

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

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

Consolidated Statement of Comprehensive Income

	Group			Group		
	3 months ended 30 June		Increase / (Decrease)	6 months ended 30 June		Increase / (Decrease)
	2012	2011 *(restated)		2012	2011 *(restated)	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Sales	33,727	70,613	(52.2)	96,026	145,280	(33.9)
Cost of sales	(13,886)	(34,161)	(59.4)	(43,484)	(71,717)	(39.4)
Gross profit	19,841	36,452	(45.6)	52,542	73,563	(28.6)
Other income	1,832	1,623	12.9	3,384	3,187	6.2
Other (losses)/gains - net						
- Fair value (losses)/gains on investment properties	-	(905)	nm	531	4,084	(87.0)
- Other	(355)	(2)	nm	(352)	(11)	nm
Expenses						
- Distribution and marketing	(2,629)	(2,410)	9.1	(7,533)	(4,425)	70.2
- Administrative	(3,354)	(310)	981.9	(5,240)	(1,744)	200.5
- Finance	(809)	(2,430)	(66.7)	(2,685)	(4,753)	(43.5)
- Other	(1,802)	(1,589)	13.4	(3,500)	(3,076)	13.8
Share of profit of associated companies	6,100	7,269	(16.1)	30,580	10,216	199.3
Profit before income tax	18,824	37,698	(50.1)	67,727	77,041	(12.1)
Income tax expense	(2,716)	(5,922)	(54.1)	(5,487)	(12,003)	(54.3)
Net profit attributable to equity holders of the Company	16,108	31,776	(49.3)	62,240	65,038	(4.3)

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on income tax expenses in Q2 2011 and YTD 30 June 2011 which increased by \$25,000 and \$90,000 respectively. As a result, net profits in Q2 2011 and YTD 30 June 2011 decreased by \$25,000 and \$90,000 respectively.

nm : not meaningful

1 (a)(i) Consolidated Statement of Comprehensive Income (continued)

	Group			Group		
	3 months ended 30 June		Increase / (Decrease)	6 months ended 30 June		Increase / (Decrease)
	2012	2011 *(restated)		2012	2011 *(restated)	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Net profit attributable to equity holders of the Company	16,108	31,776	(49.3)	62,240	65,038	(4.3)
Other comprehensive income/ (loss):						
Revaluation surplus on property, plant and equipment	-	2,138	nm	1,679	3,828	(56.1)
Adjustment for movement in deferred tax liability on revaluation surplus	1	(157)	nm	153	18	750.0
Currency translation differences arising from consolidation	(268)	(207)	29.5	(230)	(215)	7.0
Share of associated company's reserves	10,672	3,108	243.4	26,807	(1,784)	nm
Other comprehensive income for the financial period, net of tax	10,405	4,882	113.1	28,409	1,847	nm
Total comprehensive income attributable to equity holders of the Company	26,513	36,658	(27.7)	90,649	66,885	35.5

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on income tax expenses in Q2 2011 and YTD 30 June 2011 which increased by \$25,000 and \$90,000 respectively. As a result, net profits in Q2 2011 and YTD 30 June 2011 decreased by \$25,000 and \$90,000 respectively.

nm : not meaningful

1 (a)(ii) Other profit and loss items disclosure

	Group			Group		
	3 months ended 30 June		Increase / (Decrease)	6 months ended 30 June		Increase / (Decrease)
	2012	2011		2012	2011	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
The following items were credited/ (charged) to the income statement:						
Interest income - fixed deposits	31	5	520.0	47	11	327.3
Interest expense	(818)	(2,433)	(66.4)	(2,703)	(4,762)	(43.2)
Depreciation of property, plant and equipment	(1,915)	(1,810)	5.8	(3,835)	(3,636)	5.5
Bad debts written off	(5)	-	nm	(21)	-	nm
Write-back of allowance for doubtful debts	2	-	nm	18	-	nm
Currency translation gains - net	9	3	200.0	18	9	100.0
Adjustment for over/(under) provision of tax in respect of prior years	57	(5)	nm	1,208	(277)	nm
Loss on disposal of property, plant and equipment	(355)	(2)	nm	(354)	(2)	nm
Gain arising on dilution of interest in an associated company	-	-	nm	2	-	nm

nm : not meaningful

- 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.

Statements of Financial Position

	Group			Company		
	30.06.2012	31.12.2011	31.12.2010	30.06.2012	31.12.2011	31.12.2010
		*(restated)	*(restated)		*(restated)	*(restated)
	S\$'000			S\$'000		
ASSETS						
Current assets						
Cash and cash equivalents	177,170	76,446	37,293	121,016	4,333	5,934
Trade receivables	99,057	188,303	56,436	2,279	2,064	2,338
Inventories	63	73	82	41	54	57
Development properties	166,872	169,974	154,647	-	-	-
Other current assets	932	342	4,003	217	195	199
	444,094	435,138	252,461	123,553	6,646	8,528
Non-current assets						
Investments in associated companies (Note 1)	410,775	356,225	339,317	-	-	-
Investments in subsidiaries	-	-	-	483,530	483,531	483,536
Advances to subsidiaries	-	-	-	124,045	196,561	172,812
Other non-current assets	111	111	111	111	111	111
Investment properties	167,600	166,915	173,243	112,957	112,845	113,959
Property, plant and equipment	698,678	696,944	681,431	434,835	435,295	432,681
	1,277,164	1,220,195	1,194,102	1,155,478	1,228,343	1,203,099
Total assets	1,721,258	1,655,333	1,446,563	1,279,031	1,234,989	1,211,627
LIABILITIES						
Current liabilities						
Trade payables	55,392	39,102	17,941	1,684	2,043	1,970
Other current payables	7,135	11,618	11,590	3,839	6,718	7,508
Current income tax liabilities	23,610	7,655	8,824	4,818	5,081	5,702
Borrowings	116,330	196,058	131,570	-	130,230	1,200
	202,467	254,433	169,925	10,341	144,072	16,380
Non-current liabilities						
Borrowings	309,662	259,602	274,057	240,000	120,000	247,132
Advances from subsidiaries	-	-	-	187,522	136,892	122,464
Other non-current liabilities	4,629	4,366	4,016	961	739	723
Deferred income tax liabilities	38,859	51,793	34,437	3,895	4,332	4,489
	353,150	315,761	312,510	432,378	261,963	374,808
Total liabilities	555,617	570,194	482,435	442,719	406,035	391,188
NET ASSETS	1,165,641	1,085,139	964,128	836,312	828,954	820,439
EQUITY						
Capital and reserves attributable to equity holders of the Company						
Share capital	394,612	372,063	356,713	394,612	372,063	356,713
Revaluation and other reserves	554,433	526,024	525,968	405,006	404,415	400,541
Retained profits	216,596	187,052	81,447	36,694	52,476	63,185
TOTAL EQUITY	1,165,641	1,085,139	964,128	836,312	828,954	820,439

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on retained profits, deferred income tax liabilities and the Group's share of adjustment by its associated company, YHS.

Note 1: Investments in Associated Companies

The Group's associated company, Yeo Hiap Seng Limited ("YHS"), has included the following disclosure in its announcement for the period ended 30 June 2012 released on 6 August 2012 ("YHS Q2 2012 Announcement") :

11. Contingent Liability - page 16 of the YHS Q2 2012 Announcement:

"(a) The Board of Directors of YHSM announced on 2 February 2010 that the Jakarta High Court had decided in favour of YHSM and its subsidiary, PT YHS Indonesia regarding a suit filed by PT Kharisma Inti Persada ("the Plaintiff"), claiming for approximately \$32 million (Rupiah 219.9 billion) for an alleged breach of an alleged agreement and an alleged distributor's appointment. YHSM has on 23 March 2010 received a formal notification from the Central Jakarta District Court that the Plaintiff has filed an appeal against the Jakarta High Court's decision and YHSM had, on 5 April 2010, filed a counter memorandum to the Court.

The Board of Directors announced on 3 July 2012 that YHSM had received a formal notification from the Central Jakarta District Court that the Jakarta Supreme Court has rejected the Plaintiff's appeal and decided the case in favour of YHSM and PT YHS Indonesia. As at the date of this report, the Plaintiff has not filed an appeal for judicial review.

(b) The Board of Directors of YHSM announced on 11 March 2010 that the High Court of Shah Alam has on 10 March 2010 vide the proceedings under Civil Suit no. MT3-22-936-2003 granted judgement against YHSM in favour of F.Y. Sdn Bhd ("the Plaintiff"), for the alleged breach of an agreement. The High Court did not award the quantum of damages and ordered that damages be assessed before the Registrar of the High Court. YHSM filed an appeal with the Court of Appeal on 28 June 2010. The Court of Appeal upon hearing on 27 March 2012, granted judgement in favour of YHSM and allowed YHSM's appeal with costs. On 2 April 2012, the Plaintiff withdrew its application for assessment of damages at the High Court.

On 26 April 2012, the Plaintiff filed an application for leave to appeal to the Federal Court. The application is still pending hearing, which has not been fixed by the Federal Court.

No provision has been made for the above contingent liabilities in the financial period reported on."

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

	As at 30.6.2012		As at 31.12.2011	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Amount repayable in one year or less, or on demand (Note 2)	116,330	-	196,058	-
Amount repayable after one year (Note 2)	309,662	-	259,602	-

Note 2: net of transaction costs

The Group has outstanding banker's guarantees of \$5.5 million as at 30 June 2012 (31 December 2011: \$41.5 million), of which \$36.0 million as at 31 December 2011 was used to support the withdrawal of surplus from a Project Account under Rule 10 of the Housing Developers (Project Account) Rules.

Details of any collateral

All bank borrowings are secured over the Group's development properties, investment properties, freehold and leasehold land and buildings; certain quoted shares held by the Group in an associated company held by a subsidiary; fixed and floating charge over all the assets of the Company and certain subsidiaries; assignment of all rights to and benefits from the sale and purchase agreements, rental proceeds, lease tenancies, building contracts, licences and insurance policies in respect of development properties, investment properties and freehold and leasehold land and buildings within the Group; and corporate guarantees by the Company.

- 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.

Consolidated Statement of Cash Flows

	Group			
	3 months ended 30 June		6 months ended 30 June	
	2012	2011 *(restated)	2012	2011 *(restated)
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit	16,108	31,776	62,240	65,038
Adjustments for:				
Income tax	2,716	5,922	5,487	12,003
Depreciation of property, plant and equipment	1,915	1,810	3,835	3,636
Interest income	(31)	(5)	(47)	(11)
Interest expense	818	2,433	2,703	4,762
Loss on disposal of property, plant and equipment	355	2	354	2
Gain arising on dilution of interest in an associated company	-	-	(2)	-
Fair value losses/(gains) on investment properties	-	905	(531)	(4,084)
Share of profit of associated companies	(6,100)	(7,269)	(30,580)	(10,216)
	15,781	35,574	43,459	71,130
Change in working capital:				
Trade receivables	87,506	(29,714)	89,246	(69,516)
Development properties	4,763	(12,505)	4,503	7,205
Inventories	18	8	10	5
Other current assets	(416)	6	(590)	3,511
Trade payables	506	(408)	16,290	(3,262)
Other payables	(1,176)	(2,286)	(4,293)	(2,499)
Cash generated from operations	106,982	(9,325)	148,625	6,574
Income tax paid - net	(2,580)	(2,132)	(2,313)	(4,816)
Net cash provided by/(used in) operating activities	104,402	(11,457)	146,312	1,758
Cash flows from investing activities				
Additions to property, plant and equipment	(2,452)	(2,021)	(4,471)	(2,369)
Additions to investment properties	(143)	(111)	(153)	(112)
Proceeds from disposal of property, plant and equipment	20	1	21	1
Dividend paid to shareholders	(10,147)	(5,829)	(10,147)	(5,829)
Dividend received from an associated company	2,841	-	2,841	-
Interest received	31	5	47	11
Net cash used in investing activities	(9,850)	(7,955)	(11,862)	(8,298)
Cash flows from financing activities				
Proceeds from borrowings	702	27,010	241,436	27,010
Repayment of borrowings	(650)	(6,437)	(271,724)	(18,045)
Interest paid	(1,379)	(1,770)	(3,438)	(3,449)
Net cash (used in)/provided by financing activities	(1,327)	18,803	(33,726)	5,516
Net increase/(decrease) in cash and cash equivalents	93,225	(609)	100,724	(1,024)
Cash and cash equivalents at beginning of financial period	83,945	36,878	76,446	37,293
Cash and cash equivalents at end of financial period	177,170	36,269	177,170	36,269

