BUKIT SEMBAWANG ESTATES LIMITED

(Company Registration Number: 196700177M)
(Incorporated in Singapore on 27 June 1967)

Financial Statement and Dividend Announcement for the Third Quarter and Nine Months ended 31 December 2011

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

1(a) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Statement of Comprehensive Income for the third quarter and nine months ended 31 December 2011

	Note	Third quarter 01.10.2011 to 31.12.2011 $'000	Third quarter 01.10.2010 to 31.12.2010 (Restated)* $'000	Change %	Nine months 01.04.2011 to 31.12.2011 $'000	Nine months 01.04.2010 to 31.12.2010 (Restated)* $'000	Change %
Revenue		118,858	304,693	(61.0)	339,658	442,619	(23.3)
Cost of sales		(70,651)	(181,723)	(61.1)	(203,597)	(255,037)	(20.2)
Gross profit	1	48,207	122,970	(60.8)	136,061	187,582	(27.5)
Other income	2	35,575	505	6,944.6	36,694	1,669	2,098.6
Administrative expenses		(1,164)	(1,270)	(8.3)	(2,565)	(2,461)	4.2
Other operating (expenses)/income	3	(1,145)	(1,315)	(12.9)	13,733	(3,057)	549.2
Profit from operations		81,473	120,890	(32.6)	183,923	183,733	0.1
Finance income	4	1,651	61	2,606.6	2,912	189	1,440.7
Finance expense	5	(92)	(1,476)	(93.8)	(6,746)	(3,527)	91.3
Net finance income/(expense)		1,559	(1,415)	210.2	(3,834)	(3,338)	14.9
Profit before income tax [1]		83,032	119,475	(30.5)	180,089	180,395	(0.2)
Income tax expense		(7,202)	(19,162)	(62.4)	(18,724)	(30,802)	(39.2)
Profit for the period attributable to equity holders of the Company		**75,830**	**100,313**	**(24.4)**	**161,365**	**149,593**	**7.9**
Other comprehensive income							
Change in fair value of available-for-sale financial assets	6	561	3,669	(84.7)	(4,297)	7,677	(156.0)
Transfer of fair value reserve to profit or loss on disposal of available-for-sale financial assets	7	(35,555)	-	N.A.	(35,555)	(386)	9,111.1
Effective portion of changes in fair value of cash flow hedges	8	-	113	N.A.	-	(4,800)	N.A.
Transfer of hedging reserve to profit or loss	8	-	-	N.A.	5,205	-	N.A.
Other comprehensive income for the period, net of income tax		**(34,994)**	**3,782**	**(1,025.3)**	**(34,647)**	**2,491**	**(1,490.9)**
Total comprehensive income for the period		**40,836**	**104,095**	**(60.8)**	**126,718**	**152,084**	**(16.7)**
Earnings per share [2]							
Basic earnings per share (cents)		29.29	41.03		62.32	61.43	
Diluted earnings per share (cents)		29.29	39.83		62.32	59.64	

* Comparative figures have been restated to take into account the retrospective adjustments arising from the adoption of INT FRS 115 *Agreements for the Construction of Real Estate* as detailed in Section 5 on page 11.

[1] Profit before income tax includes the following:

	Third quarter			Nine months		
	01.10.2011 to 31.12.2011	01.10.2010 to 31.12.2010	Change	01.04.2011 to 31.12.2011	01.04.2010 to 31.12.2010	Change
	$'000	$'000	%	$'000	$'000	%
Depreciation and amortisation	(67)	(60)	11.7	(189)	(169)	11.8
Dividend income from available-for-sale financial assets	(20)	472	(104.2)	857	1,175	(27.1)
Gain on disposal of available-for-sale financial assets	35,443	-	N.A.	35,443	452	7,741.4
Interest expense	(92)	(1,476)	(93.8)	(1,541)	(3,527)	(56.3)
Interest income	180	61	195.1	381	189	101.6
Mark-to-market gain on derivative financial instruments	1,471	-	N.A.	2,531	-	N.A.
Transfer of hedging reserve to profit or loss	-	-	N.A.	(5,205)	-	N.A.
Write-back of foreseeable losses on development properties	-	-	N.A.	17,000	-	N.A.

[2] The basic and diluted earnings per share are computed based on profit for the period attributable to equity holders of the Company and the weighted average number of ordinary shares as set out on page 12.

