



**Hiap Hoe Limited**  
(Registration No. : 199400676Z)

**Unaudited Financial Statements for the Third Quarter and Nine Months Ended 30 September 2011**

1(a) 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.

**Income Statement for the Group for the Third Quarter and Nine Months Ended 30 September 2011**

(All figures in \$'000)

	The Group			The Group		
	3 months ended			9 months ended		
	30-Sep-11	30-Sep-10	%	30-Sep-11	30-Sep-10	%
<b>Revenue</b>	40,676	30,836	31.9	98,359	79,326	24.0
Cost of sales	(26,160)	(20,147)	29.8	(63,971)	(47,253)	35.4
<b>Gross profit</b>	14,516	10,689	35.8	34,388	32,073	7.2
<b>Other items of income</b>						
Other income	1,124	124	806.5	1,611	397	305.8
Financial income	143	148	(3.4)	463	373	24.1
<b>Other items of expenses</b>						
Distribution and selling expenses	(70)	(565)	(87.6)	(243)	(9,049)	(97.3)
Administrative expenses	(876)	(695)	26.0	(2,638)	(2,025)	30.3
Other expenses	(74)	(13)	469.2	(74)	(39)	89.7
Financial expenses	(1)	-	NM	(1)	(189)	(99.5)
<b>Share of results of joint ventures, net of tax</b>	3,797	-	NM	6,484	-	NM
<b>Profit before taxation</b>	18,559	9,688	91.6	39,990	21,541	85.6
Tax expenses	(2,363)	(1,741)	35.7	(5,631)	(3,472)	62.2
<b>Net profit for the period</b>	16,196	7,947	103.8	34,359	18,069	90.2
<b>Attributable to :</b>						
Owners of the parent	16,210	7,965	103.5	34,409	18,148	89.6
Non-controlling interests	(14)	(18)	(22.2)	(50)	(79)	(36.7)
<b>Total</b>	16,196	7,947	103.8	34,359	18,069	90.2

## Statement of Comprehensive Income for the Group for the Third Quarter and Nine Months ended 30 September 2011

(All figures in \$'000)

	The Group		The Group	
	3 months ended		9 months ended	
	30-Sep-11	30-Sep-10	30-Sep-11	30-Sep-10
<b>Profit, net of tax</b>	16,196	7,947	34,359	18,069
Other comprehensive income for the period, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>16,196</b>	<b>7,947</b>	<b>34,359</b>	<b>18,069</b>
<b>Total comprehensive income attributable to :</b>				
Owners of the parent	16,210	7,965	34,409	18,148
Non-controlling interests	(14)	(18)	(50)	(79)

### Additional Information

Profit from operation is determined after charging / (crediting) :

(All figures in S\$'000)

	The Group			The Group		
	3 months ended		%	9 months ended		%
	30-Sep-11	30-Sep-10		30-Sep-11	30-Sep-10	
Depreciation of property, plant and equipment	51	45	13.3	148	138	7.2
Loss on disposal of property, plant and equipment	-	(38)	(100.0)	-	(38)	(100.0)
Dividend income, gross	-	-	-	(12)	(7)	71.4
Write back of allowance for doubtful receivables (trade)	(23)	-	NM	(23)	-	NM
Fair value loss on financial instruments - unquoted investments held for trading	82	-	NM	405	-	NM
Fair value loss/(gain) on financial instruments - quoted investments held for trading	122	(2)	(6,200.0)	(14)	(2)	600.0
Write back of provision for contingency	(1,030)	-	NM	(1,030)	-	NM

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.