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on income tax expenses in Q2 2011 and YTD 30 June 2011 which increased by \$25,000 and \$90,000 respectively. As a result, net profits in Q2 2011 and YTD 30 June 2011 decreased by \$25,000 and \$90,000 respectively.

Cash and cash equivalents of the Group include amounts totalling \$36,434,000 (2011: \$17,397,000), representing the Group's attributable share of joint ventures' bank balances and fixed deposits, held under the Housing Developers (Project Account) (Amendment) Rules 1997 and the Housing Developers (Project Account) Rules 1990, withdrawals of which are restricted to payments for project expenditure incurred, until the completion of the projects.

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

Consolidated Statement of Changes in Equity

	Share capital	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Share-based payment reserve	Retained profits	Total equity
Balance at 1 Apr 2012	S\$'000 372,063	S\$'000 504,439	S\$'000 (7,903)	S\$'000 47,352	S\$'000 140	S\$'000 233,184	S\$'000 1,149,275
Shares issued in-lieu of dividends	22,549	-	-	-	-	(22,549)	-
Dividends paid to shareholders in cash	-	-	-	-	-	(10,147)	(10,147)
Total comprehensive income for the period	-	1	(744)	11,114	34	16,108	26,513
Balance at 30 Jun 2012	394,612	504,440	(8,647)	58,466	174	216,596	1,165,641

	Share capital	Asset revaluation reserve	Currency translation reserve	Fair value reserve	Share-based payment reserve	Retained profits	Total equity
Balance at 1 Apr 2011	S\$'000 356,713	S\$'000 498,939	S\$'000 (6,507)	S\$'000 29,341	S\$'000 -	S\$'000 111,036	S\$'000 989,522
As previously reported	-	-	-	-	-	4,833	4,833
Adoption of amended FRS 12 adjustment *	356,713	498,939	(6,507)	29,341	-	115,869	994,355
As restated	15,352	-	-	-	-	(15,352)	-
Shares issued in-lieu of dividends	-	-	-	-	-	(5,829)	(5,829)
Dividends paid to shareholders in cash	-	-	-	-	-	2,612	-
Share of associated company's transfer from revaluation reserve	-	(2,612)	-	-	-	31,776	36,658
Total comprehensive income for the period	-	1,981	(1,637)	4,538	-		
Balance at 30 Jun 2011	372,065	498,308	(8,144)	33,879	-	129,076	1,025,184

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*.

