

SINARMAS LAND LIMITED (REG. NO. 199400619R)

Half Year Financial Statement And Dividend Announcement

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

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

**UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2017**

	1st Half 2017 S\$'000	1st Half 2016 S\$'000	Change %	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000	Change %
Revenue	536,442	402,671	33.2	299,311	222,786	34.3
Cost of sales	(131,847)	(129,682)	1.7	(54,449)	(68,552)	(20.6)
Gross profit	<u>404,595</u>	<u>272,989</u>	48.2	<u>244,862</u>	<u>154,234</u>	58.8
Operating expenses						
Selling expenses	(31,211)	(27,851)	12.1	(14,850)	(15,527)	(4.4)
General and administrative expenses	(82,597)	(72,142)	14.5	(42,752)	(38,222)	11.9
Total operating expenses	<u>(113,808)</u>	<u>(99,993)</u>	13.8	<u>(57,602)</u>	<u>(53,749)</u>	7.2
Operating profit	<u>290,787</u>	<u>172,996</u>	68.1	<u>187,260</u>	<u>100,485</u>	86.4
Other income/(expenses)						
Finance income	15,225	13,189	15.4	7,432	6,487	14.6
Finance costs	(35,856)	(41,403)	(13.4)	(18,012)	(20,323)	(11.4)
Foreign exchange loss	(16,652)	(18,316)	(9.1)	(1,351)	(5,318)	(74.6)
Share of results of associated companies	7,715	10,208	(24.4)	3,435	5,015	(31.5)
Share of results of joint ventures	(36,612)	(4,485)	n.m.	(40,431)	(1,421)	n.m.
Other operating income	<u>11,641</u>	<u>6,211</u>	87.4	<u>1,621</u>	<u>3,090</u>	(47.5)
Other expenses, net	<u>(54,539)</u>	<u>(34,596)</u>	57.6	<u>(47,306)</u>	<u>(12,470)</u>	279.4
Profit before income tax	236,248	138,400	70.7	139,954	88,015	59.0
Income tax	<u>(22,811)</u>	<u>(26,304)</u>	(13.3)	<u>(12,076)</u>	<u>(16,567)</u>	(27.1)
Profit for the period	<u>213,437</u>	<u>112,096</u>	90.4	<u>127,878</u>	<u>71,448</u>	79.0
Attributable to:						
Owners of the Company	100,234	50,988	96.6	63,033	35,265	78.7
Non-controlling interests	<u>113,203</u>	<u>61,108</u>	85.3	<u>64,845</u>	<u>36,183</u>	79.2
	<u>213,437</u>	<u>112,096</u>	90.4	<u>127,878</u>	<u>71,448</u>	79.0

Note: n.m. – not meaningful.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2017**

	1st Half 2017 S\$'000	1st Half 2016 S\$'000	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000
Profit for the period	213,437	112,096	127,878	71,448
Other comprehensive income/(loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Actuarial loss on post employment benefit	-	(248)	-	-
Share of other comprehensive (loss)/income of associated companies	(274)	57	(404)	-
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Foreign currency translation differences	(311,396)	(33,230)	3,192	(16,251)
Changes in fair value of available-for-sale financial assets	41	492	(22)	(42)
Other comprehensive (loss)/income, net of tax	<u>(311,629)</u>	<u>(32,929)</u>	<u>2,766</u>	<u>(16,293)</u>
Total comprehensive (loss)/income for the period	<u>(98,192)</u>	<u>79,167</u>	<u>130,644</u>	<u>55,155</u>
Total comprehensive (loss)/income attributable to:				
Owners of the Company	(38,811)	9,411	63,893	20,581
Non-controlling interests	(59,381)	69,756	66,751	34,574
	<u>(98,192)</u>	<u>79,167</u>	<u>130,644</u>	<u>55,155</u>

ADDITIONAL INFORMATION

Earnings before income tax, non-controlling interests, interest on borrowings, depreciation, foreign exchange loss, and share of results of associated companies and joint ventures ("EBITDA")

