



**Unaudited Half-Year (“1HY”) Financial Statements For the Period Ended 31 July 2010**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY 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.**

	Note	3 months ended 31-07-10 \$'000	3 months ended 31-07-09 \$'000	Increase / (Decrease) %	6 months ended 31-07-10 \$'000	6 months ended 31-07-09 \$'000	Increase / (Decrease) %
Revenue	1	81,914	160,983	(49)	171,734	245,030	(30)
Cost of sales		(48,843)	(146,765)	(67)	(119,404)	(221,922)	(46)
Gross profit	2	33,071	14,218	133	52,330	23,108	126
Other income/(loss)	3	1,525	4,181	(64)	2,865	5,036	(43)
Concessionary income/(loss)	4	(373)	(1)	n.m.	(498)	(22)	n.m.
Rental income		8	134	(94)	32	244	(87)
Distribution costs		(228)	(238)	(4)	(430)	(498)	(14)
Administrative costs	5	(6,752)	(4,936)	37	(11,514)	(8,577)	34
Changes in fair value of derivative financial instrument	6	(118)	-	n.m.	(289)	-	n.m.
Other operating expenses	7	(884)	(248)	256	(1,119)	(1,722)	(35)
Finance costs		(166)	(428)	(61)	(290)	(596)	(51)
Profit/(loss) from operations		26,083	12,682	106	41,087	16,973	142
Share of results of associated companies and joint ventures	8	8,773	8,259	6	14,265	16,432	(13)
Profit/(loss) before taxation		34,856	20,941	66	55,352	33,405	66
Taxation	9	(5,988)	(567)	956	(7,171)	(1,517)	373
Profit/(loss) after taxation for the period		28,868	20,374	42	48,181	31,888	51
Attributable to:							
Equity holders of the company	10	28,437	20,105	41	47,422	31,283	52
Minority interests		431	269	60	759	605	25
		28,868	20,374	42	48,181	31,888	51
Earnings per share (cents)							
- basic		3.85	2.72		6.42	4.23	
- diluted		3.85	2.72		6.42	4.23	

n.m.: Not Meaningful

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

	<b>3 months ended 31-07-10</b>	<b>3 months ended 31-07-09</b>	<b>Increase/ (Decrease)</b>	<b>6 months ended 31-07-10</b>	<b>6 months ended 31-07-09</b>	<b>Increase/ (Decrease)</b>
	\$'000	\$'000	%	\$'000	\$'000	%
<b>Net profit for the period</b>	28,868	20,374	42	48,181	31,888	51
<b>Other comprehensive income</b>						
Fair value gain/(loss) on available-for-sale financial assets recognised directly to equity	(19)	4,227	(100)	3,090	5,502	(44)
Fair value (gain)/loss on available-for-sale financial assets recycled to income statement on derecognition	138	(3,536)	n.m.	(707)	(3,536)	n.m.
Exchange differences on translation of the financial statements of foreign entities (net)	(2,033)	1,978	(203)	(1,220)	4,742	(126)
Other comprehensive income/(loss) for the period, net of tax	(1,914)	2,669	(172)	1,163	6,708	(83)
<b>Total comprehensive income for the period</b>	<b>26,954</b>	<b>23,043</b>	<b>17</b>	<b>49,344</b>	<b>38,596</b>	<b>28</b>
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	26,927	22,215	21	48,826	36,699	33
Minority Interests	27	828	(97)	518	1,897	(73)
Total comprehensive income for the period	<b>26,954</b>	<b>23,043</b>	<b>17</b>	<b>49,344</b>	<b>38,596</b>	<b>28</b>

