



# CITY DEVELOPMENTS LIMITED

(REG. NO. 196300316Z)

## UNAUDITED THIRD QUARTER AND NINE-MONTH FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2013

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

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

These figures have not been audited.

|   | The Group           |                |                      | The Group            |                  |                      |
|---|---------------------|----------------|----------------------|----------------------|------------------|----------------------|
|   | Third quarter ended |                | Incr/<br>(Decr)<br>% | 9-month period ended |                  | Incr/<br>(Decr)<br>% |
|   | 2013                | 2012           |                      | 2013                 | 2012             |                      |
|   | S\$'000             | S\$'000        |                      | S\$'000              | S\$'000          |                      |
| Revenue   | 822,655             | 832,858        | (1.2)                | 2,387,750            | 2,467,358        | (3.2)                |
| Cost of sales   | (430,209)           | (454,591)      | (5.4)                | (1,263,475)          | (1,312,466)      | (3.7)                |
| <b>Gross profit</b>   | <b>392,446</b>      | <b>378,267</b> | <b>3.7</b>           | <b>1,124,275</b>     | <b>1,154,892</b> | <b>(2.7)</b>         |
| Other operating income <sup>(2)</sup>                                   | 7,109               | 44,278         | (83.9)               | 176,715              | 94,434           | 87.1                 |
| Administrative expenses <sup>(3)</sup>                                  | (132,287)           | (122,812)      | 7.7                  | (391,752)            | (369,156)        | 6.1                  |
| Other operating expenses <sup>(4)</sup>                                 | (93,109)            | (92,860)       | 0.3                  | (278,053)            | (282,036)        | (1.4)                |
| <b>Profit from operations</b>   | <b>174,159</b>      | <b>206,873</b> | <b>(15.8)</b>        | <b>631,185</b>       | <b>598,134</b>   | <b>5.5</b>           |
| Finance income <sup>(5)</sup>   | 5,181               | 10,298         | (49.7)               | 21,272               | 29,215           | (27.2)               |
| Finance costs <sup>(6)</sup>  | (19,452)            | (20,065)       | (3.1)                | (55,120)             | (58,303)         | (5.5)                |
| <b>Net finance costs</b>  | <b>(14,271)</b>     | <b>(9,767)</b> | <b>46.1</b>          | <b>(33,848)</b>      | <b>(29,088)</b>  | <b>16.4</b>          |
| Share of after-tax profit of associates <sup>(7)</sup>                  | 16,022              | 6,699          | 139.2                | 24,813               | 38,528           | (35.6)               |
| Share of after-tax profit of jointly-controlled entities <sup>(8)</sup> | 1,164               | 12,620         | (90.8)               | 14,365               | 27,202           | (47.2)               |
| <b>Profit before income tax <sup>(1)</sup></b>                          | <b>177,074</b>      | <b>216,425</b> | <b>(18.2)</b>        | <b>636,515</b>       | <b>634,776</b>   | <b>0.3</b>           |
| Income tax expense <sup>(9)</sup>                                       | (15,960)            | (42,225)       | (62.2)               | (62,216)             | (92,714)         | (32.9)               |
| <b>Profit for the period</b>  | <b>161,114</b>      | <b>174,200</b> | <b>(7.5)</b>         | <b>574,299</b>       | <b>542,062</b>   | <b>5.9</b>           |
| <b>Attributable to:</b>   |                     |                |                      |                      |                  |                      |
| <b>Owners of the Company</b>  | <b>120,573</b>      | <b>134,535</b> | <b>(10.4)</b>        | <b>462,027</b>       | <b>428,991</b>   | <b>7.7</b>           |
| Non-controlling interests   | 40,541              | 39,665         | 2.2                  | 112,272              | 113,071          | (0.7)                |
| <b>Profit for the period</b>  | <b>161,114</b>      | <b>174,200</b> | <b>(7.5)</b>         | <b>574,299</b>       | <b>542,062</b>   | <b>5.9</b>           |
| <b>Earnings per share</b>   |                     |                |                      |                      |                  |                      |
| - basic   | 13.3 cents          | 14.8 cents     | (10.1)               | 50.1 cents           | 46.5 cents       | 7.7                  |
| - diluted   | 12.6 cents          | 14.1 cents     | (10.6)               | 48.4 cents           | 45.0 cents       | 7.6                  |

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## Notes to the Group's Income Statement:

- (1) Profit before income tax includes the following:

|   | The Group<br>Third quarter ended<br>30 September |                 | The Group<br>9-month period ended<br>30 September |                 |
|---|--|-----------------|---|-----------------|
|   | 2013<br>S\$'000                                  | 2012<br>S\$'000 | 2013<br>S\$'000                                   | 2012<br>S\$'000 |
| Interest income   | 6,900  | 8,359           | 19,262  | 24,214          |
| Profit on sale of investments, investment properties<br>and property, plant and equipment (net) | 5,798  | 41,970          | 150,554   | 83,719          |
| Gain on dilution/disposal of investment in an associate (net)                                   | -  | 631             | 603   | 1,232           |
| Gain/(Loss) on disposal/liquidation of investment in<br>subsidiaries (net)                      | -  | -               | 20,135  | (7,832)         |
| Investment income   | 3,209  | 4,041           | 4,990   | 6,025           |
| (Allowance)/Write-back of allowance for foreseeable losses<br>on development properties         | -  | -               | (136)   | 1,193           |
| Depreciation and amortisation   | (40,719)   | (35,348)        | (118,450)   | (105,984)       |
| Interest expenses   | (16,963)   | (17,330)        | (49,356)  | (51,905)        |
| Net exchange gain   | 3,044  | 5,329           | 720   | 5,560           |
| Net change in fair value of financial assets<br>held for trading                                | 12   | 1,939           | 1,110   | 5,001           |
| Impairment losses on loans to a jointly-controlled entity                                       | (273)  | (2,179)         | (821)   | (2,652)         |

- (2) Other operating income comprises mainly management fee, miscellaneous income and profit on sale of investments, investment properties and property, plant and equipment, decreased by \$37.2 million to \$7.1 million (Q3 2012: \$44.3 million) for Q3 2013 but increased by \$82.3 million to \$176.7 million (YTD September 2012: \$94.4 million) for YTD September 2013. The decrease in Q3 2013 was mainly due to lower gains recognised on disposal of non-core investment properties and realisation of a private real estate fund. For YTD September 2013, the increase was primarily due to higher gains recognised on disposal following sale of an industrial site at 100G Pasir Panjang, a subsidiary in China, 1 strata floor of GB Building, several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II but partially offset by lower gains from realisation of the private real estate fund.
- (3) Administrative expenses, which comprise mainly depreciation, hotel administrative expenses, operating lease expenses as well as salaries and related expenses increased by \$9.5 million to \$132.3 million (Q3 2012: \$122.8 million) for Q3 2013 and \$22.6 million to \$391.8 million (YTD September 2012: \$369.2 million) for YTD September 2013. The increases in Q3 2013 and YTD September 2013 were mainly due to higher salaries and related expenses, coupled with increased depreciation following commencement of operations in W Singapore Sentosa Cove Hotel in October 2012 and the completion of hotel renovation in ONE UN, Millennium Seoul Hilton and west wing of the Grand Hyatt Taipei. The increases were however partially mitigated by lower operating lease expenses.
- (4) Other operating expenses comprise mainly property taxes and insurance on hotels, other operating expenses on hotels, net exchange differences, impairment losses and professional fees had remained relatively steady for both Q3 2013 and YTD September 2013 as compared to the corresponding periods in the previous year.
- (5) Finance income comprises mainly interest income and fair value gain on financial assets held for trading. This had decreased by \$5.1 million and \$7.9 million for Q3 2013 and YTD September 2013 respectively. The decreases for both Q3 2013 and YTD September 2013 were due to lower interest income earned and lower fair value gains recorded on financial assets held for trading.
- (6) Finance costs comprise mainly interest on borrowings, fair value loss on financial assets held for trading and amortisation of capitalised transaction costs on borrowings. This had remained relatively steady at \$19.5 million (Q3 2012: \$20.1 million) for Q3 2013 and \$55.1 million (YTD September 2012: \$58.3 million) for YTD September 2013.

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- (7) Share of after-tax profit of associates relates primarily to the Group's share of results of CDL Hospitality Trusts (CDLHT) and First Sponsor Capital Limited (FSCL), both held via the Group's 59% owned subsidiary, Millennium & Copthorne Hotels plc, increased by \$9.3 million to \$16.0 million (Q3 2012: \$6.7 million) for Q3 2013 but decreased by \$13.7 million to \$24.8 million (YTD September 2012: \$38.5 million) for YTD September 2013. The increase for Q3 2013 was mainly due to higher share of results from FSCL. The decrease for YTD September 2013 was mainly attributable to lower profit contribution from Chengdu Cityspring residential project held by FSCL as well as reduced contribution from CDLHT.
- (8) Share of after-tax profit of jointly-controlled entities decreased by \$11.4 million to \$1.2 million (Q3 2012: \$12.6 million) in Q3 2013 and \$12.8 million to \$14.4 million (YTD September 2012: \$27.2 million) for YTD September 2013. The decreases for both Q3 2013 and YTD September 2013 were mainly due to gains recognised on disposal of strata units in Burlington Square in Q3 2012, there was no such gain in Q3 2013. In addition, the absence of contribution from The Gale which obtained its Temporary Occupancy Permit in January 2013 had also attributed to the decreases.
- (9) Income tax expense for the period is derived at by applying the varying statutory tax rates on the taxable profits/(losses) and taxable/deductible temporary differences of the different countries in which the Group operates.

|   | The Group           |             | The Group            |             |
|---|---------------------|-------------|----------------------|-------------|
|   | Third quarter ended |             | 9-month period ended |             |
|   | 30 September        |             | 30 September         |             |
|   | 2013                | 2012        | 2013                 | 2012        |
|   | S\$m                | S\$m        | S\$m                 | S\$m        |
| The tax charge relates to the following:  |                     |             |                      |             |
| Profit for the period                     | 26.2                | 42.5        | 80.7                 | 119.7       |
| Overprovision in respect of prior periods | (10.2)              | (0.3)       | (18.5)               | (27.0)      |
|   | <u>16.0</u>         | <u>42.2</u> | <u>62.2</u>          | <u>92.7</u> |

The overall effective tax rate of the Group was 9.0% (Q3 2012: 19.5%) for Q3 2013 and 9.8% (YTD September 2012: 14.6%) for YTD September 2013. Excluding the overprovision in respect of prior periods, the effective tax rate of the Group is 14.8% (Q3 2012: 19.6%) for Q3 2013 and 12.7% (YTD September 2012: 18.9%) for YTD September 2013.

