	139,244
Development properties	B	1,224,733	1,562,651	-	-
Inventories		1,622	3,153	-	-
Available-for-sale financial assets		479,767	517,284	479,767	516,824
Other assets		45,695	5,898	315	142
Current income tax assets		904	1,236	-	-
		2,281,581	2,483,827	736,675	664,298
Non-current assets					
Trade and other receivables	C	1,906	99,201	685,866	625,106
Available-for-sale financial assets		246,972	228,897	66,184	40,219
Investments in associated companies	D	2,120,026	1,349,049	161,589	161,589
Investments in subsidiaries		-	-	1,295,483	1,279,393
Investment properties	E	2,261,613	2,027,476	285,650	259,190
Property, plant and equipment		668,179	684,160	843	1,130
Properties under development		312,344	412,706	-	-
Intangibles		42,807	37,571	793	-
Deferred income tax assets		3,651	5,099	298	303
		5,657,498	4,844,159	2,496,706	2,366,930
Total assets		7,939,079	7,327,986	3,233,381	3,031,228
LIABILITIES					
Current liabilities					
Trade and other payables		201,725	171,387	155,296	235,278
Derivative financial instrument		2,213	-	1,756	-
Current income tax liabilities		68,138	48,452	19,931	6,084
Loans from non-controlling shareholders of subsidiaries		18,990	33,025	-	-
Bank overdrafts		9	-	-	-
Bank loans		745,651	723,009	469,951	241,150
		1,036,726	975,873	646,934	482,512
Non-current liabilities					
Bank loans	F	1,128,939	1,213,455	-	-
3.34% unsecured fixed rate note due 2012		149,849	149,739	149,849	149,739
Unsecured floating rate note due 2012		99,899	99,826	99,899	99,826
Derivative financial instrument		-	2,221	-	1,782
Loans from non-controlling shareholders of subsidiaries		47,278	45,946	-	-
Deferred liabilities		6,561	-	-	-
Rental deposits		22,277	19,658	3,051	2,622
Retention monies		24,449	8,980	-	-
Provision for retirement benefits		2,539	2,316	-	-
Deferred income tax liabilities		213,833	202,073	77,036	83,310
		1,695,624	1,744,214	329,835	337,279
Total liabilities		2,732,350	2,720,087	976,769	819,791
NET ASSETS		5,206,729	4,607,899	2,256,612	2,211,437
Capital & reserves attributable to equity holders of the Company					
Share capital	G	1,051,898	1,058,527	1,051,898	1,058,527
Reserves		758,005	789,422	358,646	377,435
Retained earnings		2,936,472	2,300,284	846,068	775,475
		4,746,375	4,148,233	2,256,612	2,211,437
Non-controlling interests		460,354	459,666	-	-
TOTAL EQUITY		5,206,729	4,607,899	2,256,612	2,211,437

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year. (cont'd)

Explanatory Notes to the Statement of Financial Position

A Trade receivables - current

The increase in current trade receivables was due mainly to the recognition of receivables for the balance of progress instalments for development projects, Southbank and Regency at Tiong Bahru upon receipt of temporary occupation permit ("TOP") in 2010, as well as billings for the remaining booking fees for Spottiswoode Residences which was launched in December 2010.

B Development properties

The decrease in development properties resulted mainly from progress billings for existing development projects and from the completion of The Regency at Tiong Bahru and Southbank development projects in 2010.

C Trade receivables - non-current

The decrease in non-current trade receivables were due mainly to repayments of shareholders loans by associated companies, Nassim Park Residences Pte Ltd and Brendale Pte Ltd with proceeds from the sales of their development projects.

D Investment in associated companies

The increase in associated companies was due mainly to:

(i) the acquisition of additional interests in UIC, with the Group's interest increasing to 42.0% at 31 December 2010 from 32.0% at 31 December 2009;

(ii) the Group's share of profit of associated companies for 2010;

(iii) the Group's subscription for a 50% interest in Premier Land Development Pte Ltd ("PLD"), a company which holds the development project, Terrene at Bukit Timah; and

(iv) the Group's capital injection into a newly established associated company, Shanghai Jin Peng Realty Co. Ltd ("SJP") for the construction and development of a land parcel in Changfeng District, Shanghai.

E Investment properties

Investment properties are carried at fair values as determined by independent professional valuers. It is the practice of the Group to revalue its investment properties on a half yearly basis on 30 June and 31 December. The increase in 2010 includes (i) revaluation gains for the financial year; and (ii) a transfer from properties under development, with the completion and opening of PARKROYAL Serviced Suites, Kuala Lumpur in October 2010.

F Bank loans

Bank loans have reduced due to proceeds following the receipt of TOP for The Regency at Tiong Bahru and Southbank as well as from progress billings of the Group's various development projects. The reduction in bank loans was partially offset by additional borrowings for the construction of Hai He Hua Ding in Tianjin and for the payments for interests in associated companies.

G Share capital

Pursuant to a share buyback mandate obtained at the Extraordinary General Meeting held on 21 April 2010, the Company has, from 13 May 2010 to 9 June 2010 purchased a total of 7,287,000 ordinary shares fully paid (or 0.93%) in the share capital of the Company at a total cost of $26.9 million or $3.69 per share.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

	As at 31.12.10		As at 31.12.09	
	Secured	Unsecured	Secured	Unsecured
	$'000	$'000	$'000	$'000
Amount repayable in one year or less, or on demand	198,770	566,050	429,023	327,175
Amount repayable after one year	846,408	588,278	1,225,832	295,946

Details of any collateral

The borrowings are secured by mortgages on the borrowing subsidiaries' investment properties, hotel properties, development properties, and/or assignment of all rights and benefits with respect to the properties and/or corporate guarantees from the Company or other group subsidiaries.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Cash Flows for the year ended 31 December

	Notes	The Group 2010 $'000	The Group 2009 $'000
Cash flows from operating activities			
Net profit		815,520	461,512
Adjustments for:			
Income tax expense		66,927	32,000
Non-cash items	i	(336,631)	(41,709)
Dividend income and interest income		(25,462)	(25,079)
Interest expense		23,927	44,144
Impairment charge on property, plant and equipment		-	3,800
Fair value (gains)/losses on investment properties		(134,863)	147,562
Negative goodwill on acquisition of interests in associated companies		(50,271)	(281,069)
Gain on liquidation of an available-for-sale financial asset		(362)	-
Gain on liquidation of a subsidiary		(157)	-
		358,628	341,161
Change in working capital			
Receivables	ii	(50,066)	15,541
Development properties	iii	378,478	(278,072)
Inventories		1,531	313
Rental deposits		(1,135)	1,017
Payables		37,231	20,411
Retention monies payables		12,605	5,241
		378,644	(235,549)
Cash generated from operations		737,272	105,612
Income tax paid		(28,828)	(32,495)
Retirement benefits paid		(179)	(61)
Bank deposits pledged as security		-	(6,000)
Net cash provided by operating activities		708,265	67,056
Cash flows from investing activities			
Payments for intangibles		(6,137)	-
Proceeds from liquidation of an available-for-sale financial asset		464	-
Purchase of available-for-sale financial assets		-	(21,084)
Payments for interests in associated companies	iv	(397,381)	(281,664)
Loans to associated companies		(1,906)	(5,610)
Repayment of loans by associated companies	v	76,300	33,490
Net proceeds from disposal of property, plant and equipment		445	273
Purchase of property, plant and equipment and investment properties	vi	(85,140)	(61,387)
Interest received		3,567	3,967
Dividend received		52,895	68,908
Net cash used in investing activities		(356,893)	(263,107)
Cash flows from financing activities			
Proceeds from issue of shares		3,218	300
Loans from non-controlling shareholders of subsidiaries		7,783	3,013
Repayment of loans from non-controlling shareholders of subsidiaries		(20,575)	-
Proceeds from borrowings	vii	343,037	867,816
Repayment of borrowings	vii	(408,442)	(475,700)
Payments to non-controlling shareholders for acquisition of shares in subsidiaries	viii	(46,067)	-
Expenditure relating to bank borrowings		(2,611)	(29,631)
Interest paid		(46,964)	(54,262)
Dividends paid to equity holders of the Company		(78,353)	(59,705)
Dividends paid to non-controlling interests		(44,832)	(9,561)
Payments for share buy-back		(26,910)	(41,280)
Net cash (used in)/provided by financing activities		(320,716)	200,990
Net increase in cash and cash equivalents		30,656	4,939
Cash and cash equivalents at the beginning of the financial year		275,459	263,729
Effects of currency translation on cash and cash equivalents		1,045	6,791
Cash and cash equivalents at the end of the financial year	ix	307,160	275,459