n.m.: Not Meaningful

**1(a)(ii) Notes to the income statement**

- Group revenue decreased by \$73.3M to \$171.7M during 1H current year from \$245.0M during 1H previous year. It decreased by \$79.1M to \$81.9M in Q2 current year from \$161.0M in Q2 previous year. These decreases in revenue were mainly due to the decrease in construction revenue. Development revenue and investment revenue were not significant.
- Gross profit increased by \$29.2M to \$52.3M during 1H current year from \$23.1M 1H previous year. It increased by \$18.9M to \$33.1M in Q2 current year from \$14.2M in Q2 previous year. The increase was mainly due to the increased contributions from construction project nex at Serangoon Central Mall and decrease in accruals in completed projects Meritus Mandarin Hotel and Hard Rock Hotel at Sentosa.
- Other income decreased by \$2.1M to \$2.9M during 1H current year from \$5.0M during 1H previous year. It decreased by \$2.7M to \$1.5M in Q2 current year from \$4.2M in Q2 previous year. These decreases were mainly due to lower gain on disposal of quoted equity investment during 1H current year.
- This loss is derived from the gaming centre operations in Duxton Hotel Saigon which opened for business in November 2006. The licence for operating the gaming centre was withdrawn by the Vietnamese government in April 2010. The hotel remains open and is running as per normal business operations. The increases of \$0.5M and \$0.4M over 1H and Q2 previous year were mainly due to under provision of depreciation charge for gaming centre during 1H and Q2 previous year.

- 5 Administrative costs increased by \$2.9M to \$11.5M during 1H current year from \$8.6M during 1H previous year. It increased by \$1.9M to \$6.8M in Q2 current year from \$4.9M in Q2 previous year. The increase in administrative costs was mainly due to increases in profit share to Managing and Deputy Managing directors which increased in tandem with the increased profit performance of the Group. The provision for profit share was made in accordance with service contracts.
- 6 The Group uses interest rate swap to manage its exposure to interest rate movements by swapping the borrowings from floating rates to fixed rates. The interest rate swap settles on a quarterly basis. The fair value of the swap entered into as at 31 July 2010 are based on quoted market prices for equivalent instruments at the balance sheet date. The Group does not designate this interest rate swap as hedging instrument and the movements in fair value of \$0.3M loss during 1H current year has been recognised in the income statement.
- 7 Other operating expenses decreased by \$0.6M to \$1.1M during 1H current year from \$1.7M during 1H previous year. It increased by \$0.7M to \$0.9M in Q2 current year from \$0.2M in Q2 previous year. The decrease was mainly due to increase in exchange gain from appreciation of Malaysian Ringgit and Australian Dollar against Singapore dollar on shareholder loans.
- 8 Share of results of associated companies and joint ventures decreased by \$2.1M to \$14.3M during 1H current year from \$16.4M during 1H previous year. It increased by \$0.5M to \$8.8M in Q2 current year from \$8.3M in Q2 previous year. The decrease was mainly due to the completion of one-north Residence and South Bank which obtained T.O.P. in July 2009 and April 2010 respectively.
- 9 The basis of tax computation is set out below:

	<b>3 months ended</b>	<b>3 months ended</b>	<b>Increase/ (Decrease)</b>	<b>6 months ended</b>	<b>6 months ended</b>	<b>Increase/ (Decrease)</b>
	<b>31-07-10</b>	<b>31-07-09</b>		<b>31-07-10</b>	<b>31-07-09</b>	
	\$'000	\$'000	%	\$'000	\$'000	%
Income tax						
- tax credit/ (charge)						
- current	(5,000)	-	n.m.	(5,000)	-	n.m.
- foreign tax	(988)	(567)	74	(2,171)	(1,517)	43
	<u>(5,988)</u>	<u>(567)</u>	956	<u>(7,171)</u>	<u>(1,517)</u>	373

On 6 September 2010, the interest of the parent company, General Corporation Berhad ("GCB") was acquired by Consistent Record Sdn Bhd ("CRSB"). In accordance with the Singapore tax regulations, the Company and the Group may lose its ability to carry forward its unabsorbed capital allowances and tax losses as a result of this change in ownership at the parent company level. The Company and its subsidiaries intend to apply to the Inland Revenue Authority of Singapore and tax authorities of its overseas subsidiaries for waiver to retain the ability to carry forward such capital allowances and tax losses on grounds that such ownership change is not done for the purpose of deriving any tax benefit or to obtain any tax advantage.

Based on the tax status known to-date, the Company has unutilised tax losses amounting to \$16,406,000 and the Group has unabsorbed capital allowances and unutilised tax losses amounting to approximately \$154,000 and \$16,712,000 respectively as at 31 January 2010, which are subject to agreement with the respective tax authorities.

As at the date of this report, it is uncertain whether the Company and the Group will be successful in applying for its unabsorbed capital allowances and unutilised tax losses to be carried forward. If this application is not approved by the tax authorities, the Company and Group may need to provide further tax liabilities of approximately \$9.3 million relating to FY2010 and 1H2011. In the opinion of the directors of the Company, a provision of taxation of approximately \$5.0 million is sufficient and has been made as at 31 July 2010.

Foreign income tax increased by \$0.7M to \$2.2M during 1H current year from \$1.5M during 1H previous year. It increased by \$0.4M to \$1.0M in Q2 current year from \$0.6M in Q2 previous year. The increases were mainly due to under provision for taxation during 1H and Q2 previous year for hotel operations in Australia.

- 10 Net profit attributable to shareholders increased by \$16.1M to \$47.4M during 1H current year from \$31.3M during 1H previous year. It increased by \$8.3M to \$28.4M in Q2 current year from \$20.1M in Q2 previous year. These increases were mainly due to higher construction profit offset by lower profits from development, investment and hotel segments.

**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**

	<b>Group 31-07-10 \$'000</b>	<b>Group 31-01-10 \$'000</b>	<b>Note</b>	<b>Company 31-07-10 \$'000</b>	<b>Company 31-01-10 \$'000</b>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Investment properties	11,524	12,043	1	8,122	8,412
Property, plant and equipment	63,997	67,255	1	5,928	6,221
Subsidiaries	-	-		86,603	91,300
Associated companies and joint ventures	182,441	190,940	2	166,158	175,140
Investments	51,159	52,134	3	1,494	2,347
Deferred tax assets	550	461		-	-
	<u>309,671</u>	<u>322,833</u>		<u>268,305</u>	<u>283,420</u>
<b>Current assets</b>					
Inventories	408	414		-	-
Work-in-progress	829	906		-	-
Trade and other receivables	82,620	100,365	4	78,426	94,654
Cash and cash equivalents	160,972	122,709	5	143,464	108,750
	<u>244,829</u>	<u>224,394</u>		<u>221,890</u>	<u>203,404</u>
<b>Total assets</b>	<u>554,500</u>	<u>547,227</u>		<u>490,195</u>	<u>486,824</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Share capital	161,863	161,863		161,863	161,863
Reserves	5,620	3,237	6	527	572
Retained profits	124,619	99,361		88,168	67,662
Exchange fluctuation account	3,276	4,255	7	307	(279)
	<u>295,378</u>	<u>268,716</u>		<u>250,865</u>	<u>229,818</u>
Minority interests	12,342	11,824		-	-
<b>Total equity</b>	<u>307,720</u>	<u>280,540</u>		<u>250,865</u>	<u>229,818</u>
<b>Non-current liabilities</b>					
Other payables	277	299		-	-
Deferred tax liabilities	569	569		541	541
Derivative financial instrument	1,302	1,013	9	1,302	1,013
	<u>2,148</u>	<u>1,881</u>		<u>1,843</u>	<u>1,554</u>
<b>Current liabilities</b>					
Trade and other payables	233,708	251,747	8	219,544	237,022
Amount owing to subsidiaries	-	-		11,925	11,310
Advance received from a joint venture	897	898		897	898
Amount owing to a minority shareholder of subsidiaries (non-trade)	1,870	2,514		-	-
Provision for directors' fee	100	200		100	200
Provision for taxation	8,057	3,446	10	5,021	21
Bank borrowings	-	6,001	5	-	6,001
	<u>244,632</u>	<u>264,806</u>		<u>237,487</u>	<u>255,452</u>
<b>Total liabilities</b>	<u>246,780</u>	<u>266,687</u>		<u>239,330</u>	<u>257,006</u>
<b>Total equity and liabilities</b>	<u>554,500</u>	<u>547,227</u>		<u>490,195</u>	<u>486,824</u>