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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.

|   | Note | The Group                      |                                | The Company                    |                                |
|---|------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   |      | As at<br>30.09.2013<br>S\$'000 | As at<br>31.12.2012<br>S\$'000 | As at<br>30.09.2013<br>S\$'000 | As at<br>31.12.2012<br>S\$'000 |
| <b>Non-current assets</b>                           |      |                                |                                |                                |                                |
| Property, plant and equipment                       |      | 3,543,742                      | 3,405,474                      | 9,852                          | 9,772                          |
| Investment properties                               |      | 2,817,611                      | 2,916,193                      | 514,740                        | 518,651                        |
| Lease premium prepayment                            |      | 84,651                         | 82,798                         | -                              | -                              |
| Investments in subsidiaries                         |      | -                              | -                              | 2,222,347                      | 2,223,435                      |
| Investments in associates                           | (1)  | 479,508                        | 417,855                        | -                              | -                              |
| Investments in jointly-controlled entities          |      | 759,729                        | 806,956                        | 36,360                         | 36,360                         |
| Investments in financial assets                     | (2)  | 86,159                         | 102,132                        | 28,419                         | 27,687                         |
| Other non-current assets                            | (3)  | 22,924                         | 79,072                         | 407,947                        | 428,227                        |
|   |      | <b>7,794,324</b>               | <b>7,810,480</b>               | <b>3,219,665</b>               | <b>3,244,132</b>               |
| <b>Current assets</b>                               |      |                                |                                |                                |                                |
| Development properties                              |      | 4,032,086                      | 4,310,685                      | 447,670                        | 651,687                        |
| Lease premium prepayment                            |      | 2,598                          | 2,484                          | -                              | -                              |
| Consumable stocks                                   |      | 8,239                          | 8,838                          | 7                              | 32                             |
| Financial assets                                    |      | 34,473                         | 32,585                         | -                              | -                              |
| Assets classified as held for sale                  | (4)  | 10,840                         | 103,698                        | -                              | -                              |
| Trade and other receivables                         |      | 1,618,075                      | 1,182,731                      | 5,401,214                      | 4,936,376                      |
| Cash and cash equivalents                           |      | 2,593,610                      | 2,156,827                      | 1,195,189                      | 1,040,004                      |
|   |      | <b>8,299,921</b>               | <b>7,797,848</b>               | <b>7,044,080</b>               | <b>6,628,099</b>               |
| <b>Total assets</b>                                 |      | <b>16,094,245</b>              | <b>15,608,328</b>              | <b>10,263,745</b>              | <b>9,872,231</b>               |
| <b>Equity attributable to Owners of the Company</b> |      |                                |                                |                                |                                |
| Share capital                                       |      | 1,991,397                      | 1,991,397                      | 1,991,397                      | 1,991,397                      |
| Reserves  |      | 5,613,464                      | 5,312,251                      | 3,337,528                      | 3,402,160                      |
|   |      | 7,604,861                      | 7,303,648                      | 5,328,925                      | 5,393,557                      |
| <b>Non-controlling interests</b>                    |      |                                |                                |                                |                                |
|   |      | 1,930,994                      | 1,953,407                      | -                              | -                              |
| <b>Total equity</b>                                 |      | <b>9,535,855</b>               | <b>9,257,055</b>               | <b>5,328,925</b>               | <b>5,393,557</b>               |
| <b>Non-current liabilities</b>                      |      |                                |                                |                                |                                |
| Interest-bearing borrowings*                        |      | 3,866,856                      | 3,468,764                      | 2,643,927                      | 2,381,248                      |
| Employee benefits                                   |      | 36,198                         | 34,774                         | -                              | -                              |
| Other liabilities                                   |      | 153,566                        | 145,522                        | 221,109                        | 124,254                        |
| Provisions  |      | 15,793                         | 15,415                         | -                              | -                              |
| Deferred tax liabilities                            |      | 362,149                        | 352,637                        | 36,237                         | 45,842                         |
|   |      | <b>4,434,562</b>               | <b>4,017,112</b>               | <b>2,901,273</b>               | <b>2,551,344</b>               |
| <b>Current liabilities</b>                          |      |                                |                                |                                |                                |
| Trade and other payables                            |      | 1,140,513                      | 1,034,134                      | 1,577,990                      | 1,444,302                      |
| Interest-bearing borrowings*                        |      | 776,795                        | 998,164                        | 383,518                        | 408,448                        |
| Employee benefits                                   |      | 18,813                         | 16,279                         | 2,926                          | 2,477                          |
| Other liabilities                                   |      | 179                            | 266                            | -                              | -                              |
| Provision for taxation                              |      | 161,921                        | 221,360                        | 69,113                         | 72,103                         |
| Provisions  |      | 25,334                         | 23,816                         | -                              | -                              |
| Liabilities classified as held for sale             | (4)  | 273                            | 40,142                         | -                              | -                              |
|   |      | <b>2,123,828</b>               | <b>2,334,161</b>               | <b>2,033,547</b>               | <b>1,927,330</b>               |
| <b>Total liabilities</b>                            |      | <b>6,558,390</b>               | <b>6,351,273</b>               | <b>4,934,820</b>               | <b>4,478,674</b>               |
| <b>Total equity and liabilities</b>                 |      | <b>16,094,245</b>              | <b>15,608,328</b>              | <b>10,263,745</b>              | <b>9,872,231</b>               |

\* These balances are stated at amortised cost after taking into consideration their related transaction costs.

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## Notes to the statement of financial position of the Group

- 1) The increase was mainly due to additional investment in First Sponsor Capital Limited and share of results from associates, partially offset by dividend income received.
- 2) The decrease in financial assets was mainly due to the realisation of investments in a private real estate fund.
- 3) The decrease in other non-current assets was attributable to repayment of loans by an associate.
- 4) The decrease was mainly due to the completion of the equity transfer of the Group's interest in an indirect wholly-owned subsidiary. As at 30 September 2013, the assets classified as held for sale relate to assets associated with 1 strata floor in GB Building. The Group had issued an option to purchase for the sale of this strata floor. The transaction is expected to be completed in 2013.

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

The Group's net borrowings refer to aggregate borrowings from banks, financial institutions and finance lease creditors, after deducting cash and cash equivalents. Unamortised balance of transaction costs have not been deducted from the gross borrowings.

|  | <b>As at<br/>30.09.2013<br/>S\$'000</b> | <b>As at<br/>31.12.2012<br/>S\$'000</b> |           |
|--|---|---|-----------|
| <b><u>Unsecured</u></b>  |   |   |           |
| - repayable within one year  | 597,811                                 | 750,790                                 |           |
| - repayable after one year   | 3,236,134                               | 2,676,832                               |           |
| (a)  | <u>3,833,945</u>                        | <u>3,427,622</u>                        |           |
| <b><u>Secured</u></b>  |   |   |           |
| - repayable within one year  | 179,437                                 | 249,248                                 |           |
| - repayable after one year   | 643,481                                 | 841,834                                 |           |
| (b)  | <u>822,918</u>                          | <u>1,091,082</u>                        |           |
| Gross borrowings   | (a) + (b)                               | 4,656,863                               | 4,518,704 |
| Less: cash and cash equivalents as shown<br>in the statement of financial position | (2,593,610)                             | (2,156,827)                             |           |
| Less: cash and cash equivalents included in<br>assets classified as held for sale  | -                                       | (5,204)                                 |           |
| Net borrowings   | <u>2,063,253</u>                        | <u>2,356,673</u>                        |           |

### Details of any collateral

Where secured, borrowings are collateralised by:

- mortgages on the borrowing companies' hotels, investment and development properties; and
- assignment of all rights and benefits to sale, lease and insurance proceeds in respect of hotels, investment and development properties.

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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 ended |                  | 9-month period ended |                |
|---|---------------------|------------------|----------------------|----------------|
|   | 30 September        | 30 September     | 30 September         | 30 September   |
|   | 2013                | 2012             | 2013                 | 2012           |
|   | S\$'000             | S\$'000          | S\$'000              | S\$'000        |
| <b>Operating Activities</b>   |                     |                  |                      |                |
| Profit for the period   | 161,114             | 174,200          | 574,299              | 542,062        |
| <b>Adjustments for:</b>   |                     |                  |                      |                |
| Depreciation and amortisation   | 40,719              | 35,348           | 118,450              | 105,984        |
| Dividend income   | (3,209)             | (4,041)          | (4,990)              | (6,025)        |
| Equity settled share-based transactions   | 1,187               | 1,188            | 3,568                | 3,585          |
| Finance income  | (5,181)             | (10,298)         | (21,272)             | (29,215)       |
| Finance costs   | 19,452              | 20,065           | 55,120               | 58,303         |
| Gain on disposal/dilution of investment in an associate (net)                   | -                   | (631)            | (603)                | (1,232)        |
| (Gain)/Loss on disposal/liquidation of subsidiaries (net)                       | -                   | -                | (20,135)             | 7,832          |
| Impairment losses on loans to a jointly-controlled entity                       | 273                 | 2,179            | 821                  | 2,652          |
| Income tax expense  | 15,960              | 42,225           | 62,216               | 92,714         |
| Profit on sale of property, plant and equipment and investment properties (net) | (2,549)             | (36,947)         | (141,558)            | (37,026)       |
| Profit on sale of investments   | (3,249)             | (5,023)          | (8,996)              | (46,693)       |
| Property, plant and equipment and investment properties written off             | 449                 | 165              | 450                  | 182            |
| Share of after-tax profit of associates   | (16,022)            | (6,699)          | (24,813)             | (38,528)       |
| Share of after-tax profit of jointly-controlled entities                        | (1,164)             | (12,620)         | (14,365)             | (27,202)       |
| Units in an associate received and receivable in lieu of fee income             | (2,421)             | (2,397)          | (7,328)              | (7,293)        |
| Operating profit before working capital changes                                 | 205,359             | 196,714          | 570,864              | 620,100        |
| <b>Changes in working capital</b>   |                     |                  |                      |                |
| Development properties  | 194,372             | (365,245)        | 310,696              | (401,165)      |
| Stocks, trade and other receivables   | (111,339)           | (41,642)         | (426,001)            | (4,259)        |
| Trade and other payables  | (43,473)            | 16,488           | 103,790              | 93,160         |
| Employee benefits   | 1,163               | (1,272)          | 4,203                | 327            |
| Cash generated from/(used in) operations  | 246,082             | (194,957)        | 563,552              | 308,163        |
| Income tax paid   | (51,858)            | (86,909)         | (124,610)            | (193,836)      |
| <b>Cash flows from/(used in) operating activities carried forward</b>           | <b>194,224</b>      | <b>(281,866)</b> | <b>438,942</b>       | <b>114,327</b> |

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|  | Third quarter ended<br>30 September |                  | 9-month period ended<br>30 September |                  |
|--|-------------------------------------|------------------|--------------------------------------|------------------|
|  | 2013<br>S\$'000                     | 2012<br>S\$'000  | 2013<br>S\$'000                      | 2012<br>S\$'000  |
| <b>Cash flows from/(used in) operating activities brought forward</b>  | <b>194,224</b>                      | <b>(281,866)</b> | <b>438,942</b>                       | <b>114,327</b>   |
| <b>Investing Activities</b>  |                                     |                  |                                      |                  |
| Acquisition of subsidiaries (net of cash acquired) <sup>(1)</sup>  | -                                   | -                | -                                    | (208,017)        |
| Capital expenditure on investment properties   | (8,478)                             | (11,469)         | (15,125)                             | (45,576)         |
| Disposal of a subsidiary (net of cash disposed off) <sup>(2)</sup>   | -                                   | -                | 74,171                               | -                |
| Dividends received:  |                                     |                  |                                      |                  |
| - an associate   | 18,654                              | 19,451           | 37,892                               | 38,908           |
| - jointly-controlled entities  | 519                                 | 209              | 70,538                               | 13,828           |
| - financial investments  | 3,209                               | 4,041            | 4,990                                | 6,025            |
| Increase in intangibles assets   | (144)                               | (360)            | (144)                                | (360)            |
| (Increase)/Decrease in investments in associates   | (59,328)                            | 2,594            | (57,823)                             | 5,600            |
| Increase in investments in jointly-controlled entities   | (2,717)                             | (1,931)          | (6,133)                              | (10,093)         |
| Interest received  | 4,937                               | 4,249            | 13,874                               | 13,768           |
| Payments for purchase of property, plant and equipment   | (22,964)                            | (41,129)         | (134,407)                            | (169,034)        |
| Proceeds from sale of property, plant and equipment and investment properties <sup>(3)</sup>                                     | 5,690                               | 68,909           | 186,789                              | 69,469           |
| (Purchase)/Disposal of financial assets <sup>(4)</sup>   | (3,953)                             | 7,683            | 25,928                               | 100,430          |
| <b>Cash flows (used in)/from investing activities</b>  | <b>(64,575)</b>                     | <b>52,247</b>    | <b>200,550</b>                       | <b>(185,052)</b> |
| <b>Financing Activities</b>  |                                     |                  |                                      |                  |
| Acquisition of non-controlling interests   | (71,370)                            | (129)            | (143,538)                            | (129)            |
| Capital contribution by non-controlling interests  | 105                                 | 1,134            | 843                                  | 1,229            |
| Decrease in amount owing by/Increase in amount owing to related parties  | 59,427                              | 1,723            | 63,209                               | 64,458           |
| Dividends paid   | (76,216)                            | (1,614)          | (238,175)                            | (167,698)        |
| Interest paid (including amounts capitalised as investment properties, property, plant and equipment and development properties) | (27,023)                            | (26,002)         | (70,786)                             | (70,962)         |
| Net proceeds from/(repayments of) revolving credit facilities and short-term bank borrowings                                     | 98,750                              | (45,748)         | 43,768                               | (122,066)        |
| Payment of financing transaction costs   | (965)                               | (4,861)          | (3,521)                              | (6,754)          |
| Payment on settlement of financial instruments   | -                                   | -                | (4,132)                              | -                |
| Proceeds from bank borrowings  | 272,051                             | 535,000          | 408,473                              | 535,000          |
| Proceeds from issuance of bonds and notes  | 345                                 | 149,854          | 412,540                              | 355,501          |
| (Repayment of)/Increase in other long-term liabilities   | (65)                                | 41               | (603)                                | 275              |
| Repayment of finance lease   | (9)                                 | -                | (17)                                 | (3)              |
| Repayment of bank borrowings   | (248,029)                           | (13,159)         | (367,174)                            | (258,323)        |
| Repayment of bonds and notes   | (63,230)                            | (186,129)        | (317,620)                            | (403,766)        |
| <b>Cash flows (used in)/from financing activities<sup>(5)</sup></b>  | <b>(56,229)</b>                     | <b>410,110</b>   | <b>(216,733)</b>                     | <b>(73,238)</b>  |
| <b>Net increase/(decrease) in cash and cash equivalents carried forward</b>  | <b>73,420</b>                       | <b>180,491</b>   | <b>422,759</b>                       | <b>(143,963)</b> |