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Explanatory Notes to the Consolidated Statement of Cash Flows

i. Non-cash items

The adjustment for non-cash items includes depreciation, share of profit of associated companies and exchange differences. The increase was due mainly to the higher share of profit of associated companies recognised in 2010.

ii. Receivables

The decrease in cash flows from receivables was due mainly to higher outstanding progress billings for the Group's development projects, Southbank, The Regency at Tiong Bahru and Spottiswoode.

iii. Development properties

The cash inflows for development properties arose from proceeds received from projects which received TOP during the year as well as from progress billings in excess of expenditure for the Group's existing development projects.

iv. Payments for interests in associated companies

These relate to payments for the Group's subscription for a 50% interest in PLD, acquisition of additional interests in UIC and capital injections into SJP.

v. Repayment of loans by associated companies

Repayments were received from associated companies, Brendale Pte Ltd ("BPL") and Nassim Park Residences Pte Ltd. The loan to BPL was fully repaid during the year following the completion of the construction and sales of its development project in 2010.

vi. Purchase of property, plant and equipment and investment properties

Expenditure on property, plant and equipment and investment properties were incurred mainly on the Group's construction of the hotel property at Upper Pickering Street, Hai He Hua Ding in Tianjin and PARKROYAL Serviced Suites, Kuala Lumpur.

vii. Proceeds from/repayment of borrowings

Repayment of borrowings with funds received from the progress billings of the Group's development projects were partially offset by additional loan drawdowns for construction of development projects and payments for interests in associated companies.

viii. Payments to non-controlling shareholders for acquisition of shares in subsidiaries

These relate to payments for the Group's acquisition of non-controlling shareholders' interests in Success City Pty Limited ("SCPL") and Success Venture Investments (Australia) Limited ("SVIA").

ix. Cash and cash equivalents

For the purposes of the Consolidated Statement of Cash Flows, the cash and cash equivalents comprise the following:

	The Group	
	2010	2009
	$'000	$'000
Fixed deposits with financial institutions	234,460	229,107
Cash at bank and on hand	78,709	52,352
Cash and bank balances per Statement of Financial Position	313,169	281,459
Less: Bank overdrafts	(9)	-
Less: Bank deposits pledged as security	(6,000)	(6,000)
Cash and cash equivalents per Consolidated Statement of Cash Flows	307,160	275,459