Statement of Financial Position for the Group as at 30 September 2011

(All figures in \$'000)

**ASSETS LESS LIABILITIES**

**Non-Current Assets**

	30-Sep-11	31-Dec-10	%
Property, plant and equipment	6,131	6,133	0.0%
Investment properties	3,045	3,045	0.0%
Investments in joint ventures	6,763	802	743.3%
Trade and other receivables	14	21	-33.3%
	<b>15,953</b>	<b>10,001</b>	<b>59.5%</b>

**Current Assets**

Cash and short-term deposits	13,036	36,449	-64.2%
Other investments <sup>1</sup>	16,128	27,940	-42.3%
Trade and other receivables	1,600	14,198	-88.7%
Other assets	415	625	-33.6%
Prepaid operating expenses	62	41	51.2%
Due from an associate (non-trade)	2	2	0.0%
Due from related companies (trade)	2	-	NM
Due from joint venture (trade)	21,432	3,332	543.2%
Due from joint ventures (non-trade)	61,420	57,259	7.3%
Development properties	424,104	377,686	12.3%
Tax recoverable	1	1	0.0%
	<b>538,202</b>	<b>517,533</b>	<b>4.0%</b>

**Current Liabilities**

Trade and other payables	9,769	6,086	60.5%
Other liabilities	26,732	18,437	45.0%
Due to related companies (trade)	1,043	960	8.6%
Due to related companies (non-trade)	19,209	17,006	13.0%
Interest-bearing loans and borrowings	121,049	125,152	-3.3%
Tax payable	3,107	12,782	-75.7%
	<b>180,909</b>	<b>180,423</b>	<b>0.3%</b>

**Net Current Assets**

	<b>357,293</b>	<b>337,110</b>	<b>6.0%</b>
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**Non-Current Liabilities**

Trade and other payables	815	1,458	-44.1%
Other liabilities	48	73	-34.2%
Interest-bearing loans and borrowings	124,917	135,088	-7.5%
Deferred taxation	8,929	3,499	155.2%

**Net Assets**

	<b>238,537</b>	<b>206,993</b>	<b>15.2%</b>
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**EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT**

Share capital	84,446	84,446	0.0%
Treasury shares	(865)	(353)	145.0%
Reserves	154,882	122,777	26.1%
	<b>238,463</b>	<b>206,870</b>	<b>15.3%</b>
Non-controlling Interests	74	123	-39.8%
<b>Total Equity</b>	<b>238,537</b>	<b>206,993</b>	<b>15.2%</b>

## Statement of Financial Position for the Company as at 30 September 2011

(All figures in \$'000)

### ASSETS LESS LIABILITIES

#### Non-Current Assets

Investments in subsidiary companies  
Trade and other receivables

#### Current Assets

Cash and short-term deposits  
Other investments <sup>1</sup>  
Trade and other receivables  
Other assets  
Prepaid operating expenses  
Due from subsidiary companies (non-trade)  
Due from subsidiary companies (trade)  
Due from joint ventures (non-trade)  
Due from joint ventures (trade)  
Due from an associate (non-trade)

#### Current Liabilities

Trade and other payables  
Other liabilities  
Due to subsidiary companies (non-trade)  
Interest-bearing loans and borrowings  
Provision for taxation

#### Net Current Assets

#### Net Assets

#### EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

Share capital  
Treasury shares  
Reserves  
**Total Equity**

	30-Sep-11	31-Dec-10	%
	48,683	48,683	0.0%
	-	21	-100.0%
	<b>48,683</b>	<b>48,704</b>	0.0%
	6,595	14,717	-55.2%
	14,942	27,646	-46.0%
	125	281	-55.5%
	335	-	NM
	21	11	90.9%
	80,439	72,971	10.2%
	2,381	1,900	25.3%
	55,828	51,685	8.0%
	25	16	56.3%
	2	2	0.0%
	<b>160,693</b>	<b>169,229</b>	-5.0%
	22	25	-12.0%
	233	261	-10.7%
	104,631	115,325	-9.3%
	2	9	-77.8%
	175	103	69.9%
	<b>105,063</b>	<b>115,723</b>	-9.2%
	<b>55,630</b>	<b>53,506</b>	4.0%
	<b>104,313</b>	<b>102,210</b>	2.1%
	84,446	84,446	0.0%
	(865)	(353)	145.0%
	20,732	18,117	14.4%
	<b>104,313</b>	<b>102,210</b>	2.1%

#### Note :

1) This included short-term commercial papers and quoted investments.