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|   | Third quarter ended<br>30 September |                  | 9-month period ended<br>30 September |                  |
|---|-------------------------------------|------------------|--------------------------------------|------------------|
|   | 2013<br>S\$'000                     | 2012<br>S\$'000  | 2013<br>S\$'000                      | 2012<br>S\$'000  |
| <b>Net increase/(decrease) in cash and cash equivalents brought forward</b> | <b>73,420</b>                       | <b>180,491</b>   | <b>422,759</b>                       | <b>(143,963)</b> |
| Cash and cash equivalents at beginning of the period                        | 2,485,917                           | 2,155,095        | 2,127,160                            | 2,487,580        |
| Effect of exchange rate changes on balances held in foreign currencies      | 3,018                               | (8,433)          | 12,436                               | (16,464)         |
| <b>Cash and cash equivalents at end of the period</b>                       | <b>2,562,355</b>                    | <b>2,327,153</b> | <b>2,562,355</b>                     | <b>2,327,153</b> |
| <b>Cash and cash equivalents comprise:-</b>                                 |                                     |                  |                                      |                  |
| Cash and cash equivalents as shown in the Balance Sheet                     | 2,593,610                           | 2,365,714        | 2,593,610                            | 2,365,714        |
| Less: Bank overdrafts   | (31,255)                            | (38,561)         | (31,255)                             | (38,561)         |
|   | <b>2,562,355</b>                    | <b>2,327,153</b> | <b>2,562,355</b>                     | <b>2,327,153</b> |

## Notes to the statement of cash flows

- (1) The net cash outflow for YTD September 2012 relates to the acquisition of a group of foreign entities in Q1 2012 which had interests in two retail developments and a hotel.
- (2) The net cash inflow for YTD September 2013 was due to the disposal of a subsidiary in China in Q2 2013.
- (3) The net cash inflows for Q3 2013 and YTD September 2013 were primarily due to the proceeds from the sale of several strata units in Citimac Industrial Complex, Elite Industrial Building I and Elite Industrial Building II in Q1 2013, an industrial site at 100G Pasir Panjang in Q2 2013 and 1 strata floor in GB Building in Q3 2013.
- (4) The cash inflows for YTD September 2013 and YTD September 2012 refer to proceeds from realisation of investments in a private real estate fund.
- (5) For Q3 2013, the Group had a net cash outflow from financing activities of \$56.2 million (Q3 2012: net cash inflow of \$410.1 million) due to payment of a special interim ordinary dividend of 8 cents per ordinary share in September 2013, coupled with purchase of shares in a subsidiary, Millennium & Copthorne Hotels plc in Q3 2013. This was however partially offset by lower net proceeds from borrowings of \$59.9 million (Q3 2012: \$439.8 million).

For YTD September 2013, the Group had a higher net cash outflow of \$216.7 million (YTD September 2012: \$73.2 million) for YTD September 2013 due to the aforesaid dividends paid and the purchase of shares. This was however partially offset by higher net proceeds from borrowings of \$180.0 million (YTD September 2012: \$106.3 million).



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## 1(d) Consolidated Statement of Comprehensive Income

|   | Third quarter ended<br>30 September |                 | 9-month period ended<br>30 September |                  |
|---|-------------------------------------|-----------------|--------------------------------------|------------------|
|   | 2013<br>S\$'000                     | 2012<br>S\$'000 | 2013<br>S\$'000                      | 2012<br>S\$'000  |
| <b>Profit for the period</b>  | 161,114                             | 174,200         | 574,299                              | 542,062          |
| <b>Other comprehensive income:</b>  |                                     |                 |                                      |                  |
| <u>Item that will not be reclassified to profit or loss:</u>                                  |                                     |                 |                                      |                  |
| Actuarial gains/(losses) on defined benefit plans   | 154                                 | 45              | 211                                  | (3,691)          |
| <u>Items that may be reclassified subsequently to profit or loss:</u>                         |                                     |                 |                                      |                  |
| Changes in fair value of equity investments available for sale                                | 209                                 | 3,177           | (297)                                | 3,238            |
| Effective portion of changes in fair value of cashflow hedges                                 | 50                                  | 861             | (50)                                 | 217              |
| Exchange differences on hedge of net investment<br>in foreign entities                        | 12,300                              | 12,691          | 4,253                                | 7,215            |
| Exchange differences on monetary items forming<br>part of net investments in foreign entities | (4,551)                             | (13,779)        | 4,920                                | (16,669)         |
| Realisation of exchange differences on disposal/liquidation<br>of subsidiaries                | -                                   | -               | (1,138)                              | 7,831            |
| Share of other reserve movement of an associate   | 203                                 | (7)             | 44                                   | 241              |
| Translation differences arising on consolidation<br>of foreign entities                       | 24,462                              | (73,637)        | 73,860                               | (123,345)        |
| <b>Other comprehensive income for the period,<br/>net of income tax</b>                       | <b>32,827</b>                       | <b>(70,649)</b> | <b>81,803</b>                        | <b>(124,963)</b> |
| <b>Total comprehensive income for the period</b>  | <b>193,941</b>                      | <b>103,551</b>  | <b>656,102</b>                       | <b>417,099</b>   |
| <b>Attributable to:</b>   |                                     |                 |                                      |                  |
| <b>Owners of the Company</b>  | <b>113,160</b>                      | <b>92,860</b>   | <b>487,720</b>                       | <b>357,794</b>   |
| Non-controlling interests   | 80,781                              | 10,691          | 168,382                              | 59,305           |
| <b>Total comprehensive income for the period</b>  | <b>193,941</b>                      | <b>103,551</b>  | <b>656,102</b>                       | <b>417,099</b>   |

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1(e)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

| The Group   | Attributable to Owners of the Company |                   |                     |                           |                        | Non-controlling Interests<br>S\$m | Total Equity<br>S\$m |                |
|---|---------------------------------------|-------------------|---------------------|---------------------------|------------------------|-----------------------------------|----------------------|----------------|
|   | Share Capital<br>S\$m                 | Cap. Res.<br>S\$m | Other Res.*<br>S\$m | Exch. Fluct. Res.<br>S\$m | Accum. Profits<br>S\$m |                                   |                      | Total<br>S\$m  |
| <b>At 1 January 2013</b>  | 1,991.4                               | 149.0             | 12.0                | (392.1)                   | 5,543.4                | 7,303.7                           | 1,953.4              | 9,257.1        |
| <b>Profit for the period</b>  | -                                     | -                 | -                   | -                         | 137.6                  | 137.6                             | 28.8                 | 166.4          |
| <u>Other comprehensive income</u>   |                                       |                   |                     |                           |                        |                                   |                      |                |
| Changes in fair value of equity investments available for sale                            | -                                     | -                 | 3.3                 | -                         | -                      | 3.3                               | -                    | 3.3            |
| Effective portion of changes in fair value of cash flow hedges                            | -                                     | -                 | (0.1)               | -                         | -                      | (0.1)                             | (0.1)                | (0.2)          |
| Exchange differences on hedges of net investment in foreign entities                      | -                                     | -                 | -                   | (6.7)                     | -                      | (6.7)                             | (5.5)                | (12.2)         |
| Exchange differences on monetary items forming part of net investment in foreign entities | -                                     | -                 | -                   | 13.2                      | -                      | 13.2                              | (1.6)                | 11.6           |
| Share of other reserve movement of associates   | -                                     | -                 | -                   | -                         | -                      | -                                 | (0.1)                | (0.1)          |
| Translation differences arising on consolidation of foreign entities                      | -                                     | -                 | -                   | 0.1                       | -                      | 0.1                               | 22.0                 | 22.1           |
| <b>Other comprehensive income for the period, net of income tax</b>                       | -                                     | -                 | 3.2                 | 6.6                       | -                      | 9.8                               | 14.7                 | 24.5           |
| <b>Total comprehensive income for the period</b>  | -                                     | -                 | 3.2                 | 6.6                       | 137.6                  | 147.4                             | 43.5                 | 190.9          |
| <b>Transactions with owners, recorded directly in equity</b>                              |                                       |                   |                     |                           |                        |                                   |                      |                |
| <u>Contributions by and distributions to owners</u>                                       |                                       |                   |                     |                           |                        |                                   |                      |                |
| Capital contribution from non-controlling interests                                       | -                                     | -                 | -                   | -                         | -                      | -                                 | 0.5                  | 0.5            |
| Share-based payment transactions  | -                                     | -                 | 0.6                 | -                         | -                      | 0.6                               | 0.5                  | 1.1            |
| <b>Total contributions by and distributions to owners</b>                                 | -                                     | -                 | 0.6                 | -                         | -                      | 0.6                               | 1.0                  | 1.6            |
| <b>Total transactions with owners</b>   | -                                     | -                 | 0.6                 | -                         | -                      | 0.6                               | 1.0                  | 1.6            |
| <b>At 31 March 2013</b>   | <b>1,991.4</b>                        | <b>149.0</b>      | <b>15.8</b>         | <b>(385.5)</b>            | <b>5,681.0</b>         | <b>7,451.7</b>                    | <b>1,997.9</b>       | <b>9,449.6</b> |
| <b>Profit for the period</b>  | -                                     | -                 | -                   | -                         | 203.8                  | 203.8                             | 42.9                 | 246.7          |
| <u>Other comprehensive income</u>   |                                       |                   |                     |                           |                        |                                   |                      |                |
| Changes in fair value of equity investments available for sale                            | -                                     | -                 | (3.8)               | -                         | -                      | (3.8)                             | -                    | (3.8)          |
| Effective portion of changes in fair value of cash flow hedges                            | -                                     | -                 | 0.3                 | (0.3)                     | -                      | -                                 | 0.1                  | 0.1            |
| Exchange differences on hedges of net investment in foreign entities                      | -                                     | -                 | -                   | 2.3                       | -                      | 2.3                               | 1.9                  | 4.2            |
| Exchange differences on monetary items forming part of net investment in foreign entities | -                                     | -                 | -                   | (2.2)                     | -                      | (2.2)                             | 0.1                  | (2.1)          |
| Realisation of exchange differences on disposal/liquidation of subsidiaries               | -                                     | -                 | -                   | (1.1)                     | -                      | (1.1)                             | -                    | (1.1)          |
| Share of other reserve movement of associates   | -                                     | -                 | (0.1)               | -                         | -                      | (0.1)                             | -                    | (0.1)          |
| Translation differences arising on consolidation of foreign entities                      | -                                     | -                 | -                   | 28.1                      | -                      | 28.1                              | (0.8)                | 27.3           |
| <b>Other comprehensive income for the period, net of income tax</b>                       | -                                     | -                 | (3.6)               | 26.8                      | -                      | 23.2                              | 1.3                  | 24.5           |
| <b>Total comprehensive income for the period</b>  | -                                     | -                 | (3.6)               | 26.8                      | 203.8                  | 227.0                             | 44.2                 | 271.2          |
| <b>Transactions with owners, recorded directly in equity</b>                              |                                       |                   |                     |                           |                        |                                   |                      |                |
| <u>Contributions by and distributions to owners</u>                                       |                                       |                   |                     |                           |                        |                                   |                      |                |
| Capital contribution from non-controlling interests                                       | -                                     | -                 | -                   | -                         | -                      | -                                 | 0.2                  | 0.2            |
| Dividends paid to owners of the Company   | -                                     | -                 | -                   | -                         | (124.6)                | (124.6)                           | -                    | (124.6)        |
| Dividends paid to non-controlling interests   | -                                     | -                 | -                   | -                         | -                      | -                                 | (37.3)               | (37.3)         |
| Share-based payment transactions  | -                                     | -                 | 0.7                 | -                         | -                      | 0.7                               | 0.5                  | 1.2            |
| <b>Total contributions by and distributions to owners</b>                                 | -                                     | -                 | 0.7                 | -                         | (124.6)                | (123.9)                           | (36.6)               | (160.5)        |
| <u>Changes in ownership interests in subsidiaries</u>                                     |                                       |                   |                     |                           |                        |                                   |                      |                |
| Acquisition of non-controlling interests  | -                                     | (2.6)             | -                   | (4.6)                     | -                      | (7.2)                             | (64.9)               | (72.1)         |
| <b>Total changes in ownership interests in subsidiaries</b>                               | -                                     | (2.6)             | -                   | (4.6)                     | -                      | (7.2)                             | (64.9)               | (72.1)         |
| <b>Total transactions with owners</b>   | -                                     | (2.6)             | 0.7                 | (4.6)                     | (124.6)                | (131.1)                           | (101.5)              | (232.6)        |
| <b>At 30 June 2013</b>  | <b>1,991.4</b>                        | <b>146.4</b>      | <b>12.9</b>         | <b>(363.3)</b>            | <b>5,760.2</b>         | <b>7,547.6</b>                    | <b>1,940.6</b>       | <b>9,488.2</b> |

\* Other reserves comprise mainly fair value reserve arising from available-for-sale investments, share of other reserve of associates and share option reserve.

