

**ALLGREEN PROPERTIES LIMITED**  
(Company Registration No: 198601009N)  
Third Quarter 2004 Financial Statements

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

(i) **CONSOLIDATED INCOME STATEMENT FOR THE:**

	Quarter ended 30 September			9 months ended 30 September		
	2004	2003	Change	2004	2003	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>55,909</b>	<b>126,226</b>	<b>(55.71)</b>	<b>186,537</b>	<b>290,044</b>	<b>(35.69)</b>
Cost of sales	(35,983)	(81,053)	(55.61)	(107,025)	(177,132)	(39.58)
<b>Gross profit</b>	<b>19,926</b>	<b>45,173</b>	<b>(55.89)</b>	<b>79,512</b>	<b>112,912</b>	<b>(29.58)</b>
Other operating income including interest income	1,641	1,582	3.73	4,802	4,659	3.07
Distribution and selling expenses	(826)	(758)	8.97	(3,113)	(2,429)	28.16
Administrative expenses	(4,178)	(3,385)	23.43	(12,362)	(10,341)	19.54
Depreciation	(2,083)	(1,769)	17.75	(6,186)	(5,280)	17.16
Other operating expenses	(1,585)	(1,237)	28.13	(4,271)	(2,910)	46.77
<b>Profit from operations</b>	<b>12,895</b>	<b>39,606</b>	<b>(67.44)</b>	<b>58,382</b>	<b>96,611</b>	<b>(39.57)</b>
Interest expense	(1,737)	(3,155)	(44.94)	(6,033)	(11,592)	(47.96)
Other finance costs	(61)	(82)	(25.61)	(303)	(240)	26.25
Share of results of associated companies	48	37	29.73	79	86	(8.14)
<b>Profit before taxation</b>	<b>11,145</b>	<b>36,406</b>	<b>(69.39)</b>	<b>52,125</b>	<b>84,865</b>	<b>(38.58)</b>
Taxation	(2,599)	(7,814)	(66.74)	(9,740)	(17,653)	(44.83)
<b>Profit after taxation but before minority interests</b>	<b>8,546</b>	<b>28,592</b>	<b>(70.11)</b>	<b>42,385</b>	<b>67,212</b>	<b>(36.94)</b>
Minority interests	(1,037)	(4,665)	(77.77)	(5,695)	(7,592)	(24.99)
<b>Profit attributable to shareholders</b>	<b>7,509</b>	<b>23,927</b>	<b>(68.62)</b>	<b>36,690</b>	<b>59,620</b>	<b>(38.46)</b>

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

**BALANCE SHEETS AS AT:**

	Group		Company	
	30/09/04 S\$'000	31/12/03 S\$'000	30/09/04 S\$'000	31/12/03 S\$'000
Property, plant and equipment	185,878	183,653	568	458
Investment properties	1,192,500	1,192,500	-	-
Deposits paid	882	-	-	-
Subsidiary companies	-	-	1,604,158	1,587,251
Associated companies	5,680	5,634	3,510	3,510
<b>Current Assets</b>				
Stocks	480	509	-	-
Development properties	1,174,644	1,193,849	-	-
Trade debtors	56,094	42,820	893	-
Other debtors	38,150	53,380	248	241
Variable rate notes	-	10,000	-	-
Cash and bank balances	16,851	131,231	140	1,983
Total current assets	1,286,219	1,431,789	1,281	2,224
<b>Total assets</b>	<b>2,671,159</b>	<b>2,813,576</b>	<b>1,609,517</b>	<b>1,593,443</b>
Share capital	525,598	525,172	525,598	525,172
Reserves	605,633	633,923	325,306	353,596
Retained profits	450,882	414,949	483,524	480,513
Minority interests	1,582,113	1,574,044	1,334,428	1,359,281
Long-term borrowings	287,548	296,568	-	-
Rental deposits	583,440	454,760	20,000	-
Deferred taxation	9,978	8,853	-	-
	24,078	32,985	-	-
<b>Current liabilities</b>				
Trade creditors	45,185	54,378	2,558	3,054
Rental deposits	3,024	3,834	-	-
Other creditors	887	357	-	-
Advances from subsidiary companies	-	-	203,238	225,015
Advances from associated companies	2,994	2,394	2,833	2,233
Provision for taxation	22,967	41,317	5,300	3,860
Borrowings	108,945	344,086	41,160	-
Total current liabilities	184,002	446,366	255,089	234,162
<b>Total equity and liabilities</b>	<b>2,671,159</b>	<b>2,813,576</b>	<b>1,609,517</b>	<b>1,593,443</b>

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

**Amount repayable in one year or less, or on demand**

As at 30/9/2004 (S\$'000)		As at 31/12/2003 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
54,270	54,675	344,086	-

**Amount repayable after one year**

As at 30/9/2004 (S\$'000)		As at 31/12/2003 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
563,440	20,000	454,760	-

**Details of collateral**

Borrowings are secured by the following:

- a deed of debenture creating fixed and floating charges on certain subsidiary companies' assets;
- a deed of assignment of rental proceeds and all monies standing to the credit of the project accounts, rental and sale proceeds accounts of certain subsidiary companies;
- first legal mortgages on certain subsidiary companies' investment and development properties and assignment of all rights, titles and interests on all sale and tenancy agreements, building agreements, construction contracts, