WHEELOCK PROPERTIES

WHEELOCK PROPERTIES LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 49

OVERSEAS REGULATORY ANNOUNCEMENT

Please refer to the attached announcement.

As at the date of this announcement, the board of directors of Wheelock Properties Limited comprises Mr. Peter K. C. Woo, Dr. Joseph M. K. Chow, Mr. Gonzaga W. J. Li, Mr. T. Y. Ng, Mr. Paul Y. C. Tsui and Mr. Ricky K. Y. Wong, together with three independent Non-executive Directors, namely, Mr. Herald L. F. Lau, Mr. Roger K. H. Luk and Mr. Glenn S. Yee.

WHEELOCK
PROPERTIES

Co. Reg. No. 197201797H
(Incorporated in the Republic of Singapore)

AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

TABLE OF CONTENTS

ITEM NO.	DESCRIPTION	PAGE NO.
1(a)(i)	CONSOLIDATED INCOME STATEMENT	2
1(a)(ii)	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	3
1(a)(iii)	NOTES TO THE CONSOLIDATED INCOME STATEMENT	4
1(b)(i)	STATEMENTS OF FINANCIAL POSITION	5
1(b)(ii)	BORROWINGS	7
1(c)	CONSOLIDATED STATEMENT OF CASH FLOWS	8
1(d)(i)	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	10
1(d)(ii)	SHARE CAPITAL	12
1(e)	SHARE PURCHASE	12
2	REVIEW OF RESULTS BY AUDITORS	12
3	AUDITORS' REPORT	12
4	BASIS OF PREPARATION	12
5	EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS	13
6	EARNINGS PER SHARE	13
7	NET ASSET VALUE PER SHARE	13
8	REVIEW OF PERFORMANCE	14
9	FORECAST STATEMENT	17
10	CURRENT YEAR'S PROSPECTS	17
11	DIVIDEND	17
12	REVENUE AND PROFIT ANALYSIS BY OPERATING SEGMENTS	18
13	COMMENTS ON SEGMENT RESULTS	18
14	BREAKDOWN OF GROUP REVENUE AND PROFIT AFTER TAX FOR FIRST HALF AND SECOND HALF YEAR	19

WHEELOCK PROPERTIES (SINGAPORE) LIMITED
(Incorporated in the Republic of Singapore)

1(a)(i) CONSOLIDATED INCOME STATEMENT

	Quarter ended			Year ended		
	31 Dec 2009	**31 Dec 2008**	**Change**	**31 Dec 2009**	**31 Dec 2008**	**Change**
	$'000	$'000	%	$'000	$'000	%
Revenue	90,092	72,443	24.4	386,640	454,635	(15.0)
Cost of Sales	(41,204)	(43,280)	(4.8)	(199,191)	(238,359)	(16.4)
Gross Profit	48,888	29,163	67.6	187,449	216,276	(13.3)
Other Income						
- Changes in Fair Value on Investment Properties	129,425	(319)	NM	127,718	88,779	43.9
- Others	643	1,199	(46.4)	2,182	5,420	(59.7)
	130,068	880	NM	129,900	94,199	37.9
Selling and Marketing Expenses	(68)	(178)	(61.8)	(211)	(368)	(42.7)
Administrative and Corporate Expenses	(2,937)	(2,849)	3.1	(8,627)	(8,968)	(3.8)
Other Operating Expenses						
- Impairment Loss on Investments	0	(114,690)	(100.0)	(23,274)	(200,061)	(88.4)
- Others	(5)	(69)	(92.8)	(171)	(861)	(80.1)
	(5)	(114,759)	NM	(23,445)	(200,922)	(88.3)
Profit/(Loss) From Operations	175,946	(87,743)	300.5	285,066	100,217	184.4
Finance Costs	(4)	(635)	(99.4)	(534)	(2,131)	(74.9)
Profit/(Loss) Before Taxation	175,942	(88,378)	299.1	284,532	98,086	190.1
Income Tax (Expense)/Credit	(6,564)	24,539	126.7	(22,195)	2,863	875.2
Profit/(Loss) For The Period	169,378	(63,839)	365.3	262,337	100,949	159.9