	1st Half 2017 S\$'000	1st Half 2016 S\$'000	Change %	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000	Change %
Earnings before income tax, non-controlling interests, interest on borrowings, depreciation, foreign exchange loss, and share of results of associated companies and joint ventures ("EBITDA")	339,814	210,925	61.1	207,415	119,300	73.9
Interest on borrowings	(35,856)	(41,403)	(13.4)	(18,012)	(20,323)	(11.4)
Depreciation	(22,161)	(18,529)	19.6	(11,102)	(9,238)	20.2
Foreign exchange loss	(16,652)	(18,316)	(9.1)	(1,351)	(5,318)	(74.6)
Share of results of associated companies	7,715	10,208	(24.4)	3,435	5,015	(31.5)
Share of results of joint ventures	(36,612)	(4,485)	n.m.	(40,431)	(1,421)	n.m.
Profit before income tax	<u>236,248</u>	<u>138,400</u>	70.7	<u>139,954</u>	<u>88,015</u>	59.0

Note: n.m. – 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

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2017**

	<u>Group</u>		<u>Company</u>	
	<u>As at 30/6/2017 S\$'000</u>	<u>As at 31/12/2016 S\$'000</u>	<u>As at 30/6/2017 S\$'000</u>	<u>As at 31/12/2016 S\$'000</u>
<u>Assets</u>				
Current Assets				
Cash and cash equivalents	845,005	867,276	7,391	83,409
Short-term investments	11,877	12,942	-	-
Trade receivables	37,589	32,725	-	-
Other current assets	391,727	388,368	547,690	445,764
Inventories, at cost	1,336	1,348	-	-
Properties held for sale	1,219,875	1,265,641	-	-
	<u>2,507,409</u>	<u>2,568,300</u>	<u>555,081</u>	<u>529,173</u>
Non-Current Assets				
Subsidiaries	-	-	1,705,258	1,703,684
Associated companies	261,801	265,247	-	-
Joint ventures	140,968	122,925	-	-
Long-term investments	2,182	2,400	-	-
Properties under development for sale	1,724,364	1,793,858	-	-
Investment properties	1,375,430	1,077,139	-	-
Property, plant and equipment	176,344	195,777	504	589
Long-term receivables	23,306	52,026	-	-
Deferred tax assets	494	389	-	-
Goodwill	1,784	1,784	-	-
	<u>3,706,673</u>	<u>3,511,545</u>	<u>1,705,762</u>	<u>1,704,273</u>
Total Assets	<u>6,214,082</u>	<u>6,079,845</u>	<u>2,260,843</u>	<u>2,233,446</u>

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2017 (cont'd)

	<u>Group</u>		<u>Company</u>	
	<u>As at</u> <u>30/6/2017</u> <u>S\$'000</u>	<u>As at</u> <u>31/12/2016</u> <u>S\$'000</u>	<u>As at</u> <u>30/6/2017</u> <u>S\$'000</u>	<u>As at</u> <u>31/12/2016</u> <u>S\$'000</u>
<u>Liabilities and Equity</u>				
Current Liabilities				
Short-term borrowings	96,114	46,191	13,128	-
Trade payables	43,249	39,307	-	-
Other payables and liabilities	621,518	626,630	164,532	138,656
Bonds and notes payable	240,602	71,024	-	-
Obligations under finance lease	5,285	7,150	40	40
Income taxes payable	2,816	6,542	-	-
	<u>1,009,584</u>	<u>796,844</u>	<u>177,700</u>	<u>138,696</u>
Non-Current Liabilities				
Bonds and notes payables	533,681	723,275	-	-
Obligations under finance lease	2,106	5,271	117	137
Long-term borrowings	761,951	506,006	-	-
Long-term liabilities	192,623	193,144	-	-
Deferred tax liabilities	9	9	-	-
	<u>1,490,370</u>	<u>1,427,705</u>	<u>117</u>	<u>137</u>
Total Liabilities	<u>2,499,954</u>	<u>2,224,549</u>	<u>177,817</u>	<u>138,833</u>
Equity attributable to Owners of the Company				
Issued capital	2,057,844	2,057,844	2,057,844	2,057,844
Treasury shares	(170,460)	(170,460)	(170,460)	(170,460)
Foreign currency translation deficit	(1,313,034)	(1,174,116)	-	-
Goodwill on consolidation	(62,122)	(62,122)	-	-
Asset revaluation reserve	6,518	6,518	-	-
Other reserves	36,090	25,982	-	-
Fair value reserve	116	91	-	-
Retained earnings	1,391,982	1,299,834	195,642	207,229
	<u>1,946,934</u>	<u>1,983,571</u>	<u>2,083,026</u>	<u>2,094,613</u>
Non-Controlling Interests	<u>1,767,194</u>	<u>1,871,725</u>	<u>-</u>	<u>-</u>
Total Equity	<u>3,714,128</u>	<u>3,855,296</u>	<u>2,083,026</u>	<u>2,094,613</u>
Total Liabilities and Equity	<u>6,214,082</u>	<u>6,079,845</u>	<u>2,260,843</u>	<u>2,233,446</u>