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

Statement of Changes in Equity for the year ended 31 December

	Share Capital	Reserves	Retained Earnings	Non-controlling Interests	Total Equity
	$'000	$'000	$'000	$'000	$'000
The Group					
2010					
Balance at 1 January 2010	1,058,527	789,422	2,300,284	459,666	4,607,899
Employee share option scheme					
- value of employee services	-	1,438	-	-	1,438
- proceeds from shares issued	3,218	-	-	-	3,218
Shares cancelled upon buy-back	(9,847)	-	(17,063)	-	(26,910)
Dividends	-	-	(78,353)	(44,832)	(123,185)
Acquisition of interests from non-controlling shareholders[1]	-	-	(20,288)	(25,779)	(46,067)
Share of an associated company's acquisition of interests from non-controlling shareholders	-	-	6,097	-	6,097
Total comprehensive (loss)/income for the year	-	(32,855)	745,795	71,299	784,239
Balance at 31 December 2010	1,051,898	758,005	2,936,472	460,354	5,206,729
2009					
Balance at 1 January 2009	1,075,315	359,386	1,960,003	420,528	3,815,232
Employee share option scheme					
- value of employee services	-	407	-	-	407
- proceeds from shares issued	300	-	-	-	300
Shares cancelled upon buy-back	(17,088)	-	(24,192)	-	(41,280)
Dividends	-	-	(59,705)	(9,561)	(69,266)
Total comprehensive income for the year	-	429,629	424,178	48,699	902,506
Balance at 31 December 2009	1,058,527	789,422	2,300,284	459,666	4,607,899
The Company					
2010					
Balance at 1 January 2010	1,058,527	377,435	775,475	-	2,211,437
Employee share option scheme					
- value of employee services	-	1,438	-	-	1,438
- proceeds from shares issued	3,218	-	-	-	3,218
Shares cancelled upon buy-back	(9,847)	-	(17,063)	-	(26,910)
Dividends	-	-	(78,353)	-	(78,353)
Total comprehensive (loss)/income for the year	-	(20,227)	166,009	-	145,782
Balance at 31 December 2010	1,051,898	358,646	846,068	-	2,256,612
2009					
Balance at 1 January 2009	1,075,315	199,911	833,148	-	2,108,374
Employee share option scheme					
- value of employee services	-	407	-	-	407
- proceeds from shares issued	300	-	-	-	300
Shares cancelled upon buy-back	(17,088)	-	(24,192)	-	(41,280)
Dividends	-	-	(59,705)	-	(59,705)
Total comprehensive income for the year	-	177,117	26,224	-	203,341
Balance at 31 December 2009	1,058,527	377,435	775,475	-	2,211,437

[1] The adjustment to retained earnings relate to goodwill on the Group's acquisition of non-controlling shareholders' interests in SVIA.

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 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.

During the financial year ended 31 December 2010, the changes in the issued share capital of the Company were as follows:

	Number of Ordinary Shares
Issued capital as at 1 January 2010	783,533,154
Shares cancelled upon buy-back	(7,287,000)
Issue of ordinary shares arising from the exercise of:	
2002 Options granted under the UOL 2000 Share Option Scheme	18,000
2003 Options granted under the UOL 2000 Share Option Scheme	118,000
2004 Options granted under the UOL 2000 Share Option Scheme	18,000
2005 Options granted under the UOL 2000 Share Option Scheme	100,000
2006 Options granted under the UOL 2000 Share Option Scheme	37,000
2008 Options granted under the UOL 2000 Share Option Scheme	274,000
2009 Options granted under the UOL 2000 Share Option Scheme	940,000
Issued capital as at 31 December 2010	777,751,154

As at 31 December 2010, there were unexercised options for 4,129,000 (31.12.2009: 4,626,000) of unissued ordinary shares under the UOL 2000 Share Option Scheme.

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	
	31.12.10	31.12.09
Total number of issued shares, excluding treasury shares	777,751,154	783,533,154

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

Not applicable.

2 Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have neither been audited nor reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditor's report (including any qualifications or emphasis of 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 stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the financial year ended 31 December 2009.

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

On 1 January 2010, the Group adopted the new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. The following are the new or revised FRS and INT FRS that are relevant to the Group:

FRS 103 (revised)	Business Combinations
FRS 27 (revised)	Consolidated and Separate Financial Statements
Amendment to FRS 28	Investments in Associates
Amendment to FRS 38	Intangible Assets
Amendment to FRS 7	Statement of Cash Flows

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements except for FRS 27 as follows:

The revisions to FRS 27 principally change the accounting for transactions with non-controlling interests. Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in retained earnings.