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

**Amount repayable in one year or less, or on demand  
(\$'000)**

As at 30 Sep 11		As at 31 Dec 10	
Secured	Unsecured	Secured	Unsecured
121,049	-	125,152	-

**Amount repayable after one year  
(\$'000)**

As at 30 Sep 11		As at 31 Dec 10	
Secured	Unsecured	Secured	Unsecured
124,917	-	135,088	-

**Details of any collateral**

The above borrowings are from financial institutions and are secured by the following:

- 1) legal mortgages on the Group's investment properties and freehold properties;
- 2) first legal mortgage over development properties;
- 3) first legal assignment of all rights and benefits under sales & purchase agreements and / or tenancy agreements;
- 4) assignment of proceeds of the Project Account and the rental account maintained with the bank;
- 5) the building contracts of the certain development properties;
- 6) assignment of all insurance policies for certain development properties;
- 7) deed of subordination to subordinate all loans and advances from the Company to the facilities; and
- 8) corporate guarantees given by the Company and the joint venturers.

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.**

**Statement of Cash Flows for the Group**

(All figures in \$'000)

	3 months ended		9 months ended	
	30-Sep-11	30-Sep-10	30-Sep-11	30-Sep-10
<b>Cash flows from operating activities</b>				
Profit before taxation	18,559	9,688	39,990	21,541
Adjustments :				
Depreciation of property, plant and equipment	51	45	148	138
Interest expenses	1	-	1	189
Interest income	(225)	(148)	(868)	(373)
Dividend income	-	-	(12)	(7)
Loss on disposal of property, plant and equipment	-	38	-	38
Employees' shares based payments	-	-	79	-
Write back of provision for contingency	(1,030)	-	(1,030)	-
Fair value (gain)/loss on financial instruments - quoted investments held for trading	122	(27)	(14)	(2)
Fair value loss on financial instruments - unquoted investments held for trading	82	-	405	-
Share of results of joint ventures	(3,797)	-	(6,484)	-
<b>Operating profit before working capital changes</b>	<b>13,763</b>	<b>9,596</b>	<b>32,215</b>	<b>21,524</b>
<b>Changes in working capital</b>				
(Increase)/decrease in :				
Development properties	(17,344)	7,421	(43,491)	171,426
Trade and other receivables	468	(18,828)	12,604	(23,445)
Other assets	(331)	(18)	211	(24)
Prepaid operating expenses	(19)	(275)	(21)	(167)
Due from related companies, trade	(2)	7	(2)	6
Due from a joint venture, trade	(7,143)	(2,378)	(17,577)	(2,361)
Due from joint ventures, non-trade	(6)	73	(8)	7
(Decrease) / increase in :				
Trade and other payables	1,105	(2,055)	3,040	1,170
Other liabilities	7,289	6,525	9,301	7,255
Derivatives	-	(59)	-	(348)
Due to related companies, trade	(15)	353	83	481
<b>Cash flows (used in) / generated from operations</b>	<b>(2,235)</b>	<b>362</b>	<b>(3,645)</b>	<b>175,524</b>
Income tax paid	(3,780)	(179)	(9,877)	(364)
<b>Net cash (used in) / generated from operating activities</b>	<b>(6,015)</b>	<b>183</b>	<b>(13,522)</b>	<b>175,160</b>
<b>Cash flows from investing activities</b>				
Dividend income	-	-	12	7
Interest income	165	124	716	186
Loan to joint ventures	(1,252)	(1,415)	(4,000)	(3,411)
Proceeds from disposal of quoted investments	240	-	240	-
Proceeds from disposal of unquoted investments	16,750	15,065	41,779	15,065
Purchase of property, plant and equipment	(98)	(5)	(161)	(37)
Purchase of quoted investment	(179)	-	(1,115)	(1)
Purchase of unquoted investment <sup>1</sup>	-	(29,050)	(29,482)	(35,065)
<b>Net cash generated from / (used in) investing activities</b>	<b>15,626</b>	<b>(15,281)</b>	<b>7,989</b>	<b>(23,256)</b>

## Statement of Cash Flows for the Group (cont'd)

(All figures in \$'000)

	3 months ended		9 months ended	
	30-Sep-11	30-Sep-10	30-Sep-11	30-Sep-10
<b>Cash flow from financing activities</b>				
Dividend paid on ordinary shares by the Company	(1,178)	-	(2,356)	(1,182)
Repayment of bank term loans	(5,750)	(5,736)	(14,257)	(121,566)
Proceeds from loans and borrowings	-	-	-	4,490
Purchase of treasury shares	(156)	(194)	(539)	(194)
Repayment of hire purchase	(2)	(2)	(7)	(7)
Interest paid	(769)	(1,038)	(2,837)	(5,383)
Loan from related companies	640	686	2,116	2,265
<b>Net cash used in financing activities</b>	<b>(7,215)</b>	<b>(6,284)</b>	<b>(17,880)</b>	<b>(121,577)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>2,396</b>	<b>(21,382)</b>	<b>(23,413)</b>	<b>30,327</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>10,640</b>	<b>55,028</b>	<b>36,449</b>	<b>3,319</b>
<b>Cash and cash equivalents at end of period</b>	<b>13,036</b>	<b>33,646</b>	<b>13,036</b>	<b>33,646</b>

### Note 1:

This included commercial paper which matures in more than 3 months' time.

### Note 2 :

Cash and bank balances  
Fixed deposits

11,536	13,844	11,536	13,844
1,500	19,802	1,500	19,802
13,036	33,646	13,036	33,646

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.

**Statements of Changes in Equity**

(All figures in \$'000)

	The Group		The Company	
	3Q2011	3Q2010	3Q2011	3Q2010
<b>Issued capital</b>				
Balance at beginning / end of period	84,446	84,446	84,446	84,446
<b>Treasury shares</b>				
Balance at beginning of period	(709)	(159)	(709)	(159)
Buy back of shares	(156)	(194)	(156)	(194)
Balance at end of period	(865)	(353)	(865)	(353)
<b>Capital reserve</b>				
Balance at beginning / end of period	(7,671)	(7,671)	-	-
<b>Other reserve</b>				
Balance at beginning / end of period	51	-	51	-
<b>Dividend reserve</b>				
Balance at beginning / end of period	-	-	-	-
<b>Accumulated profits</b>				
Balance at beginning of period	146,291	107,153	20,663	15,568
Profit for the period	16,210	7,965	17	19
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	16,210	7,965	17	19
Dividend on ordinary shares	1	-	1	-
Tax exempt interim dividend	-	(1,181)	-	(1,181)
Balance at end of period	162,502	113,937	20,681	14,406
<b>Minority interest</b>				
Balance at beginning of period	88	155	-	-
Profit for the period	(14)	(18)	-	-
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(14)	(18)	-	-
Balance at end of period	74	137	-	-
<b>Equity at end of period</b>	<b>238,537</b>	<b>190,496</b>	<b>104,313</b>	<b>98,499</b>



**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 (excluding treasury shares)**

	Number of Ordinary Shares	
	3 months ended	
	30-Sep-11	30-Sep-10
Balance at 1 July	471,489,541	472,741,141
Shares buy back	(387,000)	(500,000)
Balance at 30 September	471,102,541	472,241,141

**Treasury Shares**

	Number of Treasury Shares	
	3 months ended	
	30-Sep-11	30-Sep-10
Balance at 1 July	3,067,850	1,816,250
Shares buy back	387,000	500,000
Balance at 30 September	3,454,850	2,316,250

During the period ended 30 September 2011, the Company bought back 387,000 ordinary shares from the market.

**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.**

The number of issued shares as at 30 September 2011 is 471,102,541 (31 December 2010 : 472,741,141).

**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.

**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.

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.**

The Group and the Company have adopted the same accounting policies and methods of computation for the current financial period as those for the financial year ended 31 December 2010.

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.**

Not applicable.