## Notes to the balance sheets

- 1 The net book value of investment properties and property, plant and equipment decreased by \$0.5M to \$11.5M as at 31 July 2010 from \$12.0M as at 31 January 2010 and \$3.3M to \$64.0M as at 31 July 2010 from \$67.3M as at 31 January 2010 respectively. The decrease was mainly due to depreciation.
- 2 Associated companies and joint ventures decreased by \$8.5M to \$182.4M as at 31 July 2010 from \$190.9M as at 31 January 2010. The decrease was mainly due to dividend received and repayment of shareholder loans.
- 3 Investments decreased by \$0.9M to \$51.2M as at 31 July 2010 from \$52.1M as at 31 January 2010. The decrease was mainly due to sales of quoted investments offset by increase in fair value of available-for-sale financial assets. These investments were made with the objective of optimising cash holdings and earning higher returns compared to the current near zero interest offered by banks.
- 4 Trade and other receivables decreased by \$17.8M to \$82.6M as at 31 July 2010 from \$100.4M as at 31 January 2010 due to decreased construction activities. Subsequent to 31 July 2010, \$16.9M was collected from owners.
- 5 Cash and cash equivalents increased by \$38.3M to \$161.0M as at 31 July 2010 from \$122.7M as at 31 January 2010. Working capital was nil as at 31 July 2010 compared to negative \$40.4M as at 31 January 2010. There was no gearing as at 31 July 2010 since there were no bank borrowings.
- 6 Reserves increased by \$2.4M to \$5.6M as at 31 July 2010 from \$3.2M as at 31 January 2010 due to increase in fair value reserves for quoted equity investments.
- 7 Exchange fluctuation account decreased by \$1.0M to \$3.3M as at 31 July 2010 from \$4.3M as at 31 January 2010 mainly due to depreciation of United States dollar against Singapore dollar off set by appreciation of Australian dollar and Malaysian Ringgit against Singapore dollar.
- 8 Trade and other payables decreased by \$18.0M to \$233.7M as at 31 July 2010 from \$251.7M as at 31 January 2010 mainly due to decrease in accruals for completed projects. Subsequent to 31 July 2010, \$14.3M was paid to vendors.
- 9 The Group uses interest rate swap to manage its exposure to interest rate movements by swapping the borrowings from floating rates to fixed rates. The interest rate swap settles on a quarterly basis. The fair value of the swap entered into as at 31 July 2010 are based on quoted market prices for equivalent instruments at the balance sheet date. The Group does not designate this interest rate swap as hedging instrument and the movements in fair value of \$0.3M loss during 1H current year has been recognised in the income statement.
- 10 Provision for taxation increased by \$4.7M to \$8.1M as at 31 July 2010 from \$3.4M as at 31 January 2010. Please refer to Note 9 of paragraph 1(a)(ii).

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

	31-07-10		31-01-10	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Amount repayable in one year or less, or on demand	-	-	-	6,001
Amount repayable after one year	-	-	-	-
	-	-	-	6,001

**Details of any collateral**

None of the Group's assets are being collateralized to secure bank borrowings.

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

	6 months ended 31-07-10 \$'000	6 months ended 31-07-09 \$'000
<b>Cash Flow from Operating Activities</b>		
Profit before taxation	55,352	33,405
Adjustments for:		
Share of results of associated companies and joint ventures	(14,265)	(16,432)
Depreciation of property, plant and equipment	2,082	1,852
Depreciation of investment properties	367	194
(Gain)/loss on disposal of		
- property, plant and equipment	(9)	(6)
- investment properties	1	(33)
Fair value (gain)/loss on derecognition of available-for-sale financial assets	(707)	(3,536)
Impairment loss on available-for-sales financial assets	417	97
Write off of property, plant and equipment	6	-
Changes in fair value of derivative financial instrument	289	-
(Gain)/loss on liquidation of subsidiaries	-	(444)
Interest expense	290	596
Interest income	(460)	(523)
<b>Operating profit before working capital changes</b>	<b>43,363</b>	<b>15,170</b>
Inventories and work-in-progress	1,542	(2,038)
Receivables	45,026	(39,246)
Payables	(39,570)	76,741
<b>Cash generated from/(used in) operations</b>	<b>50,361</b>	<b>50,627</b>
Interest paid	(234)	(613)
Income tax paid	(2,004)	(2,434)
<b>Net cash generated from/(used in) operating activities</b>	<b>48,123</b>	<b>47,580</b>
<b>Amount carried forward</b>	<b>48,123</b>	<b>47,580</b>

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)**

	<b>6 months ended 31-07-10 \$'000</b>	<b>6 months ended 31-07-09 \$'000</b>
<b>Amount brought forward</b>	48,123	47,580
<b>Cash Flows from Investing Activities</b>		
Acquisition of property, plant and equipment	(556)	(467)
Acquisition of quoted equity investments	(5,715)	(5,457)
Acquisition of investment property	(52)	-
Interest received	(1,500)	115
Advances received from/(made to) joint ventures and associated companies	(3,200)	(12,000)
Dividends from associated companies and joint ventures	8,600	3,190
Proceed from sale of quoted equity investments	9,517	8,621
Proceed from sale of property, plant and equipment	11	50
Proceed from sale of investment properties	270	107
Proceed from return on loan of joint ventures and associated companies	11,079	1,590
Proceed from liquidation of subsidiaries	-	444
<b>Net cash generated from/(used in) investing activities</b>	<u>18,454</u>	<u>(3,807)</u>
<b>Cash Flow from Financing Activities</b>		
Dividends paid to shareholders of the Company	(22,164)	(11,082)
Loans from financial institutions obtained	-	33,500
Loans from financial institutions repaid	(6,001)	(57,000)
<b>Net cash generated from/(used in) financing activities</b>	<u>(28,165)</u>	<u>(34,582)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	38,412	9,191
<b>Cash and cash equivalents at beginning of the period</b>	122,709	31,892
<b>Exchange differences on translation of cash and cash equivalents at beginning of the period</b>	(149)	(195)
<b>Cash and cash equivalents at end of the period</b>	<u><u>160,972</u></u>	<u><u>40,888</u></u>

The Group has unused bank facilities of \$129.5M as of 31 July 2010.

The Group generated a net increase of \$38.4M cash flow during 1H current year compared to net increase of \$9.2M cash flow during 1H previous year. The net increase in cash and cash equivalents was due to net cash generated from operating activities and investing activities of \$48.1M and \$18.4M respectively offset by net cash used in financing activities of \$28.2M.



**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 year**

	Share capital \$'000	Fair Value Reserve \$'000	Retained profit \$'000	Exchange Fluctuation Account \$'000	Total \$'000
<b>The Company</b>					
Balance at 1/2/09	161,863	-	26,226	-	188,089
Total comprehensive expense and income for the period	-	564	26,539	(279)	26,824
Dividends paid	-	-	(11,082)	-	(11,082)
Balance at 31/7/09	<u>161,863</u>	<u>564</u>	<u>41,683</u>	<u>(279)</u>	<u>203,831</u>
Balance at 1/2/10	161,863	572	67,662	(279)	229,818
Total comprehensive expense and income for the period	-	(45)	42,670	586	43,211
Dividends paid	-	-	(22,164)	-	(22,164)
Balance at 31/7/10	<u>161,863</u>	<u>527</u>	<u>88,168</u>	<u>307</u>	<u>250,865</u>