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

	As at 30/6/2017 S\$'000			As at 31/12/2016 S\$'000		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Amount repayable in one year or less, or on demand	283,349	58,652	342,001	105,962	18,403	124,365
Amount repayable after one year	809,411	488,327	1,297,738	757,560	476,992	1,234,552
Total	1,092,760	546,979	1,639,739	863,522	495,395	1,358,917

Details of any collateral

Certain time deposits, properties under development for sale, investment properties, and property, plant and equipment have been pledged to the creditors to obtain the above secured borrowings.

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

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2017

	1st Half 2017 S\$'000	1st Half 2016 S\$'000	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000
Cash flows from operating activities				
Profit before income tax	236,248	138,400	139,954	88,015
Adjustments for:				
Depreciation	22,161	18,529	11,102	9,238
Interest expense	35,856	41,403	18,012	20,323
Gain on disposal of property, plant and equipment	-	(394)	-	(394)
Share of results of associated companies	(7,715)	(10,208)	(3,435)	(5,015)
Share of results of joint ventures	36,612	4,485	40,431	1,421
Allowance for impairment loss on trade and other receivables	19	130	9	15
Changes in fair value of financial assets at fair value through profit or loss	(50)	(76)	66	(67)
Unrealised foreign exchange loss	18,666	22,088	1,779	3,586
Interest income	(15,225)	(13,189)	(7,432)	(6,487)
Operating cash flows before working capital changes	326,572	201,168	200,486	110,635
Changes in working capital:				
Trade receivables	(4,883)	157	(3,588)	(88)
Other current assets and receivables	(27,854)	113,237	(34,033)	(15,845)
Inventories	12	(40)	(151)	(90)
Trade payables	3,942	2,300	3,106	(8,733)
Other payables and liabilities	52,609	(62,911)	22,074	(34,763)
Cash generated from operations	350,398	253,911	187,894	51,116
Interest paid	(34,431)	(41,574)	(20,892)	(25,178)
Interest received	14,340	13,168	6,521	6,156
Tax paid	(26,492)	(37,505)	(22,273)	(18,404)
Net cash generated from operating activities	303,815	188,000	151,250	13,690

**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2017 (cont'd)**

	1st Half 2017 S\$'000	1st Half 2016 S\$'000	2nd Qtr 2017 S\$'000	2nd Qtr 2016 S\$'000
Cash flows from investing activities				
Cash inflow from non-controlling interest for incorporation of a subsidiary	-	1,688	-	1,688
Acquisition of a joint venture	-	(7,500)	-	(7,500)
Acquisition of additional interest in a joint venture	(36,000)	-	(36,000)	-
Acquisition of additional interest in associated companies	(23,661)	-	(22,711)	-
Acquisition of subsidiaries, net of cash acquired	(337,667)	-	(337,663)	-
(Investment in)/Proceeds from short-term investments	(80)	(1,570)	2,070	(1,556)
Proceeds from disposal of property, plant and equipment	-	394	-	394
Capital expenditure on investment properties	(9,873)	(38,644)	(8,658)	(19,442)
Capital expenditure on property, plant and equipment	(5,870)	(17,767)	(2,984)	(11,150)
Capital expenditure on properties under development and held for sale	(160,829)	(164,701)	(103,766)	(123,979)
Dividends from associated companies	450	11,098	450	11,098
Net cash used in investing activities	<u>(573,530)</u>	<u>(217,002)</u>	<u>(509,262)</u>	<u>(150,447)</u>
Cash flows from financing activities				
Proceeds from borrowings	337,167	86,547	310,712	32,292
Proceeds from issuance of bonds and notes	93,142	88,857	93,142	88,857
Payments of borrowings	(26,449)	(65,597)	(22,801)	(26,460)
Payments of bonds and notes	(41,384)	-	(6,761)	-
Acquisition of additional interest in subsidiaries	(4,088)	(233,084)	-	-
Proceeds from disposal of certain interest in a subsidiary	-	117,936	-	37,800
Increase in time deposits pledged	(31,373)	(10,158)	(33,531)	16,095
Payments of obligations under finance lease	(3,830)	(3,586)	(1,423)	(2,430)
Payment of dividends	(38,970)	(29,409)	(38,970)	(29,409)
Capital subscribed by non-controlling shareholders	4,174	23,252	309	23,252
Net cash generated from/(used in) financing activities	<u>288,389</u>	<u>(25,242)</u>	<u>300,677</u>	<u>139,997</u>
Net increase/(decrease) in cash and cash equivalents	18,674	(54,244)	(57,335)	3,240
Cash and cash equivalents at beginning of the period	801,507	841,665	804,089	756,363
Effect of exchange rate changes on cash and cash equivalent	<u>(72,318)</u>	<u>(30,049)</u>	<u>1,109</u>	<u>(2,231)</u>
Cash and cash equivalents at end of the period (See Note)	<u>747,863</u>	<u>757,372</u>	<u>747,863</u>	<u>757,372</u>

Note:

Cash and cash equivalents consist of cash on hand and balances with banks and comprise the following:

	As at 30/6/2017 S\$'000	As at 30/6/2016 S\$'000
Cash on hand, cash in banks and time deposits	845,005	833,850
Less: Time deposits pledged	<u>(97,142)</u>	<u>(76,478)</u>
	<u>747,863</u>	<u>757,372</u>

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

	← Attributable to Owners of the Company →								Total	Non-Controlling Interests	Total Equity
	Issued capital	Treasury shares	Foreign currency translation deficit	Goodwill on consolidation	Asset revaluation reserve	Other reserves	Fair value reserve	Retained earnings			
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1.1.2017	2,057,844	(170,460)	(1,174,116)	(62,122)	6,518	25,982	91	1,299,834	1,983,571	1,871,725	3,855,296
Profit for the period	-	-	-	-	-	-	-	37,201	37,201	48,358	85,559
Foreign currency translation differences	-	-	(140,058)	-	-	-	-	-	(140,058)	(174,530)	(314,588)
Other comprehensive income for the period	-	-	-	-	-	110	43	-	153	40	193
Total comprehensive (loss)/income for the period	-	-	(140,058)	-	-	110	43	37,201	(102,704)	(126,132)	(228,836)
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	-	-	3,865	3,865
Changes in interest in subsidiaries	-	-	-	-	-	10,978	-	-	10,978	(15,066)	(4,088)
Balance at 31.3.2017	2,057,844	(170,460)	(1,314,174)	(62,122)	6,518	37,070	134	1,337,035	1,891,845	1,734,392	3,626,237
Profit for the period	-	-	-	-	-	-	-	63,033	63,033	64,845	127,878
Foreign currency translation differences	-	-	1,140	-	-	-	-	-	1,140	2,052	3,192
Other comprehensive loss for the period	-	-	-	-	-	(262)	(18)	-	(280)	(146)	(426)
Total comprehensive income/(loss) for the period	-	-	1,140	-	-	(262)	(18)	63,033	63,893	66,751	130,644
Dividends paid	-	-	-	-	-	-	-	(8,086)	(8,086)	-	(8,086)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(30,884)	(30,884)
Dividends payable to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(4,092)	(4,092)
Capital subscribed by non-controlling shareholders	-	-	-	-	-	-	-	-	-	309	309
Changes in interest in a subsidiary	-	-	-	-	-	(718)	-	-	(718)	718	-
Balance at 30.6.2017	2,057,844	(170,460)	(1,313,034)	(62,122)	6,518	36,090	116	1,391,982	1,946,934	1,767,194	3,714,128