1(a)(ii) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Quarter ended			Year ended		
	31 Dec 2009	31 Dec 2008	Change	31 Dec 2009	31 Dec 2008	Change
	$'000	$'000	%	$'000	$'000	%
Profit For The Period	169,378	(63,839)	365.3	262,337	100,949	159.9
Other Comprehensive Income:						
Available-for-sale Financial Assets						
- Net Changes in Fair Value	(2,943)	(163,516)	(98.2)	215,331	(362,744)	159.4
- Net Changes in Fair Value Transferred to Profit or Loss	0	80,000	(100.0)	0	165,371	(100.0)
Exchange Differences Arising on Consolidation of Foreign Subsidiaries	3	(4)	175.0	3	(4)	175.0
Income Tax Relating to Components of Other Comprehensive Income	0	15,034	(100.0)	0	39,743	(100.0)
Other Comprehensive Income For The Period, Net of Tax	(2,940)	(68,486)	(95.7)	215,334	(157,634)	236.6
Total Comprehensive Income For The Period	166,438	(132,325)	225.8	477,671	(56,685)	942.7

Tax effects relating to each component of other comprehensive income:

	Quarter ended			Year ended		
	31 Dec 2009	31 Dec 2008	Change	31 Dec 2009	31 Dec 2008	Change
	$'000	$'000	%	$'000	$'000	%
Exchange Differences Arising on Consolidation of Foreign Subsidiaries						
Before Tax	3	(4)	175.0	3	(4)	175.0
Tax Expense	0	0	NA	0	0	NA
Net of Tax	3	(4)	175.0	3	(4)	175.0
Available-for-sale Financial Assets						
Before Tax	(2,943)	(83,516)	(96.5)	215,331	(197,373)	209.1
Tax Benefit	0	15,034	(100.0)	0	39,743	(100.0)
Net of Tax	(2,943)	(68,482)	(95.7)	215,331	(157,630)	236.6

1(a)(iii) NOTES TO THE CONSOLIDATED INCOME STATEMENT

The following items have been charged or (credited) in arriving at profit for the period:

	Quarter ended			Year ended		
	31 Dec 2009	**31 Dec 2008**	**Change**	**31 Dec 2009**	**31 Dec 2008**	**Change**
	$'000	$'000	%	$'000	$'000	%
Interest income	(386)	(1,174)	(67.1)	(1,706)	(3,133)	(45.5)
Exchange gain (net)	(250)	(3)	NM	(252)	0	NA
Gain on disposal of property, plant and equipment	0	0	NA	0	(2,152)	(100.0)
Others	(7)	(22)	(68.2)	(224)	(135)	65.9
Other income - others	(643)	(1,199)	(46.4)	(2,182)	(5,420)	(59.7)
Dividend income from investments	0	0	NA	(1,009)	(6,132)	(83.5)
Depreciation of property, plant and equipment	55	53	3.8	230	208	10.6
Exchange loss (net)	0	0	NA	0	435	(100.0)
Fixtures, plant and equipment included in investment property written off	0	0	NA	0	164	(100.0)
Interest expense	0	629	(100.0)	502	2,109	(76.2)
Over provision of tax in prior years	(2,779)	(10,449)	(73.4)	(8,701)	(34,497)	(74.8)

NA : Not Applicable
NM : Not Meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
	$'000	$'000	$'000	$'000
Non-Current Assets				
Property, Plant and Equipment	1,011	125,551	913	125,439
Investment Properties	1,052,500	790,000	258,000	0
Amounts Due From Subsidiaries	0	0	604,997	573,810
Interests in Subsidiaries	0	0	232,964	227,830
Interests in an Associate	7	7	0	0
Investments	334,420	142,363	0	0
Other Non-Current Assets	540	524	540	524
	1,388,478	1,058,445	1,097,414	927,603
Current Assets				
Development Properties	683,720	693,041	193,427	235,196
Trade and Accrued Receivables	47,835	148,405	19,576	13
Amounts Due From Subsidiaries	0	0	192,802	695
Amounts Due From Related Corporations	21	49	21	44
Other Receivables	968	1,547	449	278
Cash and Cash Equivalents	759,427	756,677	568,188	572,044
	1,491,971	1,599,719	974,463	808,270
Total Assets	2,880,449	2,658,164	2,071,877	1,735,873
Equity Attributable to Equity Holders of the Company				
Share Capital	1,055,901	1,055,901	1,055,901	1,055,901
Reserves	1,403,579	997,702	604,037	376,934
Total Equity	2,459,480	2,053,603	1,659,938	1,432,835
Non-Current Liabilities				
Interest-bearing Liabilities	103,028	297,138	0	193,390
Deferred Tax Liabilities	105,744	78,270	15,807	529
	208,772	375,408	15,807	193,919
Current Liabilities				
Trade Payables	49,571	54,661	11,342	6,848
Other Payables	27,208	22,955	8,020	6,865
Amounts Due to Subsidiaries	0	0	246,158	95,406
Interest-bearing Liabilities	130,612	95,000	130,612	0
Current Tax Payable	4,806	56,537	0	0
	212,197	229,153	396,132	109,119
Total Liabilities	420,969	604,561	411,939	303,038
Total Equity and Liabilities	2,880,449	2,658,164	2,071,877	1,735,873

REVIEW OF FINANCIAL POSITION

Group

Decrease in property, plant and equipment of $125 million was mainly due to the reclassification of property under development to investment properties as the Group has adopted Amendments to Financial Reporting Standard 40 – Investment Property which became effective on 1 January 2009.

Increase in investment properties of $263 million was mainly due to the reclassification of property under development to investment properties as explained above and an increase in fair value of Scotts Square Retail and Wheelock Place.

Increase in investments of $192 million was mainly due to the increase in market value of the Group's investments in Hotel Properties Limited ("HPL") and SC Global Developments Ltd ("SC Global"). Impairment loss of $23 million was charged to profit or loss in the 1st quarter ended 31 March 2009 and subsequent increase in market value of $215 million from 1 April 2009 to 31 December 2009 was credited to the fair value reserve.

Decrease in trade and accrued receivables of $101 million was mainly due to higher progress billings and accrued receivables of The Sea View and The Cosmopolitan as at the end of the last financial year, which were subsequently received in the current financial year. This was partially offset by accrued receivables of Ardmore II and Scotts Square as at the end of the current financial year.

Increase in reserves of $406 million was mainly due to the increase in market value of the Group's investments in HPL and SC Global, increase in fair value of the Group's investment properties and profits recognised in the current year, partially offset by the payment of dividends.

Decrease in interest-bearing liabilities of $158 million was mainly due to the repayment of a bank loan upon maturity and partial prepayment of a bank loan from sales proceeds.

Increase in deferred tax liabilities of $27 million was mainly due to increased profits recognised from Scotts Square and Ardmore II, profit recognised from Orchard View and recognition of group relief whereby the transferor companies recognised deferred tax liabilities. This was partially offset by adjustment to deferred tax liabilities due to the reduction in corporate income tax rate from 18% to 17% effective from year of assessment 2010.

Decrease in current tax payable of $52 million was mainly due to payment of income tax for year of assessment 2009 and recognition of group relief whereby the transferee companies reduced their current tax payable.

Company

Decrease in property, plant and equipment of $125 million was due to the reclassification of property under development to investment property as the Group has adopted Amendments to Financial Reporting Standard 40 – Investment Property which became effective on 1 January 2009.

Increase in investment property of $258 million was mainly due to the reclassification of property under development to investment property as explained above and an increase in fair value of Scotts Square Retail.

Increase in amounts due from subsidiaries of $223 million was mainly due to write back of impairment loss on inter-company loans to subsidiaries due to the increase in market value of their investments in SC Global and HPL and an inter-company loan to a subsidiary to repay its bank loan.

Decrease in development property of $42 million was mainly due to progress billings from the development project, Scotts Square. This was partially offset by profit recognition on the development project and construction costs incurred.

Increase in reserves of $227 million was mainly due to increase in fair value of the investment property and profits recognised in the current year partially offset by payment of dividends.

Decrease in interest-bearing liabilities of $63 million was mainly due to partial prepayment of a bank loan from sales proceeds.

Increase in deferred tax liabilities of $15 million was mainly due to recognition of group relief whereby the transferor company recognised deferred tax liabilities. Increased profits recognised from Scotts Square also attributed to the increase in deferred tax liabilities.