Notes to the Group's Consolidated Statement of Comprehensive Income:

Note 1 – Gross profit

The lower gross profit for the nine months ended 31 December 2011 as compared to the prior corresponding period is mainly due to lower profit recognition on the development projects.

Note 2 – Other income

The increase in other income for the nine months ended 31 December 2011 as compared to the prior corresponding period is mainly due to a one-off gain on disposal of the Group's portfolio of quoted equity securities, which are non-core assets, during the third quarter ended 31 December 2011. Excluding the gain on disposal of available-for-sale financial assets for both current and prior corresponding periods, other income, comprising mainly dividend income, amounted to $1.3 million for the nine months ended 31 December 2011 as compared to $1.2 million in the prior corresponding period.

Note 3 – Other operating (expenses)/income

Other operating income for the nine months ended 31 December 2011 included a write-back of $17.0 million in respect of Skyline Residences development project following its sales launch in July 2011. Excluding the write-back, other operating expenses amounted to $3.3 million for the nine months ended 31 December 2011 as compared to $3.1 million in the prior corresponding period. Other operating expenses for both periods relate mainly to property tax and other development costs on certain development projects pending development. The increase for the nine months ended 31 December 2011 as compared to the prior corresponding period is mainly due to an increase in property tax and maintenance-related costs incurred on the unsold Paterson Suites units.

Note 4 – Finance income

The increase in finance income is due to mark-to-market gain on interest rate swaps as well as higher interest income earned from fixed deposit placements attributable to higher progress billings during the nine months ended 31 December 2011 as compared to the prior corresponding period.

Note 5 – Finance expense

The increase in finance expense for the nine months ended 31 December 2011 as compared to the prior corresponding period is mainly due to the transfer of $5.2 million from hedging reserve to profit or loss (refer to Note 8 for details).

Note 6 – Change in fair value of available-for-sale financial assets
The change in fair value of available-for-sale financial assets relates to the net change in market values of the Group's investments in equity securities between the commencement and end of each reporting period. The decrease in the change in fair value for the nine months ended 31 December 2011 as compared to the prior corresponding period is caused by market movements in the prices of the Group's remaining equity securities during the respective periods.

Note 7 –Transfer of fair value reserve to profit or loss on disposal of available-for-sale financial assets
The fair value reserve of the available-for-sale financial assets that were disposed were transferred to profit or loss upon the disposal of the Group's portfolio of quoted equity securities (refer to Note 2 for details).

Note 8 – Effective portion of changes in fair value of cash flow hedges / Transfer of hedging reserve to profit or loss
The Group had adopted hedge accounting for the interest rate swaps entered into to hedge its exposure to interest rate risks relating to future cash flows on the interest payments attributable to the bank loans. In the prior financial year, the cash flow hedge was discontinued. The net change in fair value of the cash flow hedges was recognised in equity up to the date of discontinuance and in profit or loss thereafter. During the nine months ended 31 December 2011, the bank loans whose interest rates were previously hedged were refinanced. Accordingly, the total amount in the hedging reserve was transferred to profit or loss.

Borrowing costs capitalised in development properties
Borrowing costs capitalised in development properties amounted to $14.2 million for the nine months ended 31 December 2011 as compared to $13.9 million for the corresponding period ended 31 December 2010.

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.**

		Group		Company	
		31.12.2011	31.03.2011 (Restated)*	31.12.2011	31.03.2011
	Note	$'000	$'000	$'000	$'000
Non-current assets					
Investment property		4,723	4,843	-	-
Property, plant and equipment		144	155	-	-
Investments in subsidiaries		-	-	80,294	80,294
Available-for-sale financial assets	1	2,037	48,094	2,037	48,094
Deferred tax assets		224	224	-	-
		7,128	53,316	82,331	128,388
Current assets					
Development properties	2	1,090,635	1,199,811	-	-
Trade and other receivables	3	40,493	21,190	1,131,711	1,303,492
Cash and cash equivalents	4	284,439	205,257	5,771	14,838
		1,415,567	1,426,258	1,137,482	1,318,330
Total assets		**1,422,695**	**1,479,574**	**1,219,813**	**1,446,718**
Equity attributable to shareholders of the Company					
Share capital	5	631,801	616,160	631,801	616,160
Reserves	6	440,130	344,481	210,087	242,434
Total equity		1,071,931	960,641	841,888	858,594
Non-current liabilities					
Interest-bearing bank loans	7	295,319	443,042	235,492	443,042
Derivative financial liabilities	8	-	4,272	-	4,272
Deferred tax liabilities		8,462	1,666	14	14
		303,781	448,980	235,506	447,328
Current liabilities					
Trade and other payables	9	32,189	42,870	139,842	139,948
Derivative financial liabilities	8	2,577	836	2,577	836
Current tax payable		12,217	26,247	-	12
		46,983	69,953	142,419	140,796
Total liabilities		350,764	518,933	377,925	588,124
Total equity and liabilities		**1,422,695**	**1,479,574**	**1,219,813**	**1,446,718**

* Comparative figures have been restated to take into account the retrospective adjustments arising from the adoption of INT FRS 115 *Agreements for the Construction of Real Estate* as detailed in Section 5 on page 11.

Notes to the Statement of Financial Position of the Group:

Note 1 – Available-for-sale financial assets
The decrease is mainly due to the disposal of the Group's portfolio of quoted equity securities, which are non-core assets, during the third quarter ended 31 December 2011. The proceeds were used to repay outstanding bank loans to further reduce the Group's borrowings.

Note 2 – Development properties
The net decrease is mainly due to higher progress billings, offset by an increase in attributable profits and increase in development costs of development projects capitalised during the period.

Note 3 – Trade and other receivables
The increase is mainly due to higher outstanding progress billing receivables on the development projects, including receivables with Singapore Academy of Law.

Note 4 – Cash and cash equivalents
Please refer to Section 1(c) for cash flows for the period.

Note 5 – Share capital
The increase in share capital is due to the conversion of warrants pursuant to the Company's rights issue in April 2009. Please refer to Section 1(d)(i) for statement of changes in equity for the period.

Note 6 – Reserves
Please refer to Section 1(d)(i) for statement of changes in equity for the period.

Note 7 – Interest-bearing bank loans
The net decrease in interest-bearing bank loans is mainly due to repayments of bank loans using proceeds from warrants conversion, sale of development properties and disposal of available-for-sale financial assets.

Note 8 – Derivative financial liabilities
This represents the fair value of interest rate swaps. The decrease is attributable to mark-to-market gain recognised on interest rate swaps for the period.

Note 9 – Trade and other payables
The decrease is mainly due to lower trade payables relating to the construction costs of the development projects.

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

	31.12.2011 $'000	31.03.2011 $'000
Unsecured		
- Amount repayable in one year or less, or on demand	-	-
- Amount repayable after one year	295,319	-
Secured		
- Amount repayable in one year or less, or on demand	-	-
- Amount repayable after one year	-	443,042

Details of any collateral
As at 31 December 2011, all loans were unsecured.

As at 31 March 2011, the secured borrowings were collateralised by:
- mortgages on certain development properties of the Group including certain assignment of rights and interest;
- charge over the project accounts of the Group; and
- guarantee by the Company and certain of its subsidiaries.

These secured borrowings were repaid on 12 September 2011.

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		Nine months	
	01.10.2011 to 31.12.2011	01.10.2010 to 31.12.2010 (Restated)	01.04.2011 to 31.12.2011	01.04.2010 to 31.12.2010 (Restated)
	$'000	$'000	$'000	$'000
Cash flows from operating activities				
Profit before income tax	83,032	119,475	180,089	180,395
Adjustments for:				
Depreciation of investment property	40	42	120	122
Depreciation of property, plant and equipment	27	18	69	47
Dividend income from available-for-sale financial assets	20	(472)	(857)	(1,175)
Gain on disposal of available-for-sale financial assets	(35,443)	-	(35,443)	(452)
Interest expense	92	1,476	1,541	3,527
Interest income	(180)	(61)	(381)	(189)
Mark-to-market gain on derivative financial instruments	(1,471)	-	(2,531)	-
Transfer of hedging reserve to profit or loss	-	-	5,205	-
Write-back of foreseeable losses on development properties	-	-	(17,000)	-
Operating profit before working capital changes	46,117	120,478	130,812	182,275
Changes in working capital:				
Development properties	30,997	107,337	140,412	114,408
Trade and other receivables	12,522	(176,978)	(20,319)	(189,460)
Trade and other payables	3,172	4,742	(10,762)	4,265
Cash generated from operations	92,808	55,579	240,143	111,488
Interest received	160	43	321	176
Income tax paid	(12,884)	(151)	(25,905)	(414)
Nat cash from operating activities	80,084	55,471	214,559	111,250
Cash flows from investing activities				
Dividends received	266	714	1,351	1,449
Proceeds from disposal of available-for-sale financial assets	42,177	-	42,177	442
Capital expenditure on investment property	-	(98)	-	(98)
Purchase of property, plant and equipment	(44)	(22)	(58)	(22)
Net cash from investing activities	42,399	594	43,470	1,771
Cash flows from financing activities				
Dividends paid	-	-	(31,069)	(9,694)
Interest paid (including amounts capitalised in development properties)	(2,462)	(5,952)	(10,555)	(15,108)
Proceeds from conversion of warrants	-	1,906	15,641	12,100
Payment of financing transaction costs	-	-	(1,864)	-
Proceeds from bank loans	-	-	406,000	7,800
Repayments of bank loans	(78,000)	-	(557,000)	(10,000)
Net cash used in financing activities	(80,462)	(4,046)	(178,847)	(14,902)
Net increase in cash and cash equivalents	42,021	52,019	79,182	98,119
Cash and cash equivalents at beginning of period	242,418	151,296	205,257	105,196
Cash and cash equivalents at end of period	284,439	203,315	284,439	203,315

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 of shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Dividend reserve $'000	Total $'000
At 1 April 2010, as previously reported	587,057	60,714	33,974	(775)	78,466	9,591	769,027
Effect of adopting INT FRS 115	-	-	-	-	(7,146)	-	(7,146)
At 1 April 2010, restated	587,057	60,714	33,974	(775)	71,320	9,591	761,881
Total comprehensive income for the period							
Profit for the period, restated	-	-	-	-	149,593	-	149,593
Other comprehensive income							
Change in fair value of available-for-sale financial assets	-	-	7,677	-	-	-	7,677
Transfer of fair value reserve to profit or loss on disposal of available-for-sale financial asset	-	-	(386)	-	-	-	(386)
Effective portion of changes in fair value of cash flow hedges	-	-	-	(4,800)	-	-	(4,800)
Total comprehensive income for the period	-	-	7,291	(4,800)	149,593	-	152,084
Transactions with owners, recorded directly in equity							
Shares issued pursuant to warrants conversion	12,100	-	-	-	-	-	12,100
Dividends to equity holders: - final dividends for the previous year, paid	-	-	-	-	(103)	(9,591)	(9,694)
Total transactions with owners	12,100	-	-	-	(103)	(9,591)	2,406
At 31 December 2010	599,157	60,714	41,265	(5,575)	220,810	-	916,371

Group	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Dividend reserve $'000	Total $'000
At 1 April 2011, as previously reported	616,160	60,714	41,806	(5,205)	217,798	31,069	962,342
Effect of adopting INT FRS 115	-	-	-	-	(1,701)	-	(1,701)
At 1 April 2011, restated	616,160	60,714	41,806	(5,205)	216,097	31,069	960,641
Total comprehensive income for the period							
Profit for the period	-	-	-	-	161,365	-	161,365
Other comprehensive income							
Change in fair value of available-for-sale financial assets	-	-	(4,297)	-	-	-	(4,297)
Transfer of fair value reserve to profit or loss on disposal of available-for-sale financial asset	-	-	(35,555)	-	-	-	(35,555)
Transfer of hedging reserve to profit or loss	-	-	-	5,205	-	-	5,205
Total comprehensive income for the period	-	-	(39,852)	5,205	161,365	-	126,718
Transactions with owners, recorded directly in equity							
Shares issued pursuant to warrants conversion	15,641	-	-	-	-	-	15,641
Dividends to equity holders: - final dividends for the previous year, paid	-	-	-	-	-	(31,069)	(31,069)
Total transactions with owners	15,641	-	-	-	-	(31,069)	(15,428)
At 31 December 2011	631,801	60,714	1,954	-	377,462	-	1,071,931