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.**

	3 months ended		9 months ended	
	30-Sep-11	30-Sep-10	30-Sep-11	30-Sep-10
Earning per share (cents)				
Basic	3.44	1.69	7.30	3.84
Diluted	3.44	1.69	7.30	3.84
Weighted average number of shares				
Basic	471,653,403	472,684,364	471,653,403	472,684,364
Diluted	471,653,403	472,684,364	471,653,403	472,684,364

Earnings per share is calculated based on the net profit attributable to ordinary shareholders divided by the weighted average number of shares.

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.**

	30-Sep-11	31-Dec-10
Net assets value per share (cents)		
The Group	50.62	43.81
The Company	22.14	21.64
Based on number of shares		
The Group	471,102,541	472,241,141
The Company	471,102,541	472,241,141

Net assets value per share is calculated based on the equity attributable to the equity holders of the parent excluding the minority interest divided by the number of shares excluding treasury shares.

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.**

### Revenue

Group revenue for the three months ended 30 September 2011 ("3Q2011") rose 31.9% to \$40.7m, compared to \$30.8m in the previous corresponding period ("3Q2010"). The growth in revenue was driven by a 25.5% increase in contribution from the sale of *Signature at Lewis*, *Skyline 360°* and *Waterscape at Cavenagh*, to \$32.7m, as well as a 64.6% improvement in contribution from construction activities to \$7.9m, compared to \$4.8m in 3Q2010.

For the nine months ended 30 September 2011 ("9M2011"), Group revenue grew 24.0% to \$98.4m, compared to \$79.3m in the previous corresponding period ("9M2010"). This was driven by a 200% increase in contribution from construction activities to \$18.6m, from \$6.2m in 9M2010.

As at 30 September 2011, accumulated revenue recognized on the sale of *Signature at Lewis*, *Skyline 360°* and *Waterscape at Cavenagh* was 99.1%, 54.7% and 18.4% respectively.

### Profit

In line with the revenue growth, gross profit for 3Q2011 increased to \$14.5m, from \$10.7m in 3Q2010.

Similarly, gross profit for 9M2011 increased by 7.2% to \$34.4m from \$32.1m in 9M2010.

Other income rose from \$0.1m to \$1.1m in 3Q2011 mainly due to a write-back of provision for contingency.

Financial income decreased slightly by 3.4% in 3Q2011 on the back of lower interest was generated following the redemption of commercial paper, compared to the previous corresponding period. On the other hand, the Group recorded higher financial income of \$0.5m for 9M2011 compared to \$0.4m for 9M2010, mainly due to an increase in interest income generated from higher investments in commercial paper.

The Group did not engage in any new project launch in 3Q2011 and 9M2011, and thus incurred minimal marketing expenses, compared to an expense of \$0.6m and \$9.0m for the corresponding periods in 2010.

Administrative expenses for 3Q2011 and 9M2011 rose 26.0% to \$0.9m and 30.3% to \$2.6m respectively, mainly due to an increase in staff strength and general overheads.

Share of results of joint venture for 3Q2011 and 9M2011 amounting to \$3.8m and \$6.5m respectively was mainly contributed by progressive revenue recognition from the sale of residential units at *The Beverly*. This result is net of tax provision.

Group taxation increased 35.7% to \$2.4m in 3Q2011, and 62.2% to \$5.6m in 9M2011, mainly due to provision made for deferred taxation in relation to profit recognized progressively for the sold units. However, no tax provision was made for profit derived from construction activities after offsetting unutilized tax credits on this business. This resulted in a lower tax rate for Group, compared to the standard 17%.

Taking the above into consideration, the Group's net profit after tax for 3Q2011 surged 103.8% from \$7.9m to \$16.2m, while that for 9M2011 rose 90.2% from \$18.1m to \$34.4m.

## **Financial Position**

As at 30 September 2011, cash, bank balances and fixed deposits stood at \$13.0m, compared to \$36.4m as at 31 December 2010. Cash was used mainly for the payment of income tax and development costs, as well as the funding of joint venture projects. Commercial papers were also redeemed for the same use.

Trade and other receivables decreased from \$14.2m to \$1.6m in view of progress payments received on a timely basis. These sales proceeds received were consequently used to fund development and construction costs as well as to pay down the Group's bank borrowings. This explains the increase in development costs and the decrease in interest bearing loans and borrowings.