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

	← Attributable to Owners of the Company →								Non-Controlling Interests	Total Equity	
	Issued capital	Treasury shares	Foreign currency translation deficit	Goodwill on consolidation	Asset revaluation reserve	Other reserves	Fair value reserve	Retained earnings			Total
The Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Balance at 1.1.2016	2,057,844	(170,460)	(1,256,967)	(62,122)	6,518	(18,945)	(197)	1,193,012	1,748,683	1,581,539	3,330,222
Profit for the period	-	-	-	-	-	-	-	15,723	15,723	24,925	40,648
Foreign currency translation differences	-	-	(27,254)	-	-	-	-	-	(27,254)	10,275	(16,979)
Other comprehensive income/(loss) for the period	-	-	-	-	-	11	350	-	361	(18)	343
Total comprehensive income/(loss) for the period	-	-	(27,254)	-	-	11	350	15,723	(11,170)	35,182	24,012
Changes in interest in subsidiaries	-	-	-	-	-	(4,757)	-	-	(4,757)	(148,191)	(152,948)
Balance at 31.3.2016	2,057,844	(170,460)	(1,284,221)	(62,122)	6,518	(23,691)	153	1,208,735	1,732,756	1,468,530	3,201,286
Profit for the period	-	-	-	-	-	-	-	35,265	35,265	36,183	71,448
Foreign currency translation differences	-	-	(14,654)	-	-	-	-	-	(14,654)	(1,597)	(16,251)
Other comprehensive loss for the period	-	-	-	-	-	-	(30)	-	(30)	(12)	(42)
Total comprehensive income/(loss) for the period	-	-	(14,654)	-	-	-	(30)	35,265	20,581	34,574	55,155
Dividends paid	-	-	-	-	-	-	-	(8,086)	(8,086)	-	(8,086)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(21,323)	(21,323)
Capital subscribed by a non-controlling shareholder	-	-	-	-	-	-	-	-	-	23,252	23,252
Changes in interest in subsidiaries	-	-	-	-	-	16,320	-	-	16,320	21,480	37,800
Non-controlling interest of a newly incorporated subsidiary	-	-	-	-	-	-	-	-	-	1,688	1,688
Balance at 30.6.2016	2,057,844	(170,460)	(1,298,875)	(62,122)	6,518	(7,371)	123	1,235,914	1,761,571	1,528,201	3,289,772

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

<u>The Company</u>	<u>Issued capital</u> S\$'000	<u>Treasury shares</u> S\$'000	<u>Retained earnings</u> S\$'000	<u>Total</u> S\$'000
Balance at 1 January 2017	2,057,844	(170,460)	207,229	2,094,613
Loss for the period, representing total comprehensive loss for the period	-	-	(8,080)	(8,080)
Balance at 31 March 2017	2,057,844	(170,460)	199,149	2,086,533
Dividends paid for 2016	-	-	(8,086)	(8,086)
Profit for the period, representing total comprehensive income for the period	-	-	4,579	4,579
Balance at 30 June 2017	<u>2,057,844</u>	<u>(170,460)</u>	<u>195,642</u>	<u>2,083,026</u>
Balance at 1 January 2016	2,057,844	(170,460)	258,393	2,145,777
Loss for the period, representing total comprehensive loss for the period	-	-	(20,402)	(20,402)
Balance at 31 March 2016	2,057,844	(170,460)	237,991	2,125,375
Dividends paid for 2015	-	-	(8,086)	(8,086)
Loss for the period, representing total comprehensive loss for the period	-	-	(12,400)	(12,400)
Balance at 30 June 2016	<u>2,057,844</u>	<u>(170,460)</u>	<u>217,505</u>	<u>2,104,889</u>

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

There were no movements in the Company's issued capital since 31 December 2016. Details of the Company's issued and paid-up capital were as follows:

	As at	
	30/6/2017	30/6/2016
Number of treasury shares	293,456,700	293,456,700
Number of issued shares (excluding treasury shares)	4,255,862,496	4,255,862,496

1(d)(iii) To show the 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 total number of issued shares excluding treasury shares as at 30 June 2017 and 31 December 2016 respectively was 4,255,862,496.

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

There were no changes in the number of ordinary shares held as treasury shares by the Company since 31 December 2016.

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

These figures have not been audited, or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 Note 5 below, the Group has applied the same accounting policies and methods of computation consistent with those used in the most recent audited financial statements for the year ended 31 December 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 and revised Singapore Financial Reporting Standards ("FRSs") that are relevant to its operations and effective for period beginning 1 January 2017. The adoption of the new and revised FRSs has had no material financial impact on the Group's financial statements.