	Share capital \$'000	Fair Value Reserve \$'000	Retained profit \$'000	Exchange Fluctuation Account \$'000	Sub-total \$'000	Minority Interests \$'000	Total \$'000
<b>The Group</b>							
Balance at 1/2/09	161,863	862	47,517	(660)	209,582	8,716	218,298
Total comprehensive expense and income for the period	-	1,966	31,283	3,450	36,699	1,897	38,596
Dividends paid	-	-	(11,082)	-	(11,082)	-	(11,082)
Balance at 31/7/09	<u>161,863</u>	<u>2,828</u>	<u>67,718</u>	<u>2,790</u>	<u>235,199</u>	<u>10,613</u>	<u>245,812</u>
Balance at 1/2/10	161,863	3,237	99,361	4,255	268,716	11,824	280,540
Total comprehensive expense and income for the period	-	2,383	47,422	(979)	48,826	518	49,344
Dividends paid	-	-	(22,164)	-	(22,164)	-	(22,164)
Balance at 31/7/10	<u>161,863</u>	<u>5,620</u>	<u>124,619</u>	<u>3,276</u>	<u>295,378</u>	<u>12,342</u>	<u>307,720</u>

- 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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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 share capital as at 31 July 2010 compared to 31 July 2009.

There were no outstanding executives' share options granted as at 31 July 2010 and 31 July 2009.

There was no treasury share held or issued as at 31 July 2010 and 31 July 2009.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares at the end of the current financial period and as at the end of the immediately preceding financial year**

	<b>As at 31-07-10</b>	<b>As at 31-01-10</b>
Number of issued shares excluding treasury shares	738,816,000	738,816,000

- 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.**

There were no sales, transfers, disposal, cancellation and / or use of treasury shares as at 31 July 2010.

- 2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Review Engagements 2400 (Engagements to Review Financial Statements), or an equivalent standard)**

The figures have been reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Refer to the attached Independent Auditor's Review Report and Independent Financial Adviser's Report.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group had 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 most recently audited financial statements, except for those as disclosed under paragraph 5.

**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 adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 February 2010. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in respective FRS and INT FRS.

The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies nor any significant impact on the Group's financial statements, except as disclosed below.

**FRS 27 (amended 2009) and FRS 103 (revised 2009)**

FRS 27 (amended 2009) and FRS 103 (revised 2009) will become effective for the Group's financial statements for the financial year ending 31 January 2011. FRS 103 (revised 2009) introduces significant changes to the accounting for business combinations, both at the acquisition date and post acquisition, and requires greater use of fair values. The revised FRS 103 will be applied prospectively and therefore there will be no impact on prior periods in the Group's 2011 consolidated financial statements.

The amended FRS 27 acquires accounting for changes in ownership interests by the Group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the Group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with a gain or loss recognised in the profit or loss. The amendments to FRS 27 are not expected to have a significant impact on the consolidated financial statements.

**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**

	<b>3 months ended 31-07-10</b>	<b>3 months ended 31-07-09</b>	<b>6 months ended 31-07-10</b>	<b>6 months ended 31-07-09</b>
Earnings per ordinary share for the period based on net profit attributable to shareholders of the Company:				
(i) Based on weighted average number of ordinary shares in issue	3.85 cents	2.72 cents	6.42 cents	4.23 cents
(ii) On a fully diluted basis	3.85 cents	2.72 cents	6.42 cents	4.23 cents

**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**

	<b>Group</b>		<b>Company</b>	
	<b>31-07-10</b>	<b>31-01-10</b>	<b>31-07-10</b>	<b>31-01-10</b>
Net asset value per ordinary share	40 cents	36 cents	34 cents	31 cents
Net tangible assets backing per ordinary share	40 cents	36 cents	34 cents	31 cents

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, and earnings of the group for the current financial period reported on, including (where applicable) seasonal 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**

### **Construction**

Construction revenue decreased by 34.4% to \$145.5M during 1H current year from \$221.8M during 1H previous year. It decreased by 54.1% to \$68.9M in Q2 current year from \$150.2M in Q2 previous year. The decreases were due to the completion of Meritus Mandarin Hotel and Hard Rock Hotel at Sentosa.

Net profit before tax & minority interests for construction segment increased by \$28.0M to \$33.3M during 1H current year from \$5.3M during 1H previous year. It increased by 404.5% to \$22.2M in Q2 current year from \$4.4m in Q2 previous year. The improved profit performance was due to higher contributions from nex at Serangoon Central Mall and decrease in accruals for completed projects, Meritus Mandarin Hotel and Hard Rock Hotel at Sentosa.