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| The Group   | Attributable to Owners of the Company |                |                  |                        |                     |                | Non-controlling Interests S\$m | Total Equity S\$m |
|---|---------------------------------------|----------------|------------------|------------------------|---------------------|----------------|--------------------------------|-------------------|
|   | Share Capital S\$m                    | Cap. Res. S\$m | Other Res.* S\$m | Exch. Fluct. Res. S\$m | Accum. Profits S\$m | Total S\$m     |                                |                   |
| At 1 July 2013  | 1,991.4                               | 146.4          | 12.9             | (363.3)                | 5,760.2             | 7,547.6        | 1,940.6                        | 9,488.2           |
| <b>Profit for the period</b>  | -                                     | -              | -                | -                      | 120.6               | 120.6          | 40.5                           | 161.1             |
| <u>Other comprehensive income</u>   |                                       |                |                  |                        |                     |                |                                |                   |
| Actuarial gains on defined benefit plans  | -                                     | -              | -                | -                      | 0.1                 | 0.1            | 0.1                            | 0.2               |
| Changes in fair value of equity investments available for sale                            | -                                     | -              | 0.2              | -                      | -                   | 0.2            | -                              | 0.2               |
| Exchange differences on hedges of net investment in foreign entities                      | -                                     | -              | -                | 6.9                    | -                   | 6.9            | 5.4                            | 12.3              |
| Exchange differences on monetary items forming part of net investment in foreign entities | -                                     | -              | -                | (5.3)                  | -                   | (5.3)          | 0.8                            | (4.5)             |
| Share of other reserve movements of associates  | -                                     | -              | 0.1              | -                      | -                   | 0.1            | 0.1                            | 0.2               |
| Translation differences arising on consolidation of foreign entities                      | -                                     | -              | -                | (9.5)                  | -                   | (9.5)          | 33.9                           | 24.4              |
| <b>Other comprehensive income for the period, net of income tax</b>                       | -                                     | -              | 0.3              | (7.9)                  | 0.1                 | (7.5)          | 40.3                           | 32.8              |
| <b>Total comprehensive income for the period</b>  | -                                     | -              | 0.3              | (7.9)                  | 120.7               | 113.1          | 80.8                           | 193.9             |
| <b>Transactions with owners, recorded directly in equity</b>                              |                                       |                |                  |                        |                     |                |                                |                   |
| <u>Contributions by and distributions to owners</u>                                       |                                       |                |                  |                        |                     |                |                                |                   |
| Capital contribution from non-controlling interests                                       | -                                     | -              | -                | -                      | -                   | -              | 0.1                            | 0.1               |
| Share-based payment transactions  | -                                     | -              | 0.8              | -                      | -                   | 0.8            | 0.4                            | 1.2               |
| Dividends   | -                                     | -              | -                | -                      | (72.7)              | (72.7)         | (3.5)                          | (76.2)            |
| <b>Total contributions by and distributions to owners</b>                                 | -                                     | -              | 0.8              | -                      | (72.7)              | (71.9)         | (3.0)                          | (74.9)            |
| <u>Changes in ownership interests in subsidiaries</u>                                     |                                       |                |                  |                        |                     |                |                                |                   |
| Acquisition of non-controlling interests without a change in control                      | -                                     | (3.2)          | 0.2              | 4.6                    | 14.5                | 16.1           | (87.5)                         | (71.4)            |
| <b>Total changes in ownership interests in subsidiaries</b>                               | -                                     | (3.2)          | 0.2              | 4.6                    | 14.5                | 16.1           | (87.5)                         | (71.4)            |
| <b>Total transactions with owners</b>   | -                                     | (3.2)          | 1.0              | 4.6                    | (58.2)              | (55.8)         | (90.5)                         | (146.3)           |
| <b>At 30 September 2013</b>   | <b>1,991.4</b>                        | <b>143.2</b>   | <b>14.2</b>      | <b>(366.6)</b>         | <b>5,822.7</b>      | <b>7,604.9</b> | <b>1,930.9</b>                 | <b>9,535.8</b>    |

\* Other reserves comprise mainly fair value reserve arising from available-for-sale investments, share of other reserve of associates and share option reserve.

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| The Group   | Attributable to Owners of the Company |                   |                     |                           |                        |                | Non-controlling Interests<br>S\$m | Total Equity<br>S\$m |
|---|---------------------------------------|-------------------|---------------------|---------------------------|------------------------|----------------|-----------------------------------|----------------------|
|   | Share Capital<br>S\$m                 | Cap. Res.<br>S\$m | Other Res.*<br>S\$m | Exch. Fluct. Res.<br>S\$m | Accum. Profits<br>S\$m | Total<br>S\$m  |                                   |                      |
| At 1 January 2012   | 1,991.4                               | 148.9             | 7.4                 | (320.2)                   | 4,999.3                | 6,826.8        | 1,869.2                           | 8,696.0              |
| <b>Profit for the period</b>  | -                                     | -                 | -                   | -                         | 156.7                  | 156.7          | 39.5                              | 196.2                |
| <u>Other comprehensive income</u>   |                                       |                   |                     |                           |                        |                |                                   |                      |
| Actuarial losses on defined benefit plans   | -                                     | -                 | -                   | -                         | (0.4)                  | (0.4)          | (0.4)                             | (0.8)                |
| Changes in fair value of equity investments available for sale                            | -                                     | -                 | 3.7                 | -                         | -                      | 3.7            | -                                 | 3.7                  |
| Effective portion of changes in fair value of cash flow hedges                            | -                                     | -                 | 0.2                 | -                         | -                      | 0.2            | 0.2                               | 0.4                  |
| Exchange differences on hedges of net investment in foreign entities                      | -                                     | -                 | -                   | 2.7                       | -                      | 2.7            | 2.3                               | 5.0                  |
| Exchange differences on monetary items forming part of net investment in foreign entities | -                                     | -                 | -                   | 1.2                       | -                      | 1.2            | (1.0)                             | 0.2                  |
| Share of other reserve movements of associates  | -                                     | -                 | 0.1                 | -                         | -                      | 0.1            | 0.1                               | 0.2                  |
| Translation differences arising on consolidation of foreign entities                      | -                                     | -                 | -                   | (28.1)                    | -                      | (28.1)         | (19.4)                            | (47.5)               |
| <b>Other comprehensive income for the period, net of income tax</b>                       | -                                     | -                 | 4.0                 | (24.2)                    | (0.4)                  | (20.6)         | (18.2)                            | (38.8)               |
| <b>Total comprehensive income for the period</b>  | -                                     | -                 | 4.0                 | (24.2)                    | 156.3                  | 136.1          | 21.3                              | 157.4                |
| <b>Transactions with owners, recorded directly in equity</b>                              |                                       |                   |                     |                           |                        |                |                                   |                      |
| <u>Contributions by and distributions to owners</u>                                       |                                       |                   |                     |                           |                        |                |                                   |                      |
| Share-based payment transactions  | -                                     | -                 | 0.5                 | -                         | -                      | 0.5            | 0.5                               | 1.0                  |
| Share options exercised   | -                                     | -                 | (0.3)               | -                         | -                      | (0.3)          | 0.3                               | -                    |
| <b>Total contributions by and distributions to owners</b>                                 | -                                     | -                 | 0.2                 | -                         | -                      | 0.2            | 0.8                               | 1.0                  |
| <u>Changes in ownership interests in subsidiaries</u>                                     |                                       |                   |                     |                           |                        |                |                                   |                      |
| Acquisition of a subsidiary with non-controlling interests                                | -                                     | -                 | -                   | -                         | -                      | -              | 1.6                               | 1.6                  |
| <b>Total changes in ownership interests in subsidiaries</b>                               | -                                     | -                 | -                   | -                         | -                      | -              | 1.6                               | 1.6                  |
| <b>Total transactions with owners</b>   | -                                     | -                 | 0.2                 | -                         | -                      | 0.2            | 2.4                               | 2.6                  |
| <b>At 31 March 2012</b>   | <b>1,991.4</b>                        | <b>148.9</b>      | <b>11.6</b>         | <b>(344.4)</b>            | <b>5,155.6</b>         | <b>6,963.1</b> | <b>1,892.9</b>                    | <b>8,856.0</b>       |
| <b>Profit for the period</b>  | -                                     | -                 | -                   | -                         | 137.7                  | 137.7          | 33.9                              | 171.6                |
| <u>Other comprehensive income</u>   |                                       |                   |                     |                           |                        |                |                                   |                      |
| Actuarial losses on defined benefit plans   | -                                     | -                 | -                   | -                         | (1.6)                  | (1.6)          | (1.3)                             | (2.9)                |
| Changes in fair value of equity investments available for sale                            | -                                     | -                 | (3.6)               | -                         | -                      | (3.6)          | -                                 | (3.6)                |
| Effective portion of changes in fair value of cash flow hedges                            | -                                     | -                 | (0.6)               | -                         | -                      | (0.6)          | (0.5)                             | (1.1)                |
| Exchange differences on hedges of net investment in foreign entities                      | -                                     | -                 | -                   | (5.7)                     | -                      | (5.7)          | (4.8)                             | (10.5)               |
| Exchange differences on monetary items forming part of net investment in foreign entities | -                                     | -                 | -                   | (2.2)                     | -                      | (2.2)          | (0.9)                             | (3.1)                |
| Realisation of exchange differences on liquidation of subsidiaries                        | -                                     | -                 | -                   | 7.8                       | -                      | 7.8            | -                                 | 7.8                  |
| Translation differences arising on consolidation of foreign entities                      | -                                     | -                 | -                   | (3.0)                     | -                      | (3.0)          | 0.8                               | (2.2)                |
| <b>Other comprehensive income for the period, net of income tax</b>                       | -                                     | -                 | (4.2)               | (3.1)                     | (1.6)                  | (8.9)          | (6.7)                             | (15.6)               |
| <b>Total comprehensive income for the period</b>  | -                                     | -                 | (4.2)               | (3.1)                     | 136.1                  | 128.8          | 27.2                              | 156.0                |
| <b>Transactions with owners, recorded directly in equity</b>                              |                                       |                   |                     |                           |                        |                |                                   |                      |
| <u>Contributions by and distributions to owners</u>                                       |                                       |                   |                     |                           |                        |                |                                   |                      |
| Capital contribution from non-controlling interests                                       | -                                     | -                 | -                   | -                         | -                      | -              | 0.1                               | 0.1                  |
| Share-based payment transactions  | -                                     | -                 | 0.7                 | -                         | -                      | 0.7            | 0.6                               | 1.3                  |
| Dividends paid to owners of the Company   | -                                     | -                 | -                   | -                         | (124.6)                | (124.6)        | -                                 | (124.6)              |
| Dividends paid to non-controlling interests   | -                                     | -                 | -                   | -                         | -                      | -              | (41.4)                            | (41.4)               |
| <b>Total contributions by and distributions to owners</b>                                 | -                                     | -                 | 0.7                 | -                         | (124.6)                | (123.9)        | (40.7)                            | (164.6)              |
| <u>Changes in ownership interests in subsidiaries</u>                                     |                                       |                   |                     |                           |                        |                |                                   |                      |
| Adjustment to acquisition of a subsidiary with non-controlling interests                  | -                                     | -                 | -                   | -                         | -                      | -              | 1.0                               | 1.0                  |
| <b>Total changes in ownership interests in subsidiaries</b>                               | -                                     | -                 | -                   | -                         | -                      | -              | 1.0                               | 1.0                  |
| <b>Total transactions with owners</b>   | -                                     | -                 | 0.7                 | -                         | (124.6)                | (123.9)        | (39.7)                            | (163.6)              |
| <b>At 30 June 2012</b>  | <b>1,991.4</b>                        | <b>148.9</b>      | <b>8.1</b>          | <b>(347.5)</b>            | <b>5,167.1</b>         | <b>6,968.0</b> | <b>1,880.4</b>                    | <b>8,848.4</b>       |

\* Other reserves comprise mainly fair value reserve arising from available-for-sale investments, share of other reserve of associates and share option reserve.