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

	The Group			
	1st Half 2017	1st Half 2016	2nd Qtr 2017	2nd Qtr 2016
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares	SGD2.36cents	SGD1.20cents	SGD1.48cents	SGD0.83cents
Weighted average number of shares (excluding treasury shares)	4,255,862,496	4,255,862,496	4,255,862,496	4,255,862,496
(ii) On a fully diluted basis	Not applicable	Not applicable	Not applicable	Not applicable
Weighted average number of shares (excluding treasury shares)	Not applicable	Not applicable	Not applicable	Not applicable

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

	The Group		The Company	
	As at 30/6/2017	As at 31/12/2016	As at 30/6/2017	As at 31/12/2016
Net asset value per ordinary share based on existing issued share capital (excluding treasury shares) of 4,255,862,496 shares	S\$0.46	S\$0.47	S\$0.49	S\$0.49

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

(in S\$ million)	PROPERTY BUSINESS				Corporate & investment holding	Total
	Indonesia	United Kingdom	Others (see note 1)	Total Property Business		
For half year ended						
Revenue						
30 June 2017	513.4	12.6	10.4	536.4	-	536.4
30 June 2016	373.2	14.2	15.3	402.7	-	402.7
Increase/(Decrease)	140.2	(1.6)	(4.9)	133.7	-	133.7
Increase/(Decrease) %	37.6	(11.3)	(32.0)	33.2	-	33.2
Gross Profit						
30 June 2017	392.5	7.4	4.7	404.6	-	404.6
30 June 2016	258.7	8.5	5.8	273.0	-	273.0
Increase/(Decrease)	133.8	(1.1)	(1.1)	131.6	-	131.6
Increase/(Decrease) %	51.7	(12.9)	(19.0)	48.2	-	48.2
EBITDA						
30 June 2017	331.4	10.0	0.7	342.1	(2.3)	339.8
30 June 2016	198.5	12.0	2.4	212.9	(2.0)	210.9
Increase/(Decrease) in earnings	132.9	(2.0)	(1.7)	129.2	(0.3)	128.9
Increase/(Decrease) %	67.0	(16.7)	(70.8)	60.7	(15.0)	61.1
Interest on borrowings						
30 June 2017	29.9	3.9	5.3	39.1	(3.2)	35.9
30 June 2016	34.6	5.4	5.2	45.2	(3.8)	41.4
Increase/(Decrease)	(4.7)	(1.5)	0.1	(6.1)	0.6	(5.5)
Increase/(Decrease) %	(13.6)	(27.8)	1.9	(13.5)	15.8	(13.4)
Depreciation						
30 June 2017	16.4	3.4	2.3	22.1	0.1	22.2
30 June 2016	12.8	3.8	1.9	18.5	-	18.5
Increase/(Decrease)	3.6	(0.4)	0.4	3.6	0.1	3.7
Increase/(Decrease) %	28.1	(10.5)	21.1	19.5	n.m.	19.6
Foreign exchange (loss)/gain						
30 June 2017	3.0	0.1	(1.1)	2.0	(18.7)	(16.7)
30 June 2016	(2.2)	-	3.0	0.8	(19.1)	(18.3)
Increase/(Decrease) in loss	(5.2)	(0.1)	4.1	(1.2)	(0.4)	(1.6)
Increase/(Decrease) %	n.m.	n.m.	n.m.	(150.0)	(2.1)	(9.1)
Share of associates' profit						
30 June 2017	7.7	-	-	7.7	-	7.7
30 June 2016	10.2	-	-	10.2	-	10.2
Increase/(Decrease) in profit	(2.5)	-	-	(2.5)	-	(2.5)
Increase/(Decrease) %	(24.4)	-	-	(24.4)	-	(24.4)
Share of joint ventures' profit						
30 June 2017	(36.6)	-	-	(36.6)	-	(36.6)
30 June 2016	(4.5)	-	-	(4.5)	-	(4.5)
Increase/(Decrease) in loss	32.1	-	-	32.1	-	32.1
Increase/(Decrease) %	716.3	-	-	716.3	-	n.m.
Pre-tax profit/(loss)						
30 June 2017	259.2	2.8	(8.0)	254.0	(17.8)	236.2
30 June 2016	154.6	2.8	(1.7)	155.7	(17.3)	138.4
Increase/(Decrease) in profit	104.6	-	(6.3)	98.3	(0.5)	97.8
Increase/(Decrease) %	67.7	-	(370.6)	63.1	(2.9)	70.7
Net profit/(loss) attributable to Owners of the Company						
30 June 2017	121.8	2.8	(6.6)	118.0	(17.8)	100.2
30 June 2016	66.4	2.8	(0.8)	68.4	(17.4)	51.0
Increase/(Decrease) in profit	55.4	-	(5.8)	49.6	(0.4)	49.2
Increase/(Decrease) %	83.4	-	(725.0)	72.5	(2.3)	96.6

Notes:

- (1) This refers to certain mixed developments located in Chengdu and Shenyang, China and investment property operations in AFP Land group, which consists of the former Amcol group of companies mainly located in Singapore, Malaysia and Batam (Indonesia).
- (2) n.m. – not meaningful.