Company	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Dividend reserve $'000	Total $'000
At 1 April 2010	587,057	61,908	33,884	(775)	142,126	9,591	833,791
Total comprehensive income for the period							
Profit for the period	-	-	-	-	1,246	-	1,246
Other comprehensive income							
Change in fair value of available-for-sale financial assets	-	-	7,677	-	-	-	7,677
Transfer of fair value reserve to profit or loss on disposal of available-for-sale financial asset	-	-	(296)	-	-	-	(296)
Effective portion of changes in fair value of cash flow hedges	-	-	-	(4,800)	-	-	(4,800)
Total comprehensive income for the period	-	-	7,381	(4,800)	1,246	-	3,827
Transactions with owners, recorded directly in equity							
Shares issued pursuant to warrants conversion	12,100	-	-	-	-	-	12,100
Dividends to equity holders: - final dividends for the previous year, paid	-	-	-	-	(103)	(9,591)	(9,694)
Total transactions with owners	12,100	-	-	-	(103)	(9,591)	2,406
At 31 December 2010	599,157	61,908	41,265	(5,575)	143,269	-	840,024

Company	Share capital $'000	Capital reserve $'000	Fair value reserve $'000	Hedging reserve $'000	Accumulated profits $'000	Dividend reserve $'000	Total $'000
At 1 April 2011	616,160	61,908	41,806	(5,205)	112,856	31,069	858,594
Total comprehensive income for the period							
Profit for the period	-	-	-	-	33,369	-	33,369
Other comprehensive income							
Change in fair value of available-for-sale financial assets	-	-	(4,297)	-	-	-	(4,297)
Transfer of fair value reserve to profit or loss on disposal of available-for-sale financial asset	-	-	(35,555)	-	-	-	(35,555)
Transfer of hedging reserve to profit or loss	-	-	-	5,205	-	-	5,205
Total comprehensive income for the period	-	-	(39,852)	5,205	33,369	-	(1,278)
Transactions with owners, recorded directly in equity							
Shares issued pursuant to warrants conversion	15,641	-	-	-	-	-	15,641
Dividends to equity holders: - final dividends for the previous year, paid	-	-	-	-	-	(31,069)	(31,069)
Total transactions with owners	15,641	-	-	-	-	(31,069)	(15,428)
At 31 December 2011	631,801	61,908	1,954	-	146,225	-	841,888

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.**

There was no change in the Company's issued share capital during the 3 months ended 31 December 2011.

In accordance with the terms and conditions of the warrants issued on 8 April 2009, the rights to subscribe for new ordinary shares in the capital of the Company comprised in the warrants expired at 5.00 p.m. on 8 April 2011. Any subscription rights comprised in the warrants which have not been exercised have lapsed and the warrants have ceased to be valid for any purpose whatsoever. Accordingly, the number of outstanding warrants as at 31 December 2011 is Nil (2010: 14,250,686).

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 had 258,911,326 issued and fully paid up ordinary shares as at 31 December 2011 (31 March 2011: 252,108,476).

The Company had no treasury shares as at 31 December 2011 and 31 March 2011.

1(d)(iv) **A statement showing all sales, transfer, 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 auditing standard or practice.**

The figures have not been audited or 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 Section 5 below, the Group and the Company have 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 and the Company's most recently audited financial statements for the year ended 31 March 2011.

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 and the Company have adopted various new and revised Financial Reporting Standards ("FRSs") and Interpretations of FRSs ("INT FRSs") which took effect for the financial year beginning on 1 April 2011. The adoption of these new and revised FRSs and INT FRSs did not have any significant impact on the Group's and the Company's financial position or results, except for INT FRS 115 *Agreements for the Construction of Real Estate* ("INT FRS 115") which is effective for financial periods commencing on 1 January 2011.

INT FRS 115 clarifies when revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. INT FRS 115 clarifies that contracts which are not classified as construction contracts under FRS 11 *Construction Contracts* can only be accounted for under the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work-in-progress in its current state as construction progresses.

The Group's current accounting policy for residential property development projects is to recognise revenue based on the percentage of completion method which is an allowed alternative method under Recommended Accounting Practice 11 *Pre-completion Contracts for the Sale of Development Property* ("RAP 11"). RAP 11 was withdrawn following the adoption of INT FRS 115.

Upon the adoption of INT FRS 115, for development properties under the progressive payment scheme, the Group continues to recognise revenue and related expenses based on the percentage of completion method. For development properties under deferred payment scheme ("DPS"), revenue and related expenses are accounted for under the completion of construction method. Prior to the adoption of INT FRS 115, profits on property development projects sold under DPS were recognised based on initial deposit received and/or receivable and upon TOP of the project.

