GuocoLand Limited (Reg. No. 197600660W)
A Member of the Hong Leong Group

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2016

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

	Group First Quarter Ended 30/09/2016 S$'000	30/09/2015 S$'000	Increase/ (Decrease) %
Revenue	202,764	439,833	(54)
Cost of sales	(160,087)	(295,991)	(46)
Gross profit	42,677	143,842	(70)
Other income	12,426	561,255	(98)
Administrative expenses	(14,526)	(30,605)	(53)
Other expenses	(1,374)	(710)	94
Finance costs	(7,590)	(19,048)	(60)
Share of loss of associates and joint ventures (net of tax)	(119)	(947)	(87)
Profit before tax	31,494	653,787	(95)
Tax expense	(7,606)	(136,179)	(94)
Profit for the period	23,888	517,608	(95)
Profit attributable to:			
Equity holders of the Company	**25,644**	**516,499**	(95)
Non-controlling interests	(1,756)	1,109	N/M
	23,888	517,608	(95)

N/M : Not meaningful.

1(a)(i) Breakdown and explanatory notes to the income statement:-

	Group First Quarter Ended 30/09/2016 S$'000	30/09/2015 S$'000	Increase/ (Decrease) %
Interest income	3,844	2,142	79
Depreciation of property, plant and equipment	(1,514)	(1,827)	(17)
Gain on disposal of property, plant and equipment	-	118	(100)
Net fair value gain on derivative financial instruments	4,865	978	N/M
Net foreign exchange gain	2,609	5,958	(56)
Fair value gain from investment properties	-	5,002	(100)
Gain on disposal of interests in subsidiaries	-	546,339	(100)

N/M : Not meaningful.

The gain on disposal of interests in subsidiaries for the quarter ended 30 September 2015 was the finalised balance subsequent to the audit for the year ended 30 June 2016.

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

	Group As At		Company As At	
	30/09/2016 S$'000	30/06/2016 S$'000	30/09/2016 S$'000	30/06/2016 S$'000
Non-current assets				
Property, plant and equipment	515,938	494,780	-	-
Investment properties	2,752,405	2,711,193	-	-
Subsidiaries	-	-	2,001,546	2,001,613
Associates and joint ventures	427,590	427,945	-	-
Other receivables, including derivatives	-	84	-	-
Other investments	798	603	-	-
Deferred tax assets	27,360	29,500	-	-
	3,724,091	3,664,105	2,001,546	2,001,613
Current assets				
Inventories	2,994,318	2,410,452	-	-
Trade and other receivables, including derivatives	301,343	401,799	27	7
Cash and cash equivalents	1,125,243	1,430,249	228	231
	4,420,904	4,242,500	255	238
Total assets	**8,144,995**	**7,906,605**	**2,001,801**	**2,001,851**
Equity				
Share capital	1,926,053	1,926,053	1,926,053	1,926,053
Reserves	1,376,633	1,350,094	44,060	44,426
Equity attributable to ordinary equity holders of the Company	3,302,686	3,276,147	1,970,113	1,970,479
Non-controlling interests	164,199	166,059	-	-
Total equity	3,466,885	3,442,206	1,970,113	1,970,479
Non-current liabilities				
Other payables, including derivatives	212,136	210,012	30,375	30,365
Loans and borrowings	1,250,600	1,708,205	-	-
Deferred tax liabilities	15,812	13,648	-	-
	1,478,548	1,931,865	30,375	30,365
Current liabilities				
Trade and other payables, including derivatives	324,354	339,384	1,235	929
Loans and borrowings	2,803,011	2,122,091	-	-
Current tax liabilities	72,197	71,059	78	78
	3,199,562	2,532,534	1,313	1,007
Total liabilities	4,678,110	4,464,399	31,688	31,372
Total equity and liabilities	**8,144,995**	**7,906,605**	**2,001,801**	**2,001,851**

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

Amount repayable in one year or less, or on demand

As at 30/09/2016 (S$'000)		As at 30/06/2016 (S$'000)	
Secured	Unsecured	Secured	Unsecured
1,675,110	1,127,901	1,611,763	510,328

Amount repayable after one year

As at 30/09/2016 (S$'000)		As at 30/06/2016 (S$'000)	
Secured	Unsecured	Secured	Unsecured
616,975	633,625	800,075	908,130

Details of any collateral

The Group's assets pledged/mortgaged to secure loan facilities granted to the Group are as follows:-