Company's Statement of Changes in Equity
Balance at 1 Apr 2012

Shares issued in-lieu of dividends

Dividends paid to shareholders in cash

Total comprehensive income for the period

Balance at 30 Jun 2012

Share capital	Asset revaluation reserve	Retained profits	Total equity
S\$'000	S\$'000	S\$'000	S\$'000
372,063	405,006	56,081	833,150
22,549	-	(22,549)	-
-	-	(10,147)	(10,147)
-	-	13,309	13,309
394,612	405,006	36,694	836,312

Balance at 1 Apr 2011

As previously reported

Adoption of amended FRS 12 adjustment *

As restated

Shares issued in-lieu of dividends

Dividends paid to shareholders in cash

Total comprehensive income for the period

Balance at 30 Jun 2011

Share capital	Asset revaluation reserve	Retained profits	Total equity
S\$'000	S\$'000	S\$'000	S\$'000
356,713	401,586	65,020	823,319
-	-	755	755
356,713	401,586	65,775	824,074
15,352	-	(15,352)	-
-	-	(5,829)	(5,829)
-	1,168	6,819	7,987
372,065	402,754	51,413	826,232

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*.

- 1 (d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary shares fully paid

Number of shares at beginning of financial period

Shares issued in-lieu of dividends

Number of shares at end of financial period

The Company does not have any convertibles.

As at 30.06.2012	As at 30.06.2011
'000	'000
363,309	353,007
13,834	10,302
377,143	363,309

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

Number of issued shares excluding treasury shares

The Company does not have any treasury shares.

As at 30.06.2012	As at 31.12.2011
'000	'000
377,143	363,309

- 1 (d)(iv) **A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable, as the Company does not have any treasury shares.

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

The figures have not been audited nor reviewed by the Company's auditors.

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

Not applicable. Refer to item 2 above.

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

The Group has adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2011. The adoption of revised Financial Reporting Standards ("FRS") that are relevant and effective for annual periods beginning on or after 1 January 2012 did not result in any significant change except as disclosed in item 5 below.

- 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 has adopted the Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* on 1 January 2012. The Group previously provided for deferred tax liabilities for its investment properties that will be recovered through use. The amended FRS 12 has introduced a presumption that an investment property measured at fair value is recovered entirely by sale. Accordingly, there will be no deferred tax liability on investment properties as there is no tax on capital gains in Singapore should such a sale occurs. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012.

The effects from the adoption are as noted in the relevant items in other pages as well as follows:

Statements of Financial Position

	Group		Company	
	Increase/(Decrease)		Increase/(Decrease)	
	As at 31.12.2011	As at 31.12.2010	As at 31.12.2011	As at 31.12.2010
	\$'000	\$'000	\$'000	\$'000
Deferred income tax liabilities	(3,022)	(3,118)	(735)	(820)
Investments in associated companies	2,478	1,780	-	-
Retained profits	5,500	4,898	735	820

Consolidated Statement of Comprehensive Income

	Group	
	Increase/(Decrease)	
	3 months ended 30 June 2011	6 months ended 30 June 2011
	\$'000	\$'000
Income tax expense	25	90
Net profit attributable to equity holders of the Company	(25)	(90)

6 Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	3 months ended 30 June		6 months ended 30 June	
	2012	2011 *(restated)	2012	2011 *(restated)
	cents	cents	cents	cents
Earnings per ordinary share (EPS) for the period based on net profits attributable to shareholders after deducting any provision for preference dividends: -				
(i) Based on weighted average number of ordinary shares in issue	4.42	9.00	17.10	18.42
(ii) On a fully diluted basis	4.42	9.00	17.10	18.42

* Please refer to item 5 for the effects from the adoption of Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*. Basic and fully diluted EPS for Q2 2011 and YTD 30 June 2011 decreased by 0.01 cents and 0.02 cents respectively.

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.

	Group		Company	
	As at 30.06.2012	As at 31.12.2011 *(restated)	As at 30.06.2012	As at 31.12.2011 *(restated)
Net asset value (NAV) per ordinary share based on total number of issued shares excluding treasury shares as at the end of the period/year	\$ 3.09	\$ 2.99	\$ 2.22	\$ 2.28

The Company does not have any treasury shares.

* Please refer to item 5, effects from the adoption of on Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets*. The Group's NAV per share as at 31 Dec 2011 increased by 0.02 cents while there was no change on the Company's NAV per share.