In the current financial year, a subsidiary of the Group purchased the remaining 40% interest in SVIA and 5% interest in SCPL from non-controlling interests. The revised accounting policy was applied to account for these transactions. The difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid, relating to the purchase of interest in SCPL was not significant, while that relating to the purchase of interest in SVIA, amounted to $20,288,000 attributable to the equity holders of the Company. This difference was recognised in retained profits while previously, such differences would have been recognised as intangible assets – goodwill.

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

	The Group	
	2010	2009
Earnings per ordinary share for the financial year ended 31 December		
(i) Based on weighted average number of ordinary shares in issue	cents 95.64	cents 53.72
(ii) On a fully diluted basis	cents 95.56	cents 53.67

Earnings per share is calculated by reference to the weighted average number of ordinary shares in issue during the financial year.

For the purposes of calculating diluted earnings per share, the weighted average number of shares in issue is adjusted to take into account the dilutive effect arising from the outstanding options granted to employees, where such shares would have been issued at a price lower than market value.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	The Group		The Company	
	31.12.10	31.12.09	31.12.10	31.12.09
Net asset value per ordinary share	$6.10	$5.29	$2.90	$2.82
Net tangible asset backing per ordinary share	$6.05	$5.25	$2.90	$2.82

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Revenue

The Group's revenue in 2010 increased by $287.5 million or 29% to $1,294.6 million, from $1,007.1 million in 2009. Increases were noted for all segments of the Group, and more significantly from the progressive recognition of revenue from the sale of the Group's development properties and from the improved performance of hotel operations.

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonable or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on. (cont'd)

Expenses

Marketing and distribution expenses for 2010 increased due mainly to sales commissions and showflat expenses for the launches of Waterbank at Dakota and Spottiswoode Residences in 2010, as well as for the sales of all remaining units of Double Bay Residences and Meadows at Peirce. Increased payroll costs arising mainly from additional staff strength to support the expanded operations of the Group, as well as the reduction in job credits received in comparison with 2009 resulted in higher Administrative expenses. Finance expenses declined due mainly to lower outstanding bank loan balances and the absence of facility fees of $14.0 million for the acquisition of shares in UIC in 2009.

Associated companies

The share of profits of associated companies (excluding fair value gains on investment properties) was higher due mainly to the progressive recognition of profit from the sale of units in Nassim Park Residences and a higher share of profit of UIC with the Group's acquisition of additional interests in UIC in 2010.

Profit & Loss

For the year ended 31 December 2010, pre-tax profit before fair value and other gains/(losses) was $543.9 million, representing a 27% increase compared to the profit of $429.9 million in 2009. The increase was due mainly to higher operating profits, higher income from associated companies and lower finance expenses.

With the inclusion of negative goodwill from the acquisition of PLD and UIC, and taking into account fair value gains of the Group and associated companies' investment properties, profit before tax for the year ended 31 December 2010 was $882.4 million, an increase of 79% over the profit before tax of $493.5 million in 2009. Profit after tax and non-controlling interest was $745.8 million or a 76% increase from the $424.2 million in 2009.

Net tangible asset and gearing

The Group shareholders' funds increased from $4.15 billion as at 31 December 2009 to $4.75 billion as at 31 December 2010. The increase was due mainly to profits recognised in 2010, offset by the adjustments for share buy-back and dividends paid. Consequently the net tangible asset per ordinary share of the Group increased to $6.05 as at 31 December 2010 from $5.25 as at 31 December 2009.

The Group's gearing ratio decreased from 43% as at 31 December 2009 to 36% as at 31 December 2010 due to reduction in borrowings combined with the effects of the increase in shareholders' funds.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Nil.

10 A commentary at the date of this announcement of the 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

The Singapore economy should continue to grow in 2011, albeit at a more moderate pace of 4% to 6%. The latest measures introduced by the government in January 2011 to cool the Singapore residential property market is expected to slow down transaction volumes in the coming months. Following the rebound in second quarter 2010, rentals of office space in Singapore are expected to continue its growth momentum, though the pace may be moderated by the new supply completing in 2011. Rentals for retail space should benefit from the high levels of employment and strong tourist arrivals.