PERFORMANCE FOR HALF YEAR ENDED 30 JUNE 2017

Revenue for the Group was higher at \$536.4 million for half year ended 30 June 2017 (“1H2017”) as compared to \$402.7 million in the previous corresponding period (“1H2016”), representing an increase of 33.2%. The higher sales of land parcels in Indonesia have resulted in higher EBITDA and net profit attributable to owners of the Company at \$339.8 million and \$100.2 million in 1H2017.

REVENUE

Total revenue of the Group increased by \$133.7 million to \$536.4 million in 1H2017 mainly contributed by higher sales of land parcels, larger number of residential units handed over to homebuyers and higher revenue from apartments recognised in BSD City, Indonesia.

During the current period, the Group recognised \$117.3 million of revenue from sales of land parcel to its joint venture (PT BSD Diamond Development) for further joint development. The gain arising from this transaction that is attributable to the interests of the Group has not been recognised in the Group’s income statement in accordance with the requirement of Singapore Financial Reporting Standards. Hence, appropriate adjustments have been made in the share of results of joint ventures.

GROSS PROFIT

In tandem with the increase in sales of land parcels with higher profit margin, the Group’s gross profit increased from \$273.0 million in 1H2016 to \$404.6 million. Consequently, the Group’s overall gross profit margin was also higher at 75.4% in the current period as compared to 67.8% in 1H2016.

OPERATING EXPENSES

SELLING EXPENSES

Selling expenses comprised mainly advertising and marketing expenses, professional fees, and salaries and related expenses. Selling expenses increased by \$3.4 million or 12.1% to \$31.2 million in 1H2017 mainly due to higher advertising and marketing expenses incurred for housing clusters in BSD City and higher marketing commission in line with higher sales.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses comprised mainly salaries and related expenses, legal and professional fees, repairs and maintenance, depreciation, rent, tax and licenses, office supplies and utilities. General and administrative expenses increased by 14.5% to \$82.6 million in 1H2017 mainly due to increases in legal and professional fees; information technology software licenses and maintenance fees; as well as salaries and related expenses.

FINANCE EXPENSES, NET

Net finance expenses comprised interest expenses (net of interest income) and amortisation of deferred bond and loan charges. Net finance expenses decreased from \$28.2 million in 1H2016 to \$20.6 million in 1H2017 mainly attributable to higher interest income from the increased average Indonesian Rupiah (“IDR”) denominated time deposit, as well as lower interest expenses in line with the lower average borrowings during the current period.

SHARE OF RESULTS OF ASSOCIATED COMPANIES, NET

The share of profit in associated companies decreased from \$10.2 million in 1H2016 to \$7.7 million in 1H2017 mainly attributable to lower contribution for sales of certain industrial units and higher borrowings costs.

SHARE OF RESULTS OF JOINT VENTURES, NET

The reversal of unrealised gain adjustment of \$42.7 million, representing the Group's portion for gain on sales of land parcel to a joint venture in the current period, has impacted the Group's share of net results in joint ventures. Without this reversal, on a like-for-like comparison between 1H2017 and 1H2016, the Group recorded share of profit in joint ventures of \$6.1 million in 1H2017 as compared to share of loss of \$4.5 million in 1H2016. This was primarily due to better operating performance from higher sales of residential units in certain joint ventures in Indonesia.

OTHER OPERATING INCOME

Net operating income comprised mainly building and estate management service income (net of expenses), fair value gain on financial instruments, management and lease co-ordination fees. Net operating income was higher at \$11.6 million in 1H2017 mainly due to fair value gain on conversion option upon settlement of certain convertible bonds during the current period.

INCOME TAX

Income tax expense comprised final tax on revenue derived from sales of land and properties in Indonesia, withholding tax paid and corporate income tax derived by applying the varying statutory tax rates of the different countries in which the Group operates on its taxable profit and taxable temporary difference. No group relief is available for set-off of taxable profits against tax losses of companies within the Group.