	Group As At	
	30/09/2016 S$'000	**30/06/2016 S$'000**
At carrying amounts:-		
Property, plant and equipment	403,193	380,766
Investment properties	2,194,423	2,153,400
Inventories	2,192,878	2,224,018

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

	Group First Quarter Ended 30/09/2016 S$'000	Group First Quarter Ended 30/09/2015 S$'000
Cash flows from operating activities		
Profit before tax	31,494	653,787
Adjustments for:-		
Depreciation of property, plant and equipment	1,514	1,827
Dividend income from equity securities	(22)	-
Gain on disposal of property, plant and equipment	-	(118)
Gain on disposal of interests in subsidiaries	-	(546,339)
Fair value gain from investment properties	-	(5,002)
Net fair value gain on derivative financial instruments	(4,865)	(978)
Finance costs	7,590	19,048
Interest income	(3,844)	(2,142)
Share of loss of associates and joint ventures (net of tax)	119	947
	31,986	121,030
Changes in:-		
Inventories	(574,934)	256,288
Trade and other receivables	110,181	132,466
Trade and other payables	(34,705)	(72,892)
Balances with holding companies and related corporations	(4,482)	(1,519)
Cash generated from operating activities	(471,954)	435,373
Tax paid	(1,620)	(69,438)
Net cash (used in)/from operating activities	(473,574)	365,935
Cash flows from investing activities		
Additions to investment properties	(7,808)	(51,372)
Additions to property, plant and equipment	(16,852)	(9,231)
Balances with associates and joint ventures	(6)	(23,004)
Dividends received from associates and joint ventures	647	-
Dividends received from equity securities	22	-
Interest received	2,857	2,058
Proceeds from disposal of interests in subsidiaries	-	2,142,299
Proceeds from disposal of property, plant and equipment	-	189
Net cash (used in)/from investing activities	(21,140)	2,060,939

	Group First Quarter Ended	
	30/09/2016 S$'000	30/09/2015 S$'000
Cash flows from financing activities		
Fixed deposits pledged	(12,509)	252,123
Interest paid	(33,495)	(41,964)
Proceeds from loans and borrowings	579,572	285,071
Proceeds from loans from non-controlling interests of subsidiaries	-	5,300
Repayment of loans and borrowings	(357,569)	(1,314,274)
Net cash from/(used in) financing activities	175,999	(813,744)
Net (decrease)/increase in cash and cash equivalents	(318,715)	1,613,130
Cash and cash equivalents at beginning of the period	1,429,038	411,152
Exchange differences on translation of balances held in foreign currencies	1,300	6,764
Cash and cash equivalents at end of the period	1,111,623	2,031,046

For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude cash collaterals and are presented net of bank overdrafts repayable on demand.

For the quarter ended 30 September 2016, net cash used in operating activities was $473.6 million. This was mainly attributed to the acquisition of a residential site at Martin Place during the quarter. For financing activities, net cash generated of $176.0 million was from loans and borrowings.

1(d) Consolidated Statement of Comprehensive Income

	Group First Quarter Ended 30/09/2016 S$'000	30/09/2015 S$'000	Increase/ (Decrease) %
Profit for the period	23,888	517,608	(95)
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	596	5,802	(90)
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	(101,996)	100
Net change in fair value of available-for-sale securities	195	-	N/M
Other comprehensive income for the period, net of tax	**791**	**(96,194)**	**N/M**
Total comprehensive income for the period, net of tax	**24,679**	**421,414**	**(94)**
Attributable to:			
Equity holders of the Company	26,539	431,684	(94)
Non-controlling interests	(1,860)	(10,270)	(82)
Total comprehensive income for the period, net of tax	**24,679**	**421,414**	**(94)**

N/M : Not meaningful.

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.

Statement of Changes in Equity for the First Quarter ended 30 September 2016 and 30 September 2015

	←Attributable to ordinary equity holders of the Company→							
	Share Capital S$'000	Other Reserves* S$'000	Accumulated Profits S$'000	Total Ordinary Equity S$'000	Perpetual Securities S$'000	Total S$'000	Non-Controlling Interests S$'000	Total Equity S$'000
Group								
At 1 July 2016	**1,926,053**	**(274,740)**	**1,624,834**	**3,276,147**	-	**3,276,147**	**166,059**	**3,442,206**
Total comprehensive income for the period								
Profit for the period	-	-	25,644	25,644	-	25,644	(1,756)	23,888
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	763	-	763	-	763	(167)	596
Net change in fair value of available-for-sale securities	-	132	-	132	-	132	63	195
Total other comprehensive income, net of tax	-	895	-	895	-	895	(104)	791
Total comprehensive income for the period, net of tax	**-**	**895**	**25,644**	**26,539**	**-**	**26,539**	**(1,860)**	**24,679**
Transactions with equity holders, recorded directly in equity								
Total transactions with equity holders	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 30 September 2016	**1,926,053**	**(273,845)**	**1,650,478**	**3,302,686**	**-**	**3,302,686**	**164,199**	**3,466,885**

* Include reserve for own shares, capital reserve, translation reserve, revaluation reserve, fair value reserve and merger reserve.