Increase in amounts due to subsidiaries of $151 million was mainly due to transfer of surplus funds from subsidiaries.

1(b)(ii) BORROWINGS

	Group	
	31 Dec 2009	**31 Dec 2008**
	$'000	$'000
Repayable within one year:		
Interest-bearing Liabilities (secured)	130,612	0
Interest-bearing Liabilities (unsecured)	0	95,000
	130,612	95,000
Repayable after one year but within five years:		
Interest-bearing Liabilities (secured)	103,028	297,138
	103,028	297,138

The secured interest-bearing liabilities are generally secured by mortgages over the Group's development properties and investment property in Singapore, legal assignment of all rights, titles, interests and benefits under contracts in respect of the properties and corporate guarantees issued by the Company.

The secured interest-bearing liabilities are secured on the following assets:

	Group	
	31 Dec 2009	**31 Dec 2008**
	$'000	$'000
Development properties	409,402	446,104
Investment property	258,000	0
Property, plant and equipment (Property under development)	0	124,323
	667,402	570,427

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	Quarter ended		Year ended	
	31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
	$'000	$'000	$'000	$'000
Operating Activities				
Profit for the period	169,378	(63,839)	262,337	100,949
Adjustments for:				
Income tax expense/(credit)	6,564	(24,539)	22,195	(2,863)
Depreciation of property, plant and equipment	55	53	230	208
Exchange gain/(loss)	3	(4)	3	(4)
Loss/(Gain) on disposal of property, plant and equipment	0	0	4	(2,152)
Fixture, plant and equipment included in investment property written off	0	0	0	164
Interest expense	0	629	502	2,109
Interest income	(386)	(1,174)	(1,706)	(3,133)
Changes in fair value on investment properties	(129,425)	319	(127,718)	(88,779)
Impairment loss on interests in an associate	0	3	0	3
Impairment loss on investments	0	114,690	23,274	200,061
Dividend income from investments	0	0	(1,009)	(6,132)
Operating profit before working capital changes	46,189	26,138	178,112	200,431
Changes in working capital:				
Development properties	10,185	(12,888)	11,616	283,926
Trade and accrued receivables	(25,116)	82,995	100,570	(108,896)
Amounts due from related corporations	1	(12)	28	(10)
Other receivables	364	457	673	(1,232)
Trade payables	(8,259)	8,267	(5,090)	13,966
Other payables	3,784	1,651	4,219	1,270
Cash generated from operations	27,148	106,608	290,128	389,455
Interest received	622	1,715	2,506	5,352
Income taxes paid	0	(699)	(46,452)	(2,530)
Dividends paid	0	0	(71,794)	(71,794)
Cash flows from operating activities	27,770	107,624	174,388	320,483

	Quarter ended		Year ended	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	$'000	$'000	$'000	$'000
Investing Activities				
Proceeds from sale of property, plant and equipment	0	0	0	19,521
Purchase of property, plant and equipment	(4)	(815)	(99)	(9,772)
Expenditure on investment properties	(2,689)	(320)	(9,923)	(1,386)
Acquisition of investments	0	(5,234)	0	(16,258)
Dividends received	0	0	1,009	6,132
Cash flows from investing activities	(2,693)	(6,369)	(9,013)	(1,763)
Financing Activities				
Repayment of bank loans	0	(66,862)	(162,000)	(117,362)
Drawdown of bank loans	1,855	826	4,041	5,439
Finance costs	(485)	(2,115)	(4,666)	(7,844)
Deposits pledged	0	(13,568)	0	(10,967)
Cash flows from financing activities	1,370	(81,719)	(162,625)	(130,734)
Net Increase in Cash and Cash Equivalents	26,447	19,536	2,750	187,986
Cash and Cash Equivalents At Beginning of Period	718,212	722,373	741,909	553,923
Cash and Cash Equivalents At End of Period (Note 1)	744,659	741,909	744,659	741,909

	Quarter ended		Year ended	
	31 Dec 2009	31 Dec 2008	31 Dec 2009	31 Dec 2008
	$'000	$'000	$'000	$'000
Note 1				
Cash and Cash Equivalents in the Statement of Cash Flows	744,659	741,909	744,659	741,909
Add: Deposits pledged	14,768	14,768	14,768	14,768
Cash and Cash Equivalents in the Statements of Financial Position	759,427	756,677	759,427	756,677