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| The Group   | Attributable to Owners of the Company |                      |                        |                                 |                           | Total<br>S\$m  | Non-<br>controlling<br>Interests<br>S\$m | Total<br>Equity<br>S\$m |
|---|---------------------------------------|----------------------|------------------------|---------------------------------|---------------------------|----------------|--|-------------------------|
|   | Share<br>Capital<br>S\$m              | Cap.<br>Res.<br>S\$m | Other<br>Res.*<br>S\$m | Exch.<br>Fluct.<br>Res.<br>S\$m | Accum.<br>Profits<br>S\$m |                |  |                         |
| At 1 July 2012  | 1,991.4                               | 148.9                | 8.1                    | (347.5)                         | 5,167.1                   | 6,968.0        | 1,880.4                                  | 8,848.4                 |
| <b>Profit for the period</b>  | -                                     | -                    | -                      | -                               | 134.6                     | 134.6          | 39.6                                     | 174.2                   |
| <u>Other comprehensive income</u>   |                                       |                      |                        |                                 |                           |                |  |                         |
| Changes in fair value of equity investments available for sale                            | -                                     | -                    | 3.2                    | -                               | -                         | 3.2            | -  | 3.2                     |
| Effective portion of changes in fair value of cash flow hedges                            | -                                     | -                    | 0.5                    | -                               | -                         | 0.5            | 0.4                                      | 0.9                     |
| Exchange differences on hedges of net investment in foreign entities                      | -                                     | -                    | -                      | 6.9                             | -                         | 6.9            | 5.8                                      | 12.7                    |
| Exchange differences on monetary items forming part of net investment in foreign entities | -                                     | -                    | -                      | (13.8)                          | -                         | (13.8)         | -  | (13.8)                  |
| Translation differences arising on consolidation of foreign entities                      | -                                     | -                    | -                      | (38.5)                          | -                         | (38.5)         | (35.1)                                   | (73.6)                  |
| <b>Other comprehensive income for the period, net of income tax</b>                       | -                                     | -                    | 3.7                    | (45.4)                          | -                         | (41.7)         | (28.9)                                   | (70.6)                  |
| <b>Total comprehensive income for the period</b>  | -                                     | -                    | 3.7                    | (45.4)                          | 134.6                     | 92.9           | 10.7                                     | 103.6                   |
| <b>Transactions with owners, recorded directly in equity</b>                              |                                       |                      |                        |                                 |                           |                |  |                         |
| <u>Contributions by and distributions to owners</u>                                       |                                       |                      |                        |                                 |                           |                |  |                         |
| Capital contribution from non-controlling interests                                       | -                                     | -                    | -                      | -                               | -                         | -              | 1.1                                      | 1.1                     |
| Change of interest in a subsidiary  | -                                     | 0.1                  | -                      | -                               | -                         | 0.1            | (0.2)                                    | (0.1)                   |
| Share-based payment transactions  | -                                     | -                    | (0.1)                  | -                               | -                         | (0.1)          | (0.1)                                    | (0.2)                   |
| Dividends paid to non-controlling interests   | -                                     | -                    | -                      | -                               | -                         | -              | (7.7)                                    | (7.7)                   |
| <b>Total contributions by and distributions to owners</b>                                 | -                                     | 0.1                  | (0.1)                  | -                               | -                         | -              | (6.9)                                    | (6.9)                   |
| <b>Total transactions with owners</b>   | -                                     | 0.1                  | (0.1)                  | -                               | -                         | -              | (6.9)                                    | (6.9)                   |
| <b>At 30 September 2012</b>   | <b>1,991.4</b>                        | <b>149.0</b>         | <b>11.7</b>            | <b>(392.9)</b>                  | <b>5,301.7</b>            | <b>7,060.9</b> | <b>1,884.2</b>                           | <b>8,945.1</b>          |

\* Other reserves comprise mainly fair value reserve arising from available-for-sale investments, share of other reserve of associates and share option reserve.

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| The Company   | Share Capital<br>S\$m | Capital Reserve<br>S\$m | Fair Value Reserve<br>S\$m | Other Reserve<br>S\$m | Accumulated Profits<br>S\$m | Total<br>S\$m  |
|---|-----------------------|-------------------------|----------------------------|-----------------------|-----------------------------|----------------|
| <b>At 1 January 2013</b>  | 1,991.4               | 63.7                    | 12.2                       | -                     | 3,326.3                     | 5,393.6        |
| <b>Profit for the period</b>  | -                     | -                       | -                          | -                     | 24.6                        | 24.6           |
| <u>Other comprehensive income</u>                                   |                       |                         |                            |                       |                             |                |
| Changes in fair value of equity investments available for sale      | -                     | -                       | 2.2                        | -                     | -                           | 2.2            |
| <b>Other comprehensive income for the period, net of income tax</b> | -                     | -                       | 2.2                        | -                     | -                           | 2.2            |
| <b>Total comprehensive income for the period</b>                    | -                     | -                       | 2.2                        | -                     | 24.6                        | 26.8           |
| <b>At 31 March 2013</b>   | <b>1,991.4</b>        | <b>63.7</b>             | <b>14.4</b>                | <b>-</b>              | <b>3,350.9</b>              | <b>5,420.4</b> |
| <b>Profit for the period</b>  | -                     | -                       | -                          | -                     | 1.5                         | 1.5            |
| <u>Other comprehensive income</u>                                   |                       |                         |                            |                       |                             |                |
| Changes in fair value of equity investments available for sale      | -                     | -                       | (2.0)                      | -                     | -                           | (2.0)          |
| <b>Other comprehensive income for the period, net of income tax</b> | -                     | -                       | (2.0)                      | -                     | -                           | (2.0)          |
| <b>Total comprehensive income for the period</b>                    | -                     | -                       | (2.0)                      | -                     | 1.5                         | (0.5)          |
| <b>Transaction with owners, recorded directly in equity</b>         |                       |                         |                            |                       |                             |                |
| <u>Contributions by and distributions to owners</u>                 |                       |                         |                            |                       |                             |                |
| Dividends paid to owners of the Company                             | -                     | -                       | -                          | -                     | (124.6)                     | (124.6)        |
| <b>Total contributions by and distributions to owners</b>           | -                     | -                       | -                          | -                     | (124.6)                     | (124.6)        |
| <b>Total transactions with owners</b>                               | -                     | -                       | -                          | -                     | (124.6)                     | (124.6)        |
| <b>At 30 June 2013</b>  | <b>1,991.4</b>        | <b>63.7</b>             | <b>12.4</b>                | <b>-</b>              | <b>3,227.8</b>              | <b>5,295.3</b> |
| <b>Profit for the period</b>  | -                     | -                       | -                          | -                     | 105.8                       | 105.8          |
| <u>Other comprehensive income</u>                                   |                       |                         |                            |                       |                             |                |
| Changes in fair value of equity investments available for sale      | -                     | -                       | 0.5                        | -                     | -                           | 0.5            |
| <b>Other comprehensive income for the period, net of income tax</b> | -                     | -                       | 0.5                        | -                     | -                           | 0.5            |
| <b>Total comprehensive income for the period</b>                    | -                     | -                       | 0.5                        | -                     | 105.8                       | 106.3          |
| <b>Transaction with owners, recorded directly in equity</b>         |                       |                         |                            |                       |                             |                |
| <u>Contributions by and distributions to owners</u>                 |                       |                         |                            |                       |                             |                |
| Dividends paid to owners of the Company                             | -                     | -                       | -                          | -                     | (72.7)                      | (72.7)         |
| <b>Total contributions by and distributions to owners</b>           | -                     | -                       | -                          | -                     | (72.7)                      | (72.7)         |
| <b>Total transactions with owners</b>                               | -                     | -                       | -                          | -                     | (72.7)                      | (72.7)         |
| <b>At 30 September 2013</b>   | <b>1,991.4</b>        | <b>63.7</b>             | <b>12.9</b>                | <b>-</b>              | <b>3,260.9</b>              | <b>5,328.9</b> |

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| The Company   | Share<br>Capital<br>S\$m | Capital<br>Reserve<br>S\$m | Fair Value<br>Reserve<br>S\$m | Other<br>Reserve<br>S\$m | Accumulated<br>Profits<br>S\$m | Total<br>S\$m  |
|---|--------------------------|----------------------------|-------------------------------|--------------------------|--------------------------------|----------------|
| At 1 January 2012   | 1,991.4                  | 63.7                       | 6.8                           | 5.7                      | 3,308.4                        | 5,376.0        |
| <b>Profit for the period</b>  | -                        | -                          | -                             | -                        | 21.9                           | 21.9           |
| <u>Other comprehensive income</u>                                       |                          |                            |                               |                          |                                |                |
| Changes in fair value of equity investments<br>available for sale       | -                        | -                          | 3.2                           | -                        | -                              | 3.2            |
| <b>Other comprehensive income for the period,<br/>net of income tax</b> | -                        | -                          | 3.2                           | -                        | -                              | 3.2            |
| <b>Total comprehensive income for the period</b>                        | -                        | -                          | 3.2                           | -                        | 21.9                           | 25.1           |
| <b>Transaction with owners, recorded directly<br/>in equity</b>         |                          |                            |                               |                          |                                |                |
| <u>Contributions by and distributions to owners</u>                     |                          |                            |                               |                          |                                |                |
| Loan forgiveness by subsidiaries  | -                        | -                          | -                             | 20.0                     | -                              | 20.0           |
| <b>Total contributions by and distributions to owners</b>               | -                        | -                          | -                             | 20.0                     | -                              | 20.0           |
| <b>Total transactions with owners</b>                                   | -                        | -                          | -                             | 20.0                     | -                              | 20.0           |
| <b>At 31 March 2012</b>   | <b>1,991.4</b>           | <b>63.7</b>                | <b>10.0</b>                   | <b>25.7</b>              | <b>3,330.3</b>                 | <b>5,421.1</b> |
| <b>Profit for the period</b>  | -                        | -                          | -                             | -                        | 63.5                           | 63.5           |
| <u>Other comprehensive income</u>                                       |                          |                            |                               |                          |                                |                |
| Changes in fair value of equity investments<br>available for sale       | -                        | -                          | (1.1)                         | -                        | -                              | (1.1)          |
| <b>Other comprehensive income for the period,<br/>net of income tax</b> | -                        | -                          | (1.1)                         | -                        | -                              | (1.1)          |
| <b>Total comprehensive income for the period</b>                        | -                        | -                          | (1.1)                         | -                        | 63.5                           | 62.4           |
| <b>Transaction with owners, recorded directly<br/>in equity</b>         |                          |                            |                               |                          |                                |                |
| <u>Contributions by and distributions to owners</u>                     |                          |                            |                               |                          |                                |                |
| Dividends paid to owners of the Company                                 | -                        | -                          | -                             | -                        | (124.6)                        | (124.6)        |
| Effects on liquidation of subsidiaries                                  | -                        | -                          | -                             | (25.7)                   | -                              | (25.7)         |
| <b>Total contributions by and distributions to owners</b>               | -                        | -                          | -                             | (25.7)                   | (124.6)                        | (150.3)        |
| <b>Total transactions with owners</b>                                   | -                        | -                          | -                             | (25.7)                   | (124.6)                        | (150.3)        |
| <b>At 30 June 2012</b>  | <b>1,991.4</b>           | <b>63.7</b>                | <b>8.9</b>                    | <b>-</b>                 | <b>3,269.2</b>                 | <b>5,333.2</b> |
| <b>Profit for the period</b>  | -                        | -                          | -                             | -                        | 16.0                           | 16.0           |
| <u>Other comprehensive income</u>                                       |                          |                            |                               |                          |                                |                |
| Changes in fair value of equity investments<br>available for sale       | -                        | -                          | 2.5                           | -                        | -                              | 2.5            |
| <b>Other comprehensive income for the period,<br/>net of income tax</b> | -                        | -                          | 2.5                           | -                        | -                              | 2.5            |
| <b>Total comprehensive income for the period</b>                        | -                        | -                          | 2.5                           | -                        | 16.0                           | 18.5           |
| <b>At 30 September 2012</b>   | <b>1,991.4</b>           | <b>63.7</b>                | <b>11.4</b>                   | <b>-</b>                 | <b>3,285.2</b>                 | <b>5,351.7</b> |

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- 1(e)(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 Company, 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.**

Ordinary share capital

There was no change in the Company's issued share capital during the three months ended 30 September 2013.