	←Attributable to ordinary equity holders of the Company→							
	Share Capital S$'000	Other Reserves* S$'000	Accumulated Profits S$'000	Total Ordinary Equity S$'000	Perpetual Securities S$'000	Total S$'000	Non-Controlling Interests S$'000	Total Equity S$'000
Group								
At 1 July 2015	**1,926,053**	**(72,371)**	**1,082,766**	**2,936,448**	**200,295**	**3,136,743**	**159,502**	**3,296,245**
Total comprehensive income for the period								
Profit for the period	-	-	516,499	516,499	-	516,499	1,109	517,608
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries, associates and joint ventures	-	17,181	-	17,181	-	17,181	(11,379)	5,802
Translation reserve of subsidiaries reclassified to profit or loss upon disposal	-	(101,996)	-	(101,996)	-	(101,996)	-	(101,996)
Total other comprehensive income, net of tax	-	(84,815)	-	(84,815)	-	(84,815)	(11,379)	(96,194)
Total comprehensive income for the period, net of tax	**-**	**(84,815)**	**516,499**	**431,684**	**-**	**431,684**	**(10,270)**	**421,414**
Transactions with equity holders, recorded directly in equity								
Contributions by and distribution to equity holders								
Accrued distribution for perpetual securities	-	-	(2,474)	(2,474)	2,474	-	-	-
Total contributions by and distributions to equity holders	**-**	**-**	**(2,474)**	**(2,474)**	**2,474**	**-**	**-**	**-**
Changes in ownership interests in subsidiaries								
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	-	(1,101)	(1,101)
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**(1,101)**	**(1,101)**
Total transactions with equity holders	**-**	**-**	**(2,474)**	**(2,474)**	**2,474**	**-**	**(1,101)**	**(1,101)**
At 30 September 2015	**1,926,053**	**(157,186)**	**1,596,791**	**3,365,658**	**202,769**	**3,568,427**	**148,131**	**3,716,558**

* Include reserve for own shares, capital reserve, translation reserve, revaluation reserve, fair value reserve and merger reserve.

	Share Capital S$'000	Other Reserves* S$'000	Accumulated Profits S$'000	Total Equity S$'000
Company				
At 1 July 2016	**1,926,053**	**(162,047)**	**206,473**	**1,970,479**
Loss for the period	-	-	(366)	(366)
Total comprehensive income for the period	**-**	**-**	**(366)**	**(366)**
At 30 September 2016	**1,926,053**	**(162,047)**	**206,107**	**1,970,113**
At 1 July 2015	**1,926,053**	**(162,047)**	**193,944**	**1,957,950**
Loss for the period	-	-	(2,276)	(2,276)
Total comprehensive income for the period	**-**	**-**	**(2,276)**	**(2,276)**
At 30 September 2015	**1,926,053**	**(162,047)**	**191,668**	**1,955,674**

*Include reserve for own shares and capital reserve.

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 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. State 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. 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.

		As At 30/09/2016
(a)	Issued and fully paid ordinary shares (S$'000):- At 1 July and 30 September 2016	1,926,053

(b) There are no outstanding executives share options as at 30 September and 30 June 2016.

		As At 30/09/2016	30/09/2015
(c)	No. of issued ordinary shares	1,183,373,276	1,183,373,276
	Less : No. of shares acquired by the Trust for ESOS	(73,604,933)	(73,604,933)
		1,109,768,343	1,109,768,343

The total number of issued ordinary shares excluding shares acquired by the Trust for ESOS as at 30 September and 30 June 2016 is 1,109,768,343.

		As At 30/09/2016
(d)	No. of shares acquired by the Trust for ESOS:- At 1 July and 30 September 2016	73,604,933

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.

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 Item 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 most recently audited financial statements of the Group for the financial year ended 30 June 2016.