1(d)(i) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Translation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	$'000	$'000	$'000	$'000	$'000
Group					
At 1 January 2009	1,055,901	(4)	0	997,706	2,053,603
Total comprehensive income for the year					
Profit for the year	0	0	0	262,337	262,337
Other comprehensive income					
Available-for-sale financial assets					
- net changes in fair value	0	0	215,331	0	215,331
Exchange differences arising on consolidation of foreign subsidiaries	0	3	0	0	3
Total other comprehensive income	0	3	215,331	0	215,334
Total comprehensive income for the year	0	3	215,331	262,337	477,671
Transactions with owners, recorded directly in equity					
Distributions to owners					
Dividends to equity holders	0	0	0	(71,794)	(71,794)
Total transactions with owners	0	0	0	(71,794)	(71,794)
At 31 December 2009	1,055,901	(1)	215,331	1,188,249	2,459,480

	Share Capital	Translation Reserve	Fair Value Reserve	Retained Earnings	Total Equity
	$'000	$'000	$'000	$'000	$'000
Group					
At 1 January 2008	1,055,901	0	157,630	968,551	2,182,082
Total comprehensive income for the year					
Profit for the year	0	0	0	100,949	100,949
Other comprehensive income					
Available-for-sale financial assets					
- net changes in fair value	0	0	(362,744)	0	(362,744)
- net changes in fair value transferred to profit or loss	0	0	165,371	0	165,371
Exchange differences arising on consolidation of foreign subsidiaries	0	(4)	0	0	(4)
Income tax relating to components of other comprehensive income	0	0	39,743	0	39,743
Total other comprehensive income	0	(4)	(157,630)	0	(157,634)
Total comprehensive income for the year	0	(4)	(157,630)	100,949	(56,685)
Transactions with owners, recorded directly in equity					
Distributions to owners					
Dividends to equity holders	0	0	0	(71,794)	(71,794)
Total transactions with owners	0	0	0	(71,794)	(71,794)
At 31 December 2008	1,055,901	(4)	0	997,706	2,053,603

	Share Capital	Retained Earnings	Total Equity
	$'000	$'000	$'000
Company			
At 1 January 2009	1,055,901	376,934	1,432,835
Total comprehensive income for the year	0	298,897	298,897
Dividends paid	0	(71,794)	(71,794)
At 31 December 2009	1,055,901	604,037	1,659,938

	Share Capital	Retained Earnings	Total Equity
	$'000	$'000	$'000
Company			
At 1 January 2008	1,055,901	147,559	1,203,460
Total comprehensive income for the year	0	301,169	301,169
Dividends paid	0	(71,794)	(71,794)
At 31 December 2008	1,055,901	376,934	1,432,835

1(d)(ii) SHARE CAPITAL

Since the last financial year ended 31 December 2008, there has been no change in the issued and paid-up share capital of the Company (1,196,559,876 shares).

As at 31 December 2009, there were no unissued shares of the Company or its subsidiaries under option (31 December 2008: nil).

1(e) SHARE PURCHASE

The Company has not made any purchase of its shares during the year ended 31 December 2009.

2. REVIEW OF RESULTS BY AUDITORS

These figures have been audited by the auditors.

3. AUDITORS' REPORT

Refer to auditors' report attached.

4. BASIS OF PREPARATION

Except as disclosed in Section 5 below, the Group has adopted the same accounting policies and methods of computation in the financial statements ended 31 December 2009, as compared with the Group's audited financial statements as at 31 December 2008.

5. EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2009. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

FRS 1 (Revised 2008)	Presentation of Financial Statements
Amendments to FRS 40	Investment Property
Amendments to FRS107	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
FRS 108	Operating Segments

Upon adoption of the amendments to FRS 40 Investment Property, the Group has reclassified the property under development to investment properties and measured it at fair value with changes in fair value recognised in profit or loss. This change in accounting policy has been applied prospectively.

The adoption of the other FRS only impacts presentation and disclosure aspects. There is no impact on earnings per share.