### **Hotel & F&B business**

Revenue for hotel & F&B businesses increased by 11.6% to \$25.0M during 1H current year from \$22.4M during 1H previous year. It increased by 21.8% to \$12.3M in Q2 current year from \$10.1M in Q2 previous year. The increase in hotel revenue was due to higher occupancy rates but offset by lower room rates. The net profit before tax and minority interests for hotel segment decreased by \$0.6M to \$6.5M during 1H current year from \$7.1M during 1H previous year. It decreased by 13.9% to \$3.1M in Q2 current year from \$3.6M in Q2 previous year. The decreases were mainly due to increase in administrative costs and concessionary loss in gaming centre.

### **Development**

Contributions from associated companies and joint ventures decreased by 13.6% to \$14.6M during 1H current year from \$16.9M during 1H previous year. It increased by 1.0% to \$9.0M in Q2 current year from \$8.9M in Q2 previous year. The decrease was mainly due to decreased contributions from one-north Residence and South Bank which obtained T.O.P. in July 2009 and April 2010 respectively.

The Minton was launched in Q2 current year and about 38% of total 1,145 units were sold as at 31 July 2010.

### **Investments**

The Group's current investments are investment properties mainly in Singapore and Malaysia as well as some quoted equity investments. Net profit before tax and minority interest in investment segment decreased by \$3.2M to \$0.9M during 1H current year from \$4.1M during 1H previous year. It decreased by 87.8% to \$0.5M in Q2 current year from \$4.1M in Q2 previous year. The decrease in net profit before tax and minority interest was due to decreased gains on disposal of quoted equity investments offset by impairment of quoted equity investment.

### **Net profit attributable to shareholders**

The increase in net profit attributable to shareholders increased by 51.4% to \$47.4M during 1H current year compared to \$31.3M during 1H previous year. It increased by 41.3% to \$28.4M in Q2 current year from \$20.1M in Q2 previous year. The increase was mainly due to higher profit from construction segment offset by lower profits from development, investment and hotel segments.

### **Balance Sheet**

The Group remains in a strong financial position. Group shareholders' funds increased by 9.9% to \$295.4M as at 31 July 2010 from \$268.7M as at 31 January 2010. There were no bank borrowings as at 31 July 2010. Cash and cash equivalents increased by 31.2% to \$161.0M as at 31 July 2010 from \$122.7M as at 31 January 2010.

**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 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**

Whilst the GDP of the Singapore economy is expected to grow by 13% to 15% in 2010, the global economic outlook remains uncertain and it is expected to remain on a modest recovery path. We remain cautious and will continue our efforts to search for new projects and businesses that will generate consistent revenue and profitability streams.

**11. Dividend**

***(a) Current Financial Period Reported On***

Any dividend declared/recommended for the current financial period reported on? No

Name of Dividend	:	NIL
Dividend Type	:	NIL
Dividend Amount	:	NIL
Tax Rate	:	NIL

***(b) Corresponding Period of the Immediately Preceding Financial Year***

Any dividend declared for the corresponding period of the immediately preceding financial year? No

Name of Dividend	:	NIL
Dividend Type	:	NIL
Dividend Amount	:	NIL
Tax Rate	:	NIL

***(c) Date payable***

Not applicable

***(d) Books closure date***

Not applicable

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

Not applicable

**13. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments**

Not applicable

**14. Confirmation by Directors**

We, Low Keng Boon and Low Poh Kuan, being two directors of the Group, do hereby confirm on behalf of the directors of the company that, to the best of our knowledge, nothing has come to the attention of the board of directors, which may render the unaudited consolidated financial results for the 6 months ended 31 July 2010 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

Low Keng Boon  
Managing Director

Low Poh Kuan  
Executive Director

**BY ORDER OF THE BOARD**

Low Keng Boon  
Managing Director

14 September 2010