Amount due from joint-venture (trade) was \$21.4m, in view of progress billings made by the Group's subsidiary, WestBuild Construction Pte Ltd ("WBC"), for the construction of two joint-venture projects, namely, *The Beverly* and the hotel/commercial project at Balestier Road/Ah Hood Road.

Development properties increased from \$377.7m to \$424.1m in line with progress payments made for the construction of various residential projects.

Total borrowings decreased from \$260.2m to \$245.9m, as proceeds from the sale of uncompleted projects were used to repay part of the Group's bank loans.

The increase in current trade and other payables to \$9.8m from \$6.1m was the result of accrual made for additional cost and retention monies due to sub-contractors, following a pickup in construction activity for the Group's projects as well as the joint venture projects.

Other current liabilities increased to \$26.7m from \$18.4m, mainly due to accrual on construction cost and operating expenses during the period.

With the payment of tax during the period, tax payable fell from \$12.8m to \$3.1m.

Deferred taxation increased significantly from \$3.5m to \$8.9m mainly due to recognition of profit on some projects prior to their Temporary Occupation Permit ("TOP") being obtained.

### **Cash Flow**

The Group recorded net cash used in operating activities of \$6.0m and \$13.5m in 3Q2011 and 9M2011 respectively.

The net increase in development properties of \$17.3m in 3Q2011, and \$43.5m in 9M2011, reflected the lower progress billings generated from the sale of residential units vis-à-vis construction cost incurred for various projects. This compares to a net decrease in the corresponding period under review when higher progress billings for residential development projects were partially offset by construction costs incurred.

In 3Q2011 and 9M2011, there were net decreases in trade and other receivables in view of higher payment received.

The progress made in the construction of *The Beverly* and the hotel/commercial project at Balestier Road/Ah Hood Road, constituted the increase in amount due from joint venture, trade.

The net increase in trade and other payables and other liabilities reflected higher construction activities and increased costs were accrued for projects under construction.

Substantial tax payments were made in 3Q2011 and 9M2011 for completed projects, *Oxford Suites* and *Cuscaden Royale*.

Net cash generated from investing activities were \$15.6m in 3Q2011 and \$8.0m in 9M2011. The cash inflows were mainly from the redemption of commercial papers amounting upon maturity, and partially offset by a loan to joint ventures in 3Q2011.

The Group recorded net cash used in financing activities of \$7.2m and \$17.9m in 3Q2011 and 9M2011 respectively. Repayment of bank term loans reduced significantly in 9M2011 compared to 9M2010, was mainly due to lower sales proceeds. This was in line with the decrease in the number of residential units sold during the period under review and the absence of proceeds from completed projects.

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

There was no financial forecast made in the Group's announcement dated 10 August 2011.

**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.**

Prices of private residential properties registered a slower sequential increase of 1.3% in 3Q2011, compared with a 2.0% sequential increase in 2Q2011, according to data released by the Urban Redevelopment Authority (“URA”). Nevertheless, even as the data reflect the effectiveness of the property cooling measures implemented by the Government, demand for such properties remains relatively stable.

To date, about 75% of the 200-unit *Waterscape at Cavenagh* has been sold. *Skyline 360<sup>o</sup>*, a 36-storey freehold development with 61 exclusive residential units, that the Group soft-launched in 2010, has sold 54%. Proceeds from the sale of these units should continue to contribute positively to the Group’s top and bottom lines as construction of these developments progresses. *Signature at Lewis* has obtained its TOP in October 2011.

Zhongshan Park, which is flanked by the Group’s two hotel buildings currently under construction, was completed by 31 July 2011 as planned. Construction work for the joint venture integrated hotel/commercial development at Balestier Road/Ah Hood Road is progressing according to schedule. The hotels and commercial blocks are slated for completion in 2014.

On 4 October 2011, the Group announced about its acquisition of two plots of land at No. 54 Kallang Pudding Road. The Group has a few existing plots of land which will be amalgamated with these two new plots of land for development of a high-rise industrial property project.