6. EARNINGS PER SHARE

	Quarter ended		Year ended	
	31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
Basic earnings per share	14.15 cents	(5.33) cents	21.92 cents	8.44 cents
Diluted earnings per share	14.15 cents	(5.33) cents	21.92 cents	8.44 cents

Basic and diluted earnings per share are calculated based on the Group's profit attributable to shareholders and on the weighted average number of shares of the Company in issue for the 4th quarter and year ended 31 December 2009 of 1,196,559,876 (2008: 1,196,559,876).

7. NET ASSET VALUE PER SHARE

Group		Company	
31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
$	$	$	$
2.06	1.72	1.39	1.20

8. REVIEW OF PERFORMANCE

Revenue and Profit

Group revenue and profit after tax for the 4th quarter ended 31 December 2009 was $90 million and $169 million respectively, an increase of 24% and 365% respectively when compared to the same period last year.

Group revenue and profit after tax for the year ended 31 December 2009 was $387 million and $262 million respectively, a decrease of 15% and an increase of 160% respectively when compared to the same period last year.

Revenue for the 4th quarter ended 31 December 2009 increased mainly due to higher revenue recognition from Scotts Square based on the progress of construction works in the current quarter.

Revenue for the year ended 31 December 2009 decreased mainly due to lower revenue recognition from Scotts Square based on the progress of construction works in the current year. Higher revenue was recognised from Scotts Square in FY2008 due to the commencement of profit recognition once the percentage of completion exceeded 20%. The completion of The Sea View and The Cosmopolitan in the 2nd and 3rd quarter of FY2008 respectively also contributed to the lower revenue in the current year. This was partially offset by higher revenue recognised from Ardmore II based on the progress of construction works and revenue recognised from Orchard View, which commenced profit recognition in the current year.

The decrease in cost of sales for the year ended 31 December 2009 was in line with the decrease in revenue.

The Group's investment properties were revalued by firms of independent professional valuers. Scotts Square Retail was revalued from cost to $258 million and Wheelock Place was revalued from $790 million to $794.5 million. The fair value gain of $130 million (2008: $90 million) has been accounted for in the income statement under other income.

Copies of the revaluation reports are available for inspection at the Company's registered office, 501 Orchard Road, #11-01 Wheelock Place, Singapore 238880, during normal business hours for 3 months from 23 February 2010.

The decrease in other operating expenses for the year ended 31 December 2009 was mainly due to lower impairment loss on the Group's equity investments. The subsequent increase in market value of the Group's equity investments was credited to the fair value reserve.

The decrease in finance costs was due to repayment of a bank loan upon maturity and lower interest rates in FY2009.

The income tax credit for FY2008 was mainly due to write-back of prior year tax provided on gain on sale of Hamptons Group Limited as Inland Revenue Authority of Singapore ("IRAS") had ruled the sale as capital in nature and utilisation of prior years' tax losses which had been agreed by IRAS.

Nature of business and profit recognition

Profits on pre-sale of development properties are recognised using the percentage of completion method. The percentage of completion is measured by reference to the percentage of construction costs incurred at the reporting date to the estimated total construction costs for each project. Revenue and profits are only recognised in respect of finalised sales agreements and to the extent that such revenue and profits relate to the progress of the construction work.

This basis of revenue and profit recognition together with the nature of our business lead to volatility of earnings between comparable periods.

Assets

The Group's total assets as at 31 December 2009 was $2.9 billion compared to $2.7 billion as at 31 December 2008. The increase in total assets was mainly attributed to the increase in market value of the Group's investments in equity securities and increase in fair value of the Group's investment properties. Return on assets for the year ended 31 December 2009 was 9.1% (year ended 31 December 2008: 3.8%).

Shareholders' Equity

The Shareholders' equity as at 31 December 2009 was $2.5 billion compared to $2.1 billion as at 31 December 2008. The increase was mainly attributed to the higher market value of the Group's investments in equity securities and increase in fair value the Group's investment properties. Return on shareholders' equity for the year ended 31 December 2009 was 10.7% (year ended 31 December 2008: 4.9%).

Borrowings

The Group's borrowings as at 31 December 2009 were $234 million compared to $392 million as at 31 December 2008. The lower borrowings were mainly due to repayment of a bank loan upon maturity and partial prepayment of a bank loan from funds received from the sale of residential projects. The debt-equity ratio as at 31 December 2009 was 9.5%, down from 19.1% as at 31 December 2008.