Preference share capital

There was no change in the Company's issued preference share capital during the three months ended 30 September 2013.

As at 30 September 2013, the maximum number of ordinary shares that may be issued upon full conversion of all of the non-redeemable convertible non-cumulative preference shares of the Company ("Preference Shares") at the sole option of the Company is 44,998,898 ordinary shares (30 September 2012: 44,998,898 ordinary shares).

- 1(e)(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 did not hold any treasury shares as at 30 September 2013, 31 December 2012 and 30 September 2012.

The total number of issued ordinary shares as at 30 September 2013 and 31 December 2012 is 909,301,330.

The total number of issued Preference Shares as at 30 September 2013 and 31 December 2012 is 330,874,257.

- 1(e)(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 during the three months ended 30 September 2013.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have neither been audited nor 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.



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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 Note 5 below, the Group has 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 for the year ended 31 December 2012.

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 following relevant new standards, amendments to standards and interpretations that are effective for financial period beginning on 1 January 2013.

Amendments to FRS 1 *Presentation of items of Other Comprehensive income*  
FRS 19 *Employee Benefits (revised 2011)*  
FRS 113 *Fair Value Measurement*

Amendments to FRS 1 *Presentation of Items of Other Comprehensive Income* requires those items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met to be separated from those that would never be reclassified to profit and loss. This amendment only affects the presentation of the consolidated statement of comprehensive income in the financial statement.

Except for the Amendments to FRS 1 *Presentation of items of Other Comprehensive income*, the adoption of these FRSs did not result in any significant impact on the financial statements of the Group.

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.**

|   | Third quarter ended<br>30 September |             | 9-month period ended<br>30 September |             |
|---|-------------------------------------|-------------|--------------------------------------|-------------|
|   | 2013                                | 2012        | 2013                                 | 2012        |
| Basic Earnings per share (cents)                              | 13.3                                | 14.8        | 50.1                                 | 46.5        |
| Diluted Earnings per share (cents)                            | 12.6                                | 14.1        | 48.4                                 | 45.0        |
| Earnings per share is calculated based on:                    |                                     |             |                                      |             |
| a) Profit attributable to owners of the Company (S\$'000) (*) | 120,573                             | 134,535     | 455,593                              | 422,574     |
| b) Weighted average number of ordinary shares<br>in issue:    |                                     |             |                                      |             |
| - basic   | 909,301,330                         | 909,301,330 | 909,301,330                          | 909,301,330 |
| - diluted (**)  | 954,300,228                         | 954,300,228 | 954,300,228                          | 954,300,228 |

\* After deducting preference dividends of \$6,434,000 declared and paid in Q2 2013 (Q2 2012: \$6,417,000).

\*\* For computation of diluted earnings per share, the weighted average number of ordinary shares has been adjusted for any dilutive effect of potential ordinary shares arising from the conversion of all preference shares.

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7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares (excluding treasury shares) of the issuer at the end of the:-**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

|   | The Group  |            | The Company |            |
|---|------------|------------|-------------|------------|
|   | 30.09.2013 | 31.12.2012 | 30.09.2013  | 31.12.2012 |
|   | S\$        | S\$        | S\$         | S\$        |
| Net Asset Value per ordinary share based on the number of issued 909,301,330 ordinary shares (excluding treasury shares) as at 30 September 2013 (909,301,330 ordinary shares (excluding treasury shares) as at 31 December 2012) | 8.36       | 8.03       | 5.86        | 5.93       |

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.**

## Group Performance

For the 9-month period ended 30 September 2013 (YTD Sept 2013), the Group achieved profit after tax and non-controlling interests of \$462.0 million, an increase of 7.7% (YTD Sept 2012: \$429.0 million). Group's revenue remained relatively stable at \$2,387.8 million (YTD Sept 2012: \$2,467.4 million).

The rental properties segment maintained its lead in contribution to the Group's pre-tax profit for YTD Sept 2013, showing an increase of 86.6%. This was primarily due to gains accounted for the disposal of its non-core investment properties namely; 100G Pasir Panjang, several strata units in Elite Industrial Building I, Elite Industrial Building II, Citimac Industrial Complex and GB building.

Property development segment was the second in line, contributing 38.0% to the Group's pre-tax profit, followed by the hotel operations. Notwithstanding the good take-up rate for residential sales launched by the Group, the Group was unable to recognise profits as construction of these projects have yet to commence or reach recognition stage. There was also no profit recognition for three Executive Condominiums (ECs), two of which are fully sold and one substantially sold, until completion of construction, in accordance with prevailing accounting treatment.

Hotel operations reported lower profits for both Q3 2013 and YTD Sept 2013. This was largely due to the on-going refurbishment programme which saw a net 240,000 room nights removed from the inventory during the nine month period and less favourable trading conditions for some hotels in Asia.

For the quarter ended 30 September 2013 (Q3 2013), the Group reported attributable profit after tax and non-controlling interests of \$120.6 million (Q3 2012: \$134.5 million) and revenue of \$822.7 million (Q2 2012: \$832.9 million).

For Q3 2013, property development segment emerged the lead contributor, surpassing both hotel operations and rental properties segment, contributing 50.2% to the Group's pre-tax profit.

Accordingly, basic earnings per share of the Group rose by 7.7% to 50.1 cents (YTD Sept 2012: 46.5 cents) for YTD Sept 2013 but decreased for Q3 2013 to 13.3 cents (Q3 2012: 14.8 cents).

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Without considering any fair value gains on investment properties, the Group's net gearing ratio remained healthy at 22% as at 30 September 2013. Its interest cover was at 14.4 times for YTD Sept 2013.

## Property

Advance estimates indicate that the Singapore economy grew by 5.1% on a year-on-year basis in Q3 2013, compared to 4.2% in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 1.0%, compared to the 16.9% growth in Q2 2013.

Statistics from Urban Redevelopment Authority (URA) indicated that the overall prices of private residential properties increased marginally by 0.4% in Q3 2013, compared to 1.0% in the previous quarter. Private homes sales dropped by more than 46% in Q3 2013 with only 2,430 units sold compared with 4,538 units sold in Q2 2013. This followed the latest round of drastic cooling measures, the Total Debt Servicing Ratio (TDSR) introduced by the Government at the end of June 2013. It restricts potential buyers' borrowing capacity and many adopted a cautious approach towards making new purchase commitments.

In July 2013, the Group's 380-unit EC development, Lush Acres, was launched. Located along Fernvale Close in Sengkang, it is just a short walk to Layar LRT station. Spread across an expansive area of over 150,000 square feet (sq ft), Lush Acres offers a collection of contemporary 3- to 5-bedroom apartments, with suites and premium options for select units. Buyers of ECs are less affected by the cooling measures and response to the booking of units, which commenced on 17 August 2013 for eligible buyers have been very good. To date, 367 units (over 96%) of Lush Acres have been sold.

The Group's other current residential projects continued to book in sales. The 616-unit Jewel @ Buangkok development, situated just 3-minutes' walk to Buangkok MRT station, has sold more than 83% of the 420 units released since its launch in June 2013. D'Nest, a 912-unit condominium located at Pasir Ris Grove and situated within minutes' walk to the Pasir Ris MRT station is now 93% sold. Bartley Ridge, an 868-unit joint venture development located at Bartley Road / Mount Vernon, within 2-minutes' walk to Bartley MRT station, has also seen strong take-up rate with 85% of the project sold to date.

Echelon, a 508-unit joint venture condominium at Tanglin / Alexandra Road vicinity is centrally located at the fringe of the city. A stone's throw to the Redhill MRT station, it offers value in terms of convenience and architectural excellence and quality. This project is almost sold out with only three penthouses left. H<sub>2</sub>O Residences, a 521-unit riverfront condominium at Sengkang, has also seen steady sales and is now over 97% sold.

For the quarter under review, profits were booked in from pre-sold projects namely 368 Thomson, Buckley Classique, H<sub>2</sub>O Residences and Cube 8 which obtained its Temporary Occupation Permit (TOP) at the end of Q3 2013. Profits were also booked in from joint venture projects such as Tree House (which obtained its TOP during this quarter), Bartley Residences, HAUS@SERANGOON GARDEN, Hedges Park, The Palette, and The Glyndebourne which is being developed by the Group's London listed subsidiary Millennium & Copthorne Hotels plc (M&C) also contributed towards the Group's profits.

Profits however, were not realised from Echelon, UP@Roberston Quay, Bartley Ridge, D'Nest and Jewel @ Buangkok as these projects are either in early stages of construction or construction has not commenced yet. No profits were booked for two fully sold ECs namely The Rainforest and Blossom Residences as well as the newly launched and almost sold out Lush Acres EC.

Growth in demand for office space remains steady in Q3 2013. According to URA data, prices of office space rose by 1.0% in Q3 2013, compared with an increase of 1.5% in the previous quarter. On office space rental, there was an improved quarter-on-quarter increase of 0.8% in Q3 2013 compared with marginal quarter-on-quarter growth of 0.2% in Q2 2013.

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In Q3 2013, the GFA of office space increased by about 1.3 million sq ft, leading to a total supply of approximately 79.5 million sq ft. The amount of occupied space increased from 71.4 million sq ft in Q2 2013 to about 71.9 million sq ft in Q3 2013, leading to net absorption of approximately 495,100 sq ft. The large supply of office space added in Q3 2013 led to lower overall island-wide occupancy rate of 90.4%, down from 91.2% in Q2 2013.

In Q3 2013, the Group's office portfolio continued to enjoy healthy occupancy of 96.4%.

Leasing activities for the Office Tower of the joint venture South Beach development started in Q2 this year. Due to its enviable location, interest for this iconic development has been healthy with numerous enquiries. The marketing of the retail space is expected to commence in Q4 2013.

Notably, the South Beach hotel is located just next to the newly renovated Suntec Convention Centre, which does not provide hotel accommodation within. Plans are underway to establish a linkway connecting the two properties which will be mutually synergistic.

For the residential component, the Group will monitor the market and not rush into the launch of South Beach Residences. The project remains on track to complete in 2015.

The Group is progressing steadily on its overseas real estate platforms.

CDL China Limited, a wholly-owned subsidiary of the Group, continues to make progress on its three projects. Eling Residences, the luxury development located at the peak of Eling Hill in Yuzhong District, Chongqing, had commenced excavation in August this year and the process is nearing completion. It is anticipated that construction will commence in Q1 2014. For Huang Huayuan, its mixed-use project in the same district in Chongqing, further enhancements have been made to the overall design and a boutique hotel has been added into the commercial mix. Excavation of the site is expected to commence in Q1 2014.