- 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.

(a) **Group Performance Review**

Revenue

Total Group revenue for Q2 2012 was down 52.2% to \$33.7 million, as compared against Q2 2011, primarily due to lower sales and lower revenue recognised from the Group's property development project, the Floridian, as the project was almost fully sold. 94% of the project was sold and revenue recognised prior to 1 January 2012. Similarly, revenue for the 6 months ended 30 June 2012 of \$96.0 million was lower by \$49.3 million or 33.9% when compared with the same period in 2011.

Revenue for the hospitality division decreased by \$1.6 million in Q2 2012 compared to the same period last year mainly due to refurbishment works in Central Square Village Residences that required the temporary closure of a number of apartments during the refurbishment. The works were mostly completed at the end of June 2012. Revenue from property investment improved marginally by \$0.4 million for the same comparative period.

Gross Profit and Other Income, Gains or Losses

Gross profit in Q2 2012 of \$19.8 million was lower by \$16.7 million or 45.8% versus the \$36.5 million recorded in Q2 2011. The decrease came mainly from property development which declined by \$15.1 million. Gross profit for the 6 months ended 30 June 2012 was \$52.5 million. This was lower by \$21.1 million from the \$73.6 million in the same period last year.

Expenses

Total expenses showed an increase of \$1.9 million in Q2 2012 when compared to Q2 2011. The increase was mainly due to higher administrative expenses from professional fees incurred for the proposed restructuring. The 2011 expenses were also low due to a one-off refund from a service provider. Finance cost was lower as a result of lower interest rates as well as lower level of borrowings.

Associated companies

Share of profits in our associated companies was slightly lower at \$6.1 million as compared to \$7.3 million in Q2 2011.

Group Results

The Group reported a decrease of 49.4% in its net profit after income tax of \$16.1 million for Q2 2012 as compared to \$31.8 million in the same period in 2011.

(b) Statements of Financial Position**Group - Significant Variances**

The Group's cash and cash equivalents as at 30 June 2012 at \$177.2 million was an increase of \$100.8 million from \$76.4 million as at 31 Dec 2011. The increase came primarily from collections from sale of units in development projects. Consequently, there was a reduction in trade receivables.

Other current assets increased by \$0.6 million to \$0.9 million as at 30 June 2012 due mainly to a deposit that was placed for a land tender.

Investments in associated companies were up \$54.6 million to \$410.8 million as at 30 June 2012, when compared to 31 December 2011. The increase came mainly from the Group's share of reserves and net profits in its associated company, YHS, which saw a significantly higher profit from the recognition of profits in its property division in 1H 2012.

Trade payables saw an increase of \$16.3 million to \$55.4 million, from \$39.1 million as at 31 December 2011. The increase was mainly from accruals made for the remaining construction cost for the Floridian project which obtained its TOP on 5 March 2012.

Other current payables decreased by \$4.5 million to \$7.1 million, from \$11.6 million as at 31 December 2011. This was mainly due to payment of amounts owed to related parties for management, project management and sales and marketing service fees.

Current income tax liabilities at \$23.6 million was higher by \$15.9 million from \$7.7 million at 31 December 2011. This was mainly due to the progressive transfer from deferred income tax liabilities related to the Floridian project upon and since TOP.

Total borrowings decreased by \$29.7 million to \$426.0 million, from \$455.7 million as at 31 December 2011 mainly as a result of partial repayments primarily with proceeds from the Floridian and euHabitat projects.

Company

The Company's cash and cash equivalents as at 30 June 2012 of \$121.0 million was significantly higher than the \$4.3 million as at 31 December 2011. The increase came mainly from repayments and advances from its subsidiaries, with the majority contributed by the Floridian project. This correspondingly led to net advances from subsidiaries of \$63.5 million as at 30 June 2012 as compared to net advances to subsidiaries of \$59.7 million as at 31 December 2011.