Net Cash Flow

Net cash flow from operating activities for the year ended 31 December 2009 was $174 million, mainly attributed to sales proceeds received from the development properties projects. For investing activities, the Group incurred $10 million on construction of Scotts Square Retail and upgrading of Wheelock Place. For financing activities, net loan repayment was $158 million.

Commitments

The Group's outstanding commitments relating to the construction of the development properties and additions to investment properties are as follows:

	Group	
	31 Dec 2009	**31 Dec 2008**
	$'000	$'000
Commitments contracted but not provided for	154,969	230,832

The Group leases out its investment property, Wheelock Place, during the financial year. The future minimum lease payments under non-cancellable leases are as follows:

	Group	
	31 Dec 2009	**31 Dec 2008**
	$'000	$'000
Within 1 year	39,490	37,740
After 1 year, but within 5 years	54,109	66,694
	93,599	104,434

The lease typically runs for an initial period from 2 to 4 years. The non-cancellable operating lease receivables have not taken into account the potential new and renewal of leases and revision of rental rates after the expiry of these leases.

Property Review

Development Properties

In the 4th quarter of 2009, the overall residential price experienced an increase of 7.4% (based on latest figures released by The Urban Redevelopment Authority) compared to a 15.8% increase in the previous quarter. Based on specific sub-markets, prices in the Core Central Region saw a similar increase of 7.3%, while the Rest of Central Region saw a higher increase, gaining 9.5% quarter-on-quarter.

Ardmore II

Ardmore II is 100% sold. Construction works have progressed up to car park, roads and drains for both towers. Collection of progress payments is on-going.

The Temporary Occupation Permit ("TOP") date for the development is expected in the 1st half of 2010.

Scotts Square

As at 31 December 2009, Scotts Square is 70.7% (239 units) sold. This represents 77.4% of the net saleable area at an average price of $3,995 psf. Billing is in progress and has advanced to the reinforced concrete framework for level 13 and level 19 for Orchard & Scotts Wings respectively.

Profit recognition on the units sold has commenced in accordance with the Group's accounting policy. The development is scheduled for completion in 2011.

Orchard View

Orchard View will be a luxury 36-storey development located in the serene enclave of Angullia Park, and within walking distance to Orchard MRT. The 30 four-bedroom apartments enjoy almost 360 degrees views. Each unit occupies a whole floor in the development.

Construction is almost completed and external works are in progress.

We conducted a preview sale in August 2009 and sold three units at an average price of $3,131 psf. Billings have progressed to the stage of completion of car park, roads and drains.

The development is targeted to achieve TOP by 1st half of 2010. An official launch is planned upon the completion of the showflat on the 24th floor and upon obtaining TOP.

Ardmore 3

Ardmore 3 will be our next luxury development along Ardmore Park. The design development is still in progress and piling works for the development are scheduled to commence in mid 2010. A showflat is planned on site, to be completed in early 2011.

Investment Property

Office and Retail Market

Singapore retail sales in October 2009 fell by 4.4% compared to October 2008's figures. Tourists' arrivals for October 2009 were 845,000, a drop of 0.5 per cent from a year ago. There was stiff competition to attract shoppers as new malls like ION Orchard, 313 Somerset, Mandarin Gallery and Orchard Central were all fully opened before Christmas.

Office rentals continued to soften in the 4th quarter of 2009. Some companies took advantage of the lower rentals to secure more favourable lease terms for their lease renewals or expansion space.

Wheelock Place

The occupancy rate of Wheelock Place is 98% as at 31 December 2009. The average rental, for both office and retail space was $12.21 psf per month.

For the office reversions in 2009, 89% have confirmed their renewals in Wheelock Place. For the 4th quarter of 2009, 80% of the new and renewal leases were committed at rates that were higher than the existing rents.

For the retail reversions in 2009, 94% have confirmed their renewals for a further term.

9. FORECAST STATEMENT

No forecast or prospect statement had been previously made to shareholders.

10. CURRENT YEAR'S PROSPECTS

In 2010, the Group will continue to recognise profits from its development projects, Scotts Square, Orchard View and Ardmore II, based on the progress of construction works.