Against a backdrop of uncertainties in the macro-economic outlook and possible changes in government policies, the Group is cautious about its outlook for its 2011 financial year. In this regard, it will continue to be prudent in its review of both its sales and purchase programmes.

**11. Dividend**

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

Any dividend declared for the current financial period reported on? None

**(b) Corresponding Period of the immediately preceding financial year**

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

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.25
Tax Rate	One tier (tax exempt)

**(c) Date payable**

Not applicable.

**(d) Book closure date**

Not applicable.

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

No dividend has been declared / recommended during the financial period.

**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.**

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	3 months ended 30 September 2011	9 months ended 30 September 2011	3 months ended 30 September 2011	9 months ended 30 September 2011
Hiap Hoe & Co. Pte Ltd (A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd)	Provision of Project and Construction Management Service to the Company's wholly-owned subsidiaries :  - Cavenagh Properties Pte. Ltd. (Value of transactions amounting to \$36,000)  - Bukit Panjang Plaza Pte Ltd (Value of transactions amounting to \$27,000)  - Guan Hoe Development Pte. Ltd. (Value of transactions amounting to \$nil)  Provision of Project and Construction Management Service to the Company's 60% owned subsidiary :  - Hiap Hoe SuperBowl JV Pte. Ltd. (Value of transactions amounting to \$28,000)	Provision of Project and Construction Management Service to the Company's wholly-owned subsidiaries :  - Cavenagh Properties Pte. Ltd. (Value of transactions amounting to \$119,000)  - Bukit Panjang Plaza Pte Ltd (Value of transactions amounting to \$89,000)  - Guan Hoe Development Pte. Ltd. (Value of transactions amounting to \$15,000)  Provision of Project and Construction Management Service to the Company's 60% owned subsidiary :  - Hiap Hoe SuperBowl JV Pte. Ltd. (Value of transactions amounting to \$94,000)	NA	NA

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	3 months ended 30 September 2011	9 months ended 30 September 2011	3 months ended 30 September 2011	9 months ended 30 September 2011
Hiap Hoe & Co. Pte Ltd (A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd)	<p>Provision of Project and Construction Management Service to the Company's 50% share in joint venture:</p> <ul style="list-style-type: none"> <li>- HH Properties Pte. Ltd. (50% share of value of transactions amounting to \$35,000)</li> </ul> <p>Provision of Project and Construction Management Service to the Company's wholly-owned subsidiary's 60% share in joint venture:</p> <ul style="list-style-type: none"> <li>- Goodluck View Development (60% share of value of transactions amounting to \$21,000)</li> </ul>	<p>Provision of Project and Construction Management Service to the Company's 50% share in joint venture:</p> <ul style="list-style-type: none"> <li>- HH Properties Pte. Ltd. (50% share of value of transactions amounting to \$376,000)</li> </ul> <p>Provision of Project and Construction Management Service to the Company's wholly-owned subsidiary's 60% share in joint venture:</p> <ul style="list-style-type: none"> <li>- Goodluck View Development (60% share of value of transactions amounting to \$70,000)</li> </ul>		
SuperBowl Holdings Limited (A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd)	<p>Contribution by the Company of its 60% proportion of the loan extended to :</p> <ul style="list-style-type: none"> <li>- Hiap Hoe SuperBowl JV Pte. Ltd. (Value of loan amounting to \$960,000)</li> </ul> <p>Interest income amounting to \$30,000</p>	<p>Contribution by the Company of its 60% proportion of the loan extended to :</p> <ul style="list-style-type: none"> <li>- Hiap Hoe SuperBowl JV Pte. Ltd. (Value of loan as at 30 September 2011 amounting to \$28,321,000)</li> </ul> <p>Interest income amounting to \$74,000</p>	<p>Construction of 2 blocks of 12-Storey residential flats for Hiap Hoe SuperBowl JV Pte. Ltd.  (Value of transaction amounting to \$2,615,000)</p>	<p>Construction of 2 blocks of 12-Storey residential flats for Hiap Hoe SuperBowl JV Pte. Ltd.  (Value of transaction amounting to \$6,983,000)</p>



Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	3 months ended 30 September 2011	9 months ended 30 September 2011	3 months ended 30 September 2011	9 months ended 30 September 2011
SuperBowl Holdings Limited (A subsidiary of the ultimate holding company, Hiap Hoe Holdings Pte Ltd)	<p>Contribution by the Company of its 50% proportion of the loan to :</p> <p>- HH Properties Pte. Ltd. (Value of loan amounting to \$1,240,000)</p> <p>Interest income amounting to \$54,000</p>	<p>Contribution by the Company of its 50% proportion of the loan to :</p> <p>- HH Properties Pte. Ltd. (Value of loan as at 30 September 2011 amounting to \$49,099,000)</p> <p>Interest income amounting to \$130,000</p>	<p>Supply and installation of temporary earth retaining structure, grout mix piles and excavation works for HH Properties Pte. Ltd.  (Value of transactions amounting to \$134,000)</p> <p>Construction of 1 block of 14-Storey hotel, 1 block of 17-Storey hotel and 1 block of 13-Storey office building for HH Properties Pte. Ltd.  (Value of transactions amounting to \$8,299,000)</p>	<p>Supply and installation of temporary earth retaining structure, grout mix piles and excavation works for HH Properties Pte. Ltd.  (Value of transactions amounting to \$2,151,000)</p> <p>Construction of 1 block of 14-Storey hotel, 1 block of 17-Storey hotel and 1 block of 13-Storey office building for HH Properties Pte. Ltd.  (Value of transactions amounting to \$19,143,000)</p>
SuperBowl Management Pte Ltd (A subsidiary of SuperBowl Holdings Limited)	<p>Contribution by the Group of its 60% proportion of the loan :</p> <p>- Goodluck View Development (Value of loan amounting to \$12,000)</p> <p>Interest income amounting to \$11,000</p>	<p>Contribution by the Group of its 60% proportion of the loan :</p> <p>- Goodluck View Development (Value of loan as at 30 September 2011 amounting to \$10,352,000)</p> <p>Interest income amounting to \$28,000</p>	<p>Construction of 2 blocks of 5-storey residential flats for Goodluck View Development  (Value of transaction amounting to \$9,018,000)</p>	<p>Construction of 2 blocks of 5-storey residential flats for Goodluck View Development  (Value of transaction amounting to \$18,773,000)</p>

Hiap Hoe SuperBowl JV Pte. Ltd. ("HHSB") is a subsidiary company which is 60% owned by Hiap Hoe Limited (the "Company") and 40% by SuperBowl Holdings Limited ("SBH"). Similarly, Goodluck View Development ("GLV") is a joint venture business formed under Wah Hoe Development Pte Ltd ("Wah Hoe"), a subsidiary of the Company. This joint venture is 60% owned by Wah Hoe and 40% by SuperBowl Management Pte Ltd.

HH Properties Pte. Ltd. (“HHP”) is a joint venture company which is 50% owned by the Company and 50% owned by SBH.

The Audit Committee of the Company is satisfied that the Investments in HHSB, GLV and HHP are on commercial terms which are fair and reasonable and are not prejudicial to the interest of the minority shareholders of the Company. The Audit Committee is of the view that the risk and rewards are in proportion to the equity of each of the joint venture partner in HHSB and GLV.

The Investment in the joint ventures and the related loans extended to HHSB and GLV fall within the exception of Rule 916(2) and 916(3) of the Listing Manual of the Singapore Exchange Securities Trading Limited. Shareholders' approval is, therefore, not required for the Company to enter into the investment.

**BY ORDER OF THE BOARD**

Lai Foon Kuen  
Company Secretary  
9 November 2011

**14. NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5)**

The Board has confirmed that to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements of the Company or the unaudited consolidated financial statements of the Group for the third quarter ended 30 September 2011 to be false or misleading in any material respect.

On behalf of the Board of Directors

Teo Ho Beng  
Director

Teo Ho Kang, Roland  
Director