This change in accounting policy was applied retrospectively and the impact on the Group's comparative figures arising from the adoption of INT FRS 115 is set out below:

Consolidated Statement of Comprehensive Income

	Third quarter 01.10.2010 to 31.12.2010 $'000	Nine months 01.04.2010 to 31.12.2010 $'000
Increase in revenue	8,000	19,236
Increase in cost of sales	(7,085)	(11,331)
Increase in profit before income tax	915	7,905
Increase in income tax expense	(156)	(1,344)
Increase in profit attributable to equity holders of the Company	759	6,561
Increase in basic earnings per share (cents)	0.31	2.69
Increase in diluted earnings per share (cents)	0.30	2.62

Consolidated Statement of Financial Position

	31.03.2011 $'000	31.03.2010 $'000
Decrease in development properties	(2,050)	(8,610)
Decrease in accumulated profits	(1,701)	(7,146)
Decrease in deferred tax liabilities	(349)	(1,464)

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.**

The basic and diluted earnings per share is computed based on profit for the period attributable to equity holders of the Company and the weighted average number of ordinary shares set out below. In the prior corresponding periods, the weighted average number of ordinary shares had been adjusted to take into account the rights issue and warrants exercised during the period and the effect of the warrants outstanding at the end of the period.

	Third quarter		Nine months	
	31.12.2011	31.12.2010 (Restated)	31.12.2011	31.12.2010 (Restated)
Basic earnings per share (cents)	29.29	41.03	62.32	61.43
Diluted earnings per share (cents)	29.29	39.83	62.32	59.64

	Third quarter		Nine months	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Weighted average number of shares for calculation of:				
- Basic earnings per share	258,911,326	244,491,200	258,911,326	243,513,360
- Diluted earnings per share	258,911,326	251,826,996	258,911,326	250,846,253

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 financial period reported on; and**

(b) **immediately preceding financial year**.

	Group		**Company**	
	31.12.2011	31.03.2011 (Restated)	31.12.2011	31.03.2011
Net asset value per ordinary share	$4.14	$3.81	$3.25	$3.41

Net asset value per share is calculated based on 258,911,326 and 252,108,476 ordinary shares as at the end of the current period and the immediately preceding financial year respectively.

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.

The Group's revenue for the nine months ended 31 December 2011 was $339.7 million as compared to $442.6 million in the prior corresponding period.

The lower gross profit for the nine months ended 31 December 2011 as compared to the prior corresponding period is mainly due to lower profit recognition on the development projects.

For the nine months ended 31 December 2011, net profit before tax included a write-back of $17.0 million (2010: $Nil) in respect of Skyline Residences development project following its sales launch in July 2011, and a one-off gain on disposal of available-for-sale financial assets amounting to $35.4 million (2010: $0.5 million). Accordingly, net profit before tax increased by 7.9% from $149.6 million in the prior corresponding period to $161.4 million for the nine months ended 31 December 2011.

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

Not applicable.

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.**

The Ministry of Trade and Industry has estimated economic growth of 4.8% for the whole of 2011. Due to uncertainties in the global financial and economic conditions, Singapore economy is expected to grow by between 1% and 3% in 2012.

Based on the Singapore Government's statistics, the total number of new home sales was 15,904 units in 2011. Growth in prices of private residential properties has moderated for the ninth consecutive quarter, increasing by 0.2% in the fourth quarter of 2011, a reduction from the increase of 1.3% in the previous quarter. Successive cooling measures introduced by the Singapore Government have tempered buyers' sentiments in the residential property market. We expect the property market to be challenging for the next twelve months.

Proceeds from the disposal of the Group's portfolio of quoted equity securities were used to repay bank loans to further reduce the Group's borrowings.

11 **Dividend**

(a) Current financial period reported on

None.

(b) Corresponding period of the immediately preceding financial year

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the nine months ended 31 December 2011.

13 **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group does not have any Interested Person Transactions.

14 **Negative Assurance on Third Quarter Financial Results**

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the third quarter financial results ended 31 December 2011 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

TAN GUAT NGOH
COMPANY SECRETARY
14 FEBRUARY 2012