Progress billings for the development projects are on-going. 60% of progress billings have been served on Ardmore II and Orchard View and 30% to 50% on Scotts Square.

Orchard View is targeted to achieve Temporary Occupation Permit ("TOP") in the 1st half of 2010. An official launch is planned upon the completion of the showflat on the 24th floor and upon obtaining TOP.

Wheelock Place is expected to generate good recurring income as we achieved a high tenant renewal rate at satisfactory rates.

With the on-going progressive billings of Scotts Square, the achievement of TOP for Orchard View and Ardmore II in 2010 and rental receipts from Wheelock Place, the Group remains in a strong financial position to take advantage of investments and development opportunities which may arise locally or overseas.

11. DIVIDEND

	Year ended 31 Dec 2009	**Year ended 31 Dec 2008**
Name of Dividend	Proposed First & Final (One-tier)	First & Final (One-tier)
Dividend Type	Cash	Cash
Dividend Rate	6 cents	6 cents
Dividend ($'000)	71,794	71,794
Total Annual Dividend ($'000)	71,794	71,794

The proposed first and final dividend, if approved by the shareholders at the Annual General Meeting, to be held on 23 April 2010, will be paid on 17 May 2010 to those shareholders whose names are in the Company's Register of Members up to 5.00pm on 3 May 2010.

ADDITIONAL INFORMATION

12. REVENUE AND PROFIT ANALYSIS BY OPERATING SEGMENTS

The Group has three reportable segments as described below:

Property development: The development, construction and sale of development properties.

Property investment: The holding and management of investment properties.

Investments: The holding of investments in equity securities.

Other operations include investment holding company and provision of management services.

	GROUP			
	Revenue		**Profit/(Loss) before Taxation**	
	Quarter ended		**Quarter ended**	
	31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
	$’000	$’000	$’000	$’000
Property Development	78,749	62,297	39,594	22,130
Property Investment	11,343	10,146	138,627	6,309
Investments	0	0	(5)	(114,652)
Other Operations	0	0	(2,274)	(2,165)
Total	90,092	72,443	175,942	(88,378)

	GROUP			
	Revenue		**Profit/(Loss) before Taxation**	
	Year ended		**Year ended**	
	31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
	$’000	$’000	$’000	$’000
Property Development	341,112	410,848	150,152	183,595
Property Investment	44,519	37,655	163,974	113,921
Investments	1,009	6,132	(22,288)	(193,747)
Other Operations	0	0	(7,306)	(5,683)
Total	386,640	454,635	284,532	98,086

13. COMMENTS ON SEGMENT RESULTS

Revenue for property development for the 4th quarter ended 31 December 2009 increased mainly due to higher revenue recognition from Scotts Square based on the progress of construction works in the current quarter. The decrease in revenue for the year ended 31 December 2009 was mainly due to lower revenue recognition from Scotts Square based on the progress of construction works in the current year. The completion of The Sea View and The Cosmopolitan in the 2nd and 3rd quarter of 2008 respectively also contributed to the lower revenue in the current year. This was partially offset by higher revenue recognised from Ardmore II based on the progress of construction works and revenue recognised form Orchard View, which commenced profit recognition in the current year.

The increase in revenue for property investment was mainly due to improved rental rates and higher occupancy. The increase in profit was mainly due to fair value gain of $130 million from Scotts Square Retail and Wheelock Place.

The decrease in revenue for investments was mainly due to lower dividend income from Hotel Properties Limited (“HPL”) and absence of dividend income from SC Global Developments Ltd (“SC Global”) in the current year. The loss incurred was mainly due to impairment loss on the investments in SC Global and HPL charged to profit or loss.

14. BREAKDOWN OF GROUP REVENUE AND PROFIT AFTER TAX FOR FIRST HALF AND SECOND HALF YEAR

	Year ended		
	31 Dec 2009	**31 Dec 2008**	**Change**
	$'000	$'000	%
Revenue			
- first half	163,471	152,659	7.1
- second half	223,169	301,976	(26.1)
Total Revenue	386,640	454,635	(15.0)
Profit After Tax			
- first half	38,699	32,121	20.5
- second half	223,638	68,828	224.9
Total Profit After Tax	262,337	100,949	159.9

By Order Of the Board

Tan Ling Ling
Company Secretary
23 February 2010