In view of the region's positive economic outlook, the Group's hotels should continue to benefit from the growth in the tourism sector in Singapore and the Asia Pacific.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Name of dividend	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	10.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

Name of dividend	:	Special
Dividend Type	:	Cash
Dividend Rate	:	5.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	:	First & Final
Dividend Type	:	Cash
Dividend Rate	:	10.0 cents per ordinary share
Tax Rate	:	Not applicable (one-tier)

(c) Date payable

First & Final	:	Subject to shareholders' approval for payment of the First & Final Dividend on 18 May 2011

(d) Books closure date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members will be closed from 4 May 2011 to 5 May 2011, both dates inclusive, for the preparation of dividend warrants. Duly completed transfers received by our Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, up to close of business at 5.00 pm on 3 May 2011 will be registered to determine entitlements to the above dividends. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said first and final dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

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

Not applicable.

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

	Property development	Property investments	Hotel operations Singapore	Hotel operations Australia	Hotel operations Others	Investments	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group								
2010								
Revenue								
Total segment sales	781,058	149,379	111,952	103,531	109,606	149,493	24,253	1,429,272
Inter-segment sales	-	(1,436)	-	-	-	(127,543)	(5,713)	(134,692)
Sales to external parties	781,058	147,943	111,952	103,531	109,606	21,950	18,540	1,294,580
Share of profit of associated companies	134,811	245,385	4,529	-	1,127	-	-	385,852
Adjusted EBITDA	303,653	348,279	30,651	22,940	42,104	21,752	4,183	773,562
Depreciation and amortisation	(33)	(3,716)	(10,898)	(7,092)	(20,598)	-	(966)	(43,303)
Other gains	-	50,271	157	-	-	362	-	50,790
Fair value gains on investment properties	-	134,863	-	-	-	-	-	134,863
Unallocated costs								(10,489)
Finance income								3,512
Finance expense								(26,488)
Profit before income tax								882,447
Income tax								(66,927)
Net profit								815,520
2009								
Revenue								
Total segment sales	533,843	142,912	98,539	90,316	110,059	91,642	21,427	1,088,738
Inter-segment sales	-	(1,238)	(4,429)	-	-	(70,450)	(5,560)	(81,677)
Sales to external parties	533,843	141,674	94,110	90,316	110,059	21,192	15,867	1,007,061
Share of profit of associated companies	59,892	24,054	3,258	-	1,066	-	-	88,270
Adjusted EBITDA	215,076	127,473	23,475	23,173	39,826	20,915	4,040	453,978
Depreciation and amortisation	(35)	(2,848)	(11,912)	(6,344)	(19,719)	-	(1,007)	(41,865)
Other gains/ (losses)	-	281,069	(3,800)	-	-	-	-	277,269
Fair value losses on investment properties	-	(147,562)	-	-	-	-	-	(147,562)
Unallocated costs								(7,467)
Finance income								3,887
Finance expense								(44,728)
Profit before income tax								493,512
Income tax								(32,000)
Net profit								461,512

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

Please refer to paragraph 8.

15 A breakdown of sales

	The Group		
	For the year ended		
	31.12.10	31.12.09	Increase/ (decrease)
	$'000	$'000	%
(a) Sales reported for first half year	569,689	410,407	39
(b) Profit after tax before deducting non-controlling interests reported for first half year	267,802	334,914	(20)
(a) Sales reported for second half year	724,891	596,654	21
(b) Profit after tax before deducting non-controlling interests reported for second half year	547,718	126,598	333

16 A breakdown of total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

	Latest Full Year	Previous Full Year
	$'000	$'000
Ordinary one-tier dividend	77,775	78,353
Special one-tier dividend	38,888	-
	116,663	78,353
Preference	-	-
Total	116,663	78,353

CONFIRMATION BY DIRECTORS

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the year ended 31 December 2010 to be false or misleading.

BY ORDER OF THE BOARD

Foo Thiam Fong Wellington
Company Secretary
22 February 2011