Income tax expense was lower at \$22.8 million in the current period mainly in line with the reduction in final tax rate on revenue derived from sales of land and properties in Indonesia.

REVIEW OF FINANCIAL POSITION AS AT 30 JUNE 2017

Assets

The Group's total assets increased from \$6,079.8 million as at end December 2016 to \$6,214.1 million as at 30 June 2017. The increase was mainly attributable to the acquisition of the 'Horseferry' building for GBP188.6 million (equivalent to approximately \$337.6 million) in London, United Kingdom during the second quarter of 2017. This increase was partially offset by lower property under development and held for sale mainly due to the translation effect of weakening IDR against SGD during the current period.

The Group's investment in joint ventures increased to \$141.0 million as at 30 June 2017 mainly due to additional investments in certain joint ventures, partially offset by reversal of unrealised gain adjustment during 1H2017.

Liabilities

Total liabilities of the Group increased by \$275.4 million to \$2,500.0 million as at 30 June 2017 mainly due to increase in total borrowings for acquisition of investment properties and capital expenditure for the current period.

REVIEW OF CASH FLOWS FOR HALF YEAR ENDED 30 JUNE 2017

Net cash and cash equivalents (before the effect of exchange rate changes) increased by \$18.7 million in 1H2017 mainly as a result of cash generated from operations of \$303.8 million and cash from issuance of bonds, after cash used in investing activities.

Net cash used in investing activities of \$573.5 million mainly related to acquisition of investment properties and subsidiaries, capital expenditure incurred on properties under development, as well as an additional investments in joint venture and associated companies during the current period.

Net cash generated from financing activities of \$288.4 million mainly related to net proceeds from issuance of bonds and borrowings, after payment for dividends during the current period.

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

Not applicable.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Indonesia's gross domestic product grew 5.01% in the second quarter of 2017 ("2Q2017") at a rate unchanged from the first quarter of 2017 but slightly lower than economists' forecasts as private consumption remained lethargic. Since 2014, Indonesia had been stuck in the 5% growth area every quarter and analysts are expecting more stimulus and monetary easing to boost the economy further. In 2Q2017, inflation remained within the central bank's target of 3%-5% and benchmark interest rate is expected to stay at 4.75%. Against the backdrop of constant growth, the Group's Indonesia property division maintains its defensive stance to focus on delivering its marketing sales targets and timely handing over of completed units. It will also take opportunities to embark on land sales and strategic alliances to accelerate future growth. Further to the issuance of additional US\$70 million bonds in 2Q2017, the Group's net gearing is still healthy at 0.21 times.

At the end of 2Q2017, the Group's International property division successfully completed the acquisition of the freehold building at 33 Horseferry Road in Central London, United Kingdom for a net consideration of £188.6 million. This is a rare investment with the building substantially let to the UK government's transport department till December 2033. After this acquisition, the Group will own and manage assets in excess of S\$1 billion in Central London and this will strengthen its future recurring income and international real estate portfolio.

11. Dividend

(a) Current Financial Period Reported On

Any ordinary dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared for the second quarter ended 30 June 2017.

13. Interested persons transactions disclosure

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than SGD100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than SGD100,000)
	2Q2017	2Q2017
	S\$	S\$
PT Bank Sinarmas Tbk *	Nil	9,407,708
PT DSSP Power Mas Utama	Nil	201,012
PT Ivo Mas Tunggal	Nil	347,248
PT Paraga Artamida	2,436,000	Nil
PT Sinarmas Sekuritas	Nil	445,192
Total	2,436,000	10,401,160

Note:

* Principal amount of placements as at 30 June 2017 is approximately S\$10.3 million.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

Not applicable.

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

Not applicable.

16. A breakdown of sales

Not applicable.

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

Not applicable.

18. Confirmation pursuant to the rule 705(5) of the listing manual

We, Ferdinand Sadeli and Robin Ng, being two directors of Sinarmas Land Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to their attention which would render the half year and second quarter ended 30 June 2017 unaudited financial results to be false or misleading.

On behalf of the board of directors

Ferdinand Sadeli
Director

Robin Ng
Director

14 August 2017

19. Confirmation pursuant to the rule 720(1) of the listing manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the form set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Ferdinand Sadeli
Director
14 August 2017

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Submitted by Kimberley Lye Chor Mei, Company Secretary on 14 August 2017 to the SGX