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 various new/revised Financial Reporting Standards ("FRS") which took effect for financial year beginning 1 July 2016. There is no significant financial impact on its financial position or performance from the adoption of these amendments to FRS.

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.

		Group First Quarter Ended 30/09/2016	 30/09/2015
Earnings per ordinary share for the period based on the Group's profit attributable to equity holders of the Company*:-			
a.	Based on weighted average number of ordinary shares in issue after adjusting for the shares held by the Trust for ESOS (cents)	2.31	46.32
	Weighted average number of ordinary shares ('000)	1,109,768	1,109,768
b.	On a fully diluted basis (cents)	2.31	46.32
	Weighted average number of ordinary shares ('000)	1,109,768	1,109,768

* After deducting accrued distribution for perpetual securities of $2,474,000 for the quarter ended 30 September 2015. There was no distribution for perpetual securities for the current quarter as the perpetual securities was fully redeemed as at 30 June 2016.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group As At		Company As At	
	30/09/2016 S$	**30/06/2016 S$**	**30/09/2016 S$**	**30/06/2016 S$**
Net asset value per ordinary share based on existing issued share capital after adjusting for the shares held by the Trust for ESOS	2.98	2.95	1.78	1.78

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.

(i) **Income statement**

The Group achieved revenue of $202.8 million for the current quarter ended 30 September 2016, a decrease of 54% as compared to the previous corresponding quarter. The lower revenue was mainly due to the absence of contribution from the sale of an office block in Shanghai Guoson Centre in the previous corresponding quarter. Gross profit declined by 70% due to the fall in revenue and lower gross margin arising from change in sales mix in the two periods of review.

Meanwhile, due to a one-time gain from the disposal of subsidiaries relating to the Dongzhimen project in the quarter ended 30 September 2015; other income in current quarter decreased by 98% to $12.4 million. Consequentially, the Group ended the quarter with a profit attributable to equity holders of $25.6 million, a 95% drop as compared to the previous corresponding quarter.

In line with the drop in activity and profitability for the current quarter, administrative and tax expenses fell 53% and 94% respectively. Finance costs reduced by 60% to $7.6 million mainly due to lower loans and borrowings in the current financial period.

(ii) **Statement of financial position**

Equity attributable to ordinary equity holders of the Company was $3.30 billion as at 30 September 2016. This was an increase of $26.5 million from 30 June 2016 and was mainly due to profit recorded for the quarter.

During the quarter, the Group completed the acquisition of a residential site at Martin Place for a bid price of $595.1 million, partially funded by loans and borrowings. As at 30 September 2016, the Group's gearing remains prudent at 0.9 times.

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

No forecast was made. The business environment described in item 10 of the Group's results announcement for the fourth quarter and full year ended 30 June 2016, has not changed.

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.

In Singapore, recent flash estimates released by the Urban Redevelopment Authority for 3rd quarter 2016 showed that private residential property prices continue to fall. After several quarters of mild price declines, the price index for the overall private residential market fell by 1.5% in 3rd quarter 2016 as compared to the previous quarter. This marked the 12th consecutive quarter of decline in private residential property prices, and was the sharpest price drop since 2009. The Government has reiterated that the property cooling measures continue to be relevant and necessary to keep the property market sustainable. Property consultants expect office and retail rentals to continue to be under pressure due to the muted economic outlook and weak business sentiment. However, the pre-commitment levels at the office and retail components of Tanjong Pagar Centre, the Group's integrated mixed-use development, have been healthy.

According to the National Bureau of Statistics in China, new home prices rose in 64 out of 70 cities in August. In Shanghai, prices climbed 4.4% month-on-month and 31.2% year-on-year in August, which were both higher than the 1.2% month-on-month and 27.3% year-on-year increases recorded in July 2016. In early October, the authorities announced new property cooling measures in some of the larger cities.

Amidst the uncertain economic environment in Malaysia, the property market outlook continues to be weak. The Group will continue to focus on monetising its current projects.

While the Group continues to focus on sales and leasing of its current projects, the Group is also strategically exploring investment opportunities available in both existing and new markets.

11. Dividend

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

No dividend was declared for the current financial period reported on.

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

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. Interested Person Transactions

The Company does not have a shareholders' mandate for interested person transactions.

13. Confirmation Pursuant to Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results of GuocoLand Limited for the first quarter ended 30 September 2016, to be false or misleading in any material aspect.

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual

GuocoLand Limited confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

BY ORDER OF THE BOARD

Mary Goh Swon Ping
Group Company Secretary
24 October 2016