Regarding Hong Leong City Center (HLCC), CDL China's sizable mixed-use development next to Jinji Lake in Suzhou, the piling works have been completed and excavation will likely be finished in Q1 2014. In order to reach the pre-sales stage at a faster pace, the project's construction schedule has been split into two phases, consisting of one block of residential apartments and one block of SOHO units in Phase 1, with the second residential tower as well as the rest of the commercial components (office, retail mall and hotel) to follow six months later in Phase 2.

Assuming market conditions are favourable, both Eling Residences and HLCC will commence pre-sales at the appropriate juncture next year, though Huang Huayuan will probably start pre-sales in 2015.

First Sponsor Capital Limited (FSCL), M&C's associate, soft-opened the 196-room M Hotel Chengdu, on 20 September 2013. The hotel is part of the Cityspring project and is managed by M&C. Construction of an M&C-branded and managed hotel and conference centre at Millennium Waterfront has commenced.

On 10 September 2013, the Group announced that it had entered into a sale and purchase contract for the acquisition of a freehold property located in Central London for a consideration of £80.0 million (or approximately \$159.6 million).

28 Pavilion Road in Knightsbridge has been a successful off-market targeted acquisition by the Group. Located in close proximity to Harrods, the site is currently used as a multi-storey car park and is recognised as one of the last prime redevelopment sites in Knightsbridge. A professional team has been appointed and the design process is being worked towards the submission of a planning application for a prime luxury residential development.

The Group had announced previously that it intends to establish its plans for property development in London as a new growth platform. This is the Group's first acquisition and it will continue to invest selectively in sites located in London, which has good potential. Though buying land in a rising market in London remains challenging, the Group is actively pursuing a few other projects for strategic acquisitions. It is confident that it will be able to secure a few more sites in due course.

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## Hotels

For the quarter under review, M&C, in which the Group now has 59% interest, achieved a net profit after tax and non-controlling interests of £32.4 million, an increase of 5.5% (Q3 2012: £30.7 million). For YTD Sept 2013, M&C recorded attributable profit after tax and non-controlling interest of £78.5 million (YTD Sept 2012: £89.1 million).

M&C kept its revenue steady by adapting its sales approach to reflect prevailing trading conditions. For Q3 2013, total revenue increased by 3.1% to £197.1 million (Q3 2012: £191.2 million). The improvement was attributed to several factors, including revenue improvement from New York hotels, improved trading in regional US despite partial closure of Millennium Hotel St Louis, return to rooms inventory of recently refurbished hotels, and sale of land in New Zealand.

For YTD Sept 2013, total revenue increased by 0.2% to £566.2 million (YTD Sept 2012: £565.1 million). Revenues were affected by M&C's on-going refurbishment programme.

In certain parts of Asia, trading conditions were impacted due to economic uncertainty and local factors such as lower Japanese visitors to Seoul. In Singapore, concerns about rising labour costs as a result of current Government policy remains. Thus, M&C shifted its emphasis to an occupancy-led strategy, which also benefitted the European hotels. London hotels in particular held up its performance in Q3 2013 when compared to the rate-led strategy adopted for last year's London Olympic Games. US markets continued to recover in Q3 2013, allowing more upward flexibility on average room rates.

Overall RevPAR for Q3 rose by 3.4% to £73.68 (Q3 2012: £71.23) with occupancy growing to 76.5% (Q3 2012: 73.4%).

M&C's financial position remained strong with net cash at 30 September 2013 of £74.8 million (31 December 2012: £52.2 million).

M&C's refurbishment programme for its existing hotels is making progress. Since the programme commenced in 2011, £84.1 million had been spent up to 30 September 2013, mainly on the refurbishment of several key hotels including ONE UN New York, Millennium Seoul Hilton, Millennium Hotel Minneapolis and Grand Hyatt Taipei.

A further £16.8 million is anticipated to be spent in Q4 2013, which means that total spending for 2013 will be lower than previously estimated. However, a significant number of refurbishment projects are ready to commence, subject to relevant consents. M&C will schedule these projects progressively in a timely manner, so that they will not significantly affect the bottom line in the interim and will enable M&C to prepare for the future, as based on experience, renovated properties will remain more competitive and possibly offer better earnings.

Construction of M&C's new hotel in Tokyo's Ginza district is proceeding according to plan. Demolition work completed on schedule in August 2013 and construction has commenced. Tokyo has been in the limelight with its recent successful bid to host 2020 Olympics Games, which will help boost its economy. Excitement is building up with the possibility of a proposed casino resort to be developed in this capital city, coupled with the proactive economic approach by its current Prime Minister. M&C's Ginza hotel could stand to benefit from these initiatives.

In Seoul, in addition to the second phase of refurbishment of Millennium Seoul Hilton, architectural detailing is underway for construction of M&C's first mixed-use development incorporating a business hotel and purpose-built serviced apartments on land acquired in April 2013.

Whilst M&C continues to analyse acquisition opportunities, asking prices in gateway cities are not currently supported by underlying profitability. With no borrowings and an enviable financial situation, M&C is in pole position to seize opportunities when the time is apt.

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147 out of the 150 apartments at The Glyndebourne development (the site of the former Copthorne Orchid Hotel) have been sold with sales value of \$539.1 million. Sales proceeds collected to date total \$296.5 million representing approximately 55% of the sales value. The CDL Group has been progressively recognising profit for this project based on stage of construction for the units sold. However, based on UK accounting standards, M&C's profits will only be booked in when construction of the entire development is completed. Barring unforeseen circumstances, this is expected in Q4 2013.

M&C recognised profit of £4.0 million from land sales mainly in Christchurch, New Zealand in Q3 2013.

On 6 November 2013, M&C announced the signing of a Collective Sale Agreement ("CSA") with other unit-holders in Tanglin Shopping Centre, a shopping-cum-office complex situated within the Orchard Road shopping district, in which M&C has approximately a 34% interest. This process will be directed by an independent sales committee, representing all unit-holders. In common with other unit-holders, M&C is bound by a confidentiality agreement with respect to the proposed disposal, which is highly conditional.

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

The Group's performance for the period under review is in line with its expectations as disclosed in the announcement of results for the second quarter and half year ended 30 June 2013.

**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.**

## Property

The partial shutdown of the United States (US) Federal Government in October 2013 has curtailed some economic activities and may have temporarily disrupted the US economic recovery. Earlier, the US Federal Reserve surprised global markets when the tapering of its quantitative easing programmes was deferred. The risk of a US debt default though receded, could remain a possibility. Barring any drastic global shakeup, the Singapore economy is expected to grow at a moderate pace well into 2014. In August 2013, the Ministry of Trade and Industry (MTI) raised economic growth forecasts for 2013 to between 2.5% and 3.5%, from the earlier forecast of 1.0% to 3.0%. This is supported by the improving prospects of China's economy which reported accelerated growth of 7.8% for Q3 2013 and the gradual recovery of the advanced economies.

Singapore's economy has remained resilient and possesses good fundamentals with improving prospects. The Group is of the view that with almost full employment, low interest rate environment which is likely to be sustained in the near future and strong market liquidity, fundamental demand for properties should remain healthy for end users and investors with longer term investment horizon. Due to the introduction of the TDSR, we should expect demand to gravitate towards units that are more affordable and projects that are realistically priced with strong locational attributes such as those near the MRT stations.

Developers are beginning to cut their prices in existing and new projects; willing to take in lower profit margins. However, land prices continue to escalate due to limited land bank and also the punitive restrictions imposed by the Qualifying Certificates (QC). The QC conditions make it difficult for affected developers – many of whom are established listed companies to buy land from the private market. Non-traditional property developers, especially foreign construction companies, are also entering the real estate development field, bidding aggressively to secure land for development; while sacrificing their profit margins in construction. As a result, many developers have formed joint ventures to bid for land and noticeably, successful bid prices between sites can vary widely, reflective of the lack of land stock in trade. This is a very potent trend that may affect the industry in the medium to long run and the Group is hopeful that the Government will study this carefully.

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Ensuring that housing remains affordable is key; and the Government and the private sector must work closely to ensure any impact will be mitigated, in the event that there is oversupply and our economy does not recover as anticipated. It is critical to consider the time lag between the completion of units and demand.

The Group continues to be selective and strategic in its land replenishment strategy. It has remained more conservative in tendering for land this year, preferring to err on caution. In lieu of this, the Group has been focusing on developing its overseas growth engines.

The Group has also noticed that the price gap between mid and high-end segment has narrowed. This auger well for properties in Sentosa Cove, where there is no more land for development. We are pleased that W Singapore – Sentosa Cove hotel had been performing well since its opening in October 2012 and enjoying good occupancy and healthy gross profit margins.

In October, the Group launched two new projects. The first is a mixed development – The Venue Residences and Shoppes. Consisting of 266 residential units of 1- to 4-bedroom apartments and penthouse suites and 28 retail/F&B units, the project offers a unique seamless living, shopping and dining experience. It is situated along Tai Thong Crescent, at the junction of Upper Serangoon Road and MacPherson Road. Well served by key expressways and a short drive from the city centre, this development enjoys great accessibility. It is also merely 3-minutes' walk from Potong Pasir MRT station. The Venue Residences is located within 1 kilometre of good schools such as St. Andrew's village, St. Joseph's Institution Junior, Maris Stella High School and Stamford American International. Residents also enjoy easy access to a host of other amenities including City Square Mall and the NEX Shopping Mall. Response has been encouraging with over 60% of the 28 retail/F&B units and 66 residential units released for sale taken up.

The second project is the 396-unit condominium at Changi/Pasir Ris locale known as The Inflora. This joint venture project comprising 1- to 4-bedroom units is competitively priced and response was overwhelming, with over 95% of the project sold within a few days of its launch. The project is now almost sold-out.

Generally, demand is concentrated more on the mass to mid-segment markets. Demand for high-end residential properties continued to remain subdued as it is more susceptible to global market trends and events. The property cooling measures and the TDSR framework have also dampened foreign demand with the loading of higher acquisition cost, reduced financing capability and perceived policy uncertainties. Industry stakeholders hope the Government will review the series of cooling measures and make timely adjustments when needed.

Market reports indicated that the office rental market recovery has gained some momentum in Q3 2013. URA data indicated that quarter-on-quarter rental growth of Central Area office space has improved slightly by 1.0%. Property consultants reported that the recovery is also supported by a broader demand base especially oil and gas companies and major retailer's groups besides the traditional financial sector. Consultants expect Grade A office to lead a modest recovery as early as end of 2013 and Grade B office rents to remain fairly stable for the next 6 to 9 months.

The strata-titled office sales volume has moderated in Q3 2013, which is estimated to have decreased by 53% quarter-on-quarter. Despite the drop in transaction volume, the average capital value of Premium Grade and Grade A office space in the Raffles Place/ New Downtown micro-markets for Q3 2013 has remained unchanged from Q2 2013 at \$2,640 per square foot (psf) and \$2,390 psf respectively. The pull back of demand is likely due to the impact of the TDSR on investors' sentiments and borrowing limits. End users and businesses with a genuine need for office space are less likely to be affected by the TDSR framework and will provide support for demand.

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## Hotels

Despite more competitive conditions in Singapore and South Korea, and the impact of refurbishments in Taipei, M&C maintained a steady course in Q3.

For the first three weeks of trading in Q4 2013, global RevPAR was up 5.8% on a reported currency basis, compared to the same period last year, with London up 12.6%, New York up 4.6% and Singapore down 4.6%. Rest of Asia was up 10.0%.

Overall, current trading is broadly in line with the M&C management's expectations.

## Group Prospects

The global outlook remains uncertain though there have been some signs of improvement. Many unforeseen and unpredictable factors spanning political events, reduced financial stimulus, geo-political tensions, civil unrests and extreme environmental changes continue to keep businesses on heightened alert.

Domestically, as the Group had anticipated, the impacts of the accumulated property cooling measures are beginning to show its true colours and bite.

The Group is watchful of these rapidly changing environments and will act swiftly as the situations require. It remains focused on sharpening its core businesses with eyes set on building new opportunities or platforms overseas.

It will utilise all of its synergistic platforms which includes hotels operations, property development, a hotel real estate investment trust (REIT), a private equity division, significant land reserve investment, an ever expanding China platform and a growing UK investment vehicle, to provide the Group with a balanced and diversified portfolio.