Trade and other payables saw a decrease of \$3.3 million to \$5.5 million, from \$8.8 million as at 31 December 2011, which was mainly due to payment of amounts owed to related parties for management service fees.

(c) Statement of Cash Flows

Operating activities generated a net cash inflow of \$104.4 million in Q2 2012 compared to a net cash outflow of \$11.5 million in the same period in 2011. This is largely due to sales proceeds and receivables collected during the period.

Overall, the Group recorded a net increase in cash and cash equivalents of \$93.2 million for Q2 2012 as compared to a net decrease of \$0.6 million in Q2 2011.

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

The results are in line with the comments previously disclosed to shareholders.

- 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.**

At the Extraordinary General Meeting (“EGM”) held on 11 July 2012, shareholders of the Company approved the proposed restructuring of the Company involving a proposed REIT Transaction and Asset Swap Transaction. In the same EGM, shareholders also approved dividends as well as a change in the name of the Company. Details were given in a circular to shareholders dated 19 June 2012 (“Circular”).

Under the REIT Transaction, relevant members of the Group and the Company will grant leasehold interest over 3 hospitality assets to the proposed Far East H-REIT (as defined in the Circular), as well as the acquisition of 330,000 ordinary shares (representing 33% interest) in the share capital of FEO Hospitality Asset Management Pte. Ltd. (“REIT Manager”) and 33 ordinary shares (representing 33% interest) in the share capital of FEO Hospitality Trust Management Pte. Ltd. (“Trustee-Manager”).

Under the Asset Swap Transaction, the Company (through its wholly-owned subsidiary Jelco Properties Pte Ltd) will acquire 45 units of medical suites in Novena Medical Center, 48 units of medical suites in Novena Specialist Center and a hospitality management business. These acquisitions will be funded by an asset swap of approximately 35% of the total existing issued share capital of Yeo Hiap Seng Limited (“YHS”) owned by the Group as well as a cash settlement of approximately \$58 million.

Shareholders also approved a special one-tier tax-exempt dividend (“Special Dividend”) of \$0.12 per share and a dividend in specie (“Dividend in Specie”) representing 14.5% of the total existing issued share capital of YHS owned by the Group.

The actual completion of the approved transactions (save for the acquisition of shares in the REIT Manager and the Trustee-Manager) and the payment of the Special Dividend and Dividend in Specie are conditional on the initial public offering of Far East H-Trust (as defined in the Circular) and the listing and quotation of the Stapled Securities (as defined in the Circular) and commencement of trading of such Stapled Securities on the SGX-ST taking place. To-date, the Company has completed the acquisition of shares in the REIT Manager and the Trustee-Manager and has subscribed for additional shares in the REIT Manager on a *pro rata* basis.

As approved by shareholders, the Company has changed its name from Orchard Parade Holdings Limited to Far East Orchard Limited and this was filed with the Accounting and Corporate Regulatory Authority on 27 July 2012.

Contribution from the Group’s property development business is expected to ease as it recognizes the final profit from the Floridian project with one remaining unsold unit. The other joint-venture projects are in the early stages of development and no sales are expected for this financial year.

The Group, through its joint venture, will continue to sell units in euHabitat in which the Group has a 20% effective interest. Slightly over 90% of the total units in this project have been sold.

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

Any dividend declared for the current financial period reported on?

No other dividend has been declared other than information disclosed in paragraph 10 and in the Circular dated 19 June 2012.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

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

The Company does not have interested person transactions that require shareholders' mandate.

By Order of the Board

Chloe Kho Kim Suan / Madelyn Kwang Yeit Lam

Secretaries

13 August 2012

STATEMENT 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 of Far East Orchard Limited which may render the unaudited financial statements for the period ended 30 June 2012 to be false or misleading in any material respect.

On behalf of the Board of Directors

Philip Ng Chee Tat
Non-executive ChairmanLucas Chow Wing Keung
Group CEO & Managing Director

13 August 2012

This announcement may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.