The Group just celebrated its 50<sup>th</sup> Anniversary and has five decades of experience and proven track record. While the continued headwinds are expected to blow in different sectors at varying degrees, the Group is confident that it will be able to deal with them to a certain extent, as it has weathered many of such similar storms in the past.

It expects to continually perform profitably for the year.



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## 11. Dividend

### (a) Current Financial Period Reported On

#### *Any dividend declared for the current financial period reported on?*

Yes.

The Company had paid the following tax-exempt (one-tier) special interim ordinary dividend to ordinary shareholders and non-cumulative preference dividends to holders of City Developments Limited Non-redeemable Convertible Non-cumulative Preference Shares ("Preference Shares").

| Name of dividend           | Tax exempt (One-tier) Special Interim Ordinary Dividend | Tax exempt (One-tier) Preference Dividend                    |
|----------------------------|---|--|
| Date of payment            | 5 September 2013  | 1 July 2013  |
| Dividend type              | Cash  | Cash   |
| Dividend amount (in cents) | 8.0 cents per Ordinary Share                            | 1.94 cents per Preference Share                              |
| Dividend rate (in %)       | N.A.  | 3.9% per annum on the issue price of each Preference Share   |
| Dividend period            | N.A.  | From 31 December 2012 to 30 June 2013 (both dates inclusive) |
| Issue price                | N.A.  | \$1.00 per Preference Share                                  |

On 12 November 2013, the Board of Directors, pursuant to the recommendation of the Audit & Risk Committee, declared the payment of a tax-exempt (one-tier) non-cumulative preference dividend to holders of the City Developments Limited Preference Shares in accordance with the terms of issue of the Preference Shares. The preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum on the issue price of \$1.00 for each Preference Share on the basis of 183 days, being the actual number of days comprised in the dividend period from 1 July 2013 to 30 December 2013, divided by 365 days.

| Name of Dividend           | Tax-exempt (One-tier) Preference Dividend                   |
|----------------------------|---|
| Date of payment            | 31 December 2013  |
| Dividend Type              | Cash  |
| Dividend Amount (in cents) | 1.96 cents per Preference Share                             |
| Dividend rate (in %)       | 3.9% per annum on the issue price of each Preference Share  |
| Dividend period            | From 1 July 2013 to 30 December 2013 (both dates inclusive) |
| Issue price                | \$1.00 per Preference Share                                 |

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

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

Yes.

| Name of dividend           | Tax exempt (one-tier) Preference Dividend                    |  |
|----------------------------|--|--|
| Date of payment            | 2 July 2012  | 31 December 2012   |
| Dividend type              | Cash   | Cash   |
| Dividend amount (in cents) | 1.94 cents <sup>^</sup>                                      | 1.96 cents <sup>^</sup>                                      |
| Dividend rate (in %)       | 3.9% per annum on the issue price of each Preference Share   | 3.9% per annum on the issue price of each Preference Share   |
| Dividend period            | From 31 December 2011 to 29 June 2012 (both dates inclusive) | From 30 June 2012 to 30 December 2012 (both dates inclusive) |
| Issue price                | \$1.00 per Preference Share                                  | \$1.00 per Preference Share                                  |

<sup>^</sup> Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of \$1.00 for each Preference Share on the basis of the actual number of days comprised in the dividend period divided by 366 days.

**(c) Date payable**

The tax-exempt (one-tier) preference dividend for the period from 1 July 2013 to 30 December 2013 (both dates inclusive) will be paid on 31 December 2013.

**(d) Books Closure Date**

5.00pm on 11 December 2013.

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

Not applicable.

**13. Interested Person Transactions**

|   |   |
|---|---|
| Interested Persons  | Aggregate value of all interested person transactions conducted in third quarter ended 30 September under the IPT Mandate pursuant to Rule 920 (excluding transactions less than \$100,000)   |
| Hong Leong Investment Holdings Pte. Ltd. group of companies | <p><u>Property-related</u></p> <p>Provision to interested persons of: \$1,124,736.00</p> <p>(i) Security services;</p> <p>(ii) Managing agent services; and</p> <p>(iii) Cleaning services.</p> <p><b>Total: \$1,124,736.00</b></p> |
| Directors and their immediate family members                | Nil   |

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## 14. Segment Reporting

### By Business Segments

|  | The Group           |                |                      |                  |
|--|---------------------|----------------|----------------------|------------------|
|  | Third quarter ended |                | 9-month period ended |                  |
|  | 30 September        |                | 30 September         |                  |
|  | 2013                | 2012           | 2013                 | 2012             |
|  | S\$'000             | S\$'000        | S\$'000              | S\$'000          |
| <b><u>Revenue</u></b>                      |                     |                |                      |                  |
| Property Development                       | 326,307             | 348,767        | 944,529              | 1,036,352        |
| Hotel Operations                           | 393,772             | 381,121        | 1,126,961            | 1,129,411        |
| Rental Properties                          | 78,311              | 75,317         | 234,102              | 227,231          |
| Others                                     | 24,265              | 27,653         | 82,158               | 74,364           |
|  | <b>822,655</b>      | <b>832,858</b> | <b>2,387,750</b>     | <b>2,467,358</b> |
| <b><u>Profit before income tax (*)</u></b> |                     |                |                      |                  |
| Property Development                       | 88,903              | 76,505         | 241,816              | 273,695          |
| Hotel Operations                           | 49,337              | 55,678         | 130,276              | 166,484          |
| Rental Properties                          | 32,303              | 71,189         | 251,983              | 135,074          |
| Others                                     | 6,531               | 13,053         | 12,440               | 59,523           |
|  | <b>177,074</b>      | <b>216,425</b> | <b>636,515</b>       | <b>634,776</b>   |

\* Includes share of after-tax profit of associates and jointly-controlled entities.

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

## Property Development

Revenue decreased by \$22.5 million to \$326.3 million (Q3 2012: \$348.8 million) for Q3 2013 and \$91.9 million to \$944.5 million (YTD September 2012: \$1,036.4 million) for YTD September 2013.

Pre-tax profits increased by \$12.4 million to \$88.9 million (Q3 2012: \$76.5 million) for Q3 2013 but decreased by \$31.9 million to \$241.8 million (YTD September 2012: \$273.7 million) for YTD September 2013.

Projects that contributed to both revenue and profit in YTD September 2013 include Volari, NV Residences, 368 Thomson, Cube 8, Hundred Trees, Tree House, The Glyndebourne, H<sub>2</sub>O Residences, The Palette, Buckley Classique and HAUS@SERANGOON GARDEN. In accordance with the Group's policy of equity accounting for the results of its jointly-controlled entities, whilst revenue from joint venture developments such as The Gale, Hedges Park and Bartley Residences has not been consolidated into the Group's total revenue, the Group's share of profits arising from these joint venture developments have been included in pre-tax profit.

The decrease in revenue for Q3 2013 was primarily due to absence of contribution from Volari, Hundred Trees and NV Residences which obtained Temporary Occupation Permit by 1H 2013, partially mitigated by maiden contribution from The Palette and HAUS@SERANGOON GARDEN in Q1 2013 and Q3 2013 respectively as well as revenue from sale of office strata units in Sunshine Plaza.

The decrease in revenue for YTD September 2013 was mainly attributable to the absence of revenue from sale of a warehouse at Tagore Avenue, sold in Q1 2012, lower contribution from NV Residences, Hundred Trees, Volari and Tree House following their completion. This was partially mitigated by sale of strata units in Sunshine Plaza and an industrial site at 100F Pasir Panjang, coupled with increased contributions from Buckley Classique, H<sub>2</sub>O Residences and The Glyndebourne as well as maiden contributions from the aforesaid 2 residential projects.

Despite the decrease in revenue for Q3 2013, its pre-tax profit increased due to higher profit recognition from property development projects held by the Group's associate, First Sponsor Capital Limited.

For YTD September 2013, the decrease in pre-tax profit was in tandem with the decrease in revenue. In addition, YTD September 2012 included release of accruals no longer required following the finalisation with main contractor in relation to City Square Residences.

## Hotel Operations

In spite of the closure of the hotel rooms resulted from on-going refurbishment programme in Millennium & Copthorne Hotels and the subdued hospitality markets, revenue for this segment continued to remain relatively steady at \$393.8 million (Q3 2012: \$381.1 million) for Q3 2013 and at \$1,127.0 million (YTD September 2012: \$1,129.4 million) for YTD September 2013. This was largely due to revenue contribution from W Singapore Sentosa Cove Hotel which commenced operations in October 2012 and re-instatement of room sales from recently refurbished hotels.

Pre-tax profit decreased by \$6.4 million to \$49.3 million (Q3 2012: \$55.7 million) for Q3 2013 and \$36.2 million to \$130.3 million (YTD September 2012: \$166.5 million) for YTD September 2013. The hotel profit margin was impacted by the higher operating costs and the challenging trading conditions persisted in most Asian destinations as a result of economic uncertainty, together with local factors such as greater hotel capacity, concern about rising labour costs as a result of government policy in Singapore and lower Japanese visitor numbers in Seoul.

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## Rental Properties

Revenue for this segment remained relatively steady at \$78.3 million (Q3 2012: \$75.3 million) for Q3 2013 and at \$234.1 million (YTD September 2012: \$227.2 million) for YTD September 2013.

Nevertheless, pre-tax profit decreased by \$38.9 million to \$32.3 million (Q3 2012: \$71.2 million) for Q3 2013 but increased by \$116.9 million to \$252.0 million (YTD September 2012: \$135.1 million) for YTD September 2013.

The decrease in pre-tax profit for Q3 2013 was due to lower gains recognised on the disposal of non-core investment properties. Gains was recognised on disposal of 1 strata floor of GB Building in Q3 2013 vis-à-vis profits accounted for disposal of several strata units in Citimac Industrial Complex, Elite Industrial Building II, GB Building and Pantech Business Hub in Q3 2012.

Pre-tax profit increased for YTD September 2013 primarily due to gains recognised from the sale of an industrial site at 100G Pasir Panjang, several strata units in Elite Industrial Building I, as well as disposal of equity interest in a subsidiary in 2013. This was however, partially offset by the lesser strata units sold in 2013 for GB Building as compared to 2012.

## Others

Revenue, comprising mainly management fee income from building maintenance contracts, project management, club operations as well as dividend income, remained steady at \$24.3 million (Q3 2012: \$27.7 million) for Q3 2013 but increased by \$7.8 million to \$82.2 million (YTD September 2012: \$74.4 million) for YTD September 2013. This was primarily due to higher management fee income earned in YTD September 2013 as compared to the corresponding period of last year.

Pre-tax profit for this segment decreased by \$6.6 million to \$6.5 million (Q3 2012: \$13.1 million) for Q3 2013 and \$47.1 million to \$12.4 million (YTD September 2012: \$59.5 million) for YTD September 2013. The decreases for both Q3 2013 and YTD September 2013 were due to lower gains recognised on realisation of investments in a private real estate fund and lower net fair value gains recognised on financial assets held for trading in 2013.

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

Total Annual Net Dividend

|              | <b>Full Year<br/>2012<br/>S\$'000</b> | <b>Full Year<br/>2011<br/>S\$'000</b> |
|--------------|---------------------------------------|---------------------------------------|
| Ordinary     | 72,744                                | 72,744                                |
| Special      | 45,465                                | 90,930                                |
| Preference   | 12,904                                | 12,904                                |
| <b>Total</b> | <b>131,113</b>                        | <b>176,578</b>                        |

The final tax-exempt (one-tier) ordinary dividend and special final tax-exempt (one-tier) ordinary dividend for the year ended 31 December 2012 of 8.0 cents and 5.0 cents respectively per ordinary share had been approved by the ordinary shareholders at the Annual General Meeting held on 24 April 2013 and the dividend amounts are based on the number of issued ordinary shares as at 2 May 2013.

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**17. A breakdown of sales and operating profit after tax for first half year and second half year.**

Not applicable.

## **BY ORDER OF THE BOARD**

Shufen Loh @ Catherine Shufen Loh  
Company Secretary  
12 November 2013

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## **CONFIRMATION BY THE BOARD**

The Directors of the Company hereby confirm, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited financial results for the third quarter and the 9-month period ended 30 September 2013 to be false or misleading in any material respect.

On behalf of the Board of Directors

**Kwek Leng Beng**  
Executive Chairman

**Kwek Leng Peck**  
Director

Singapore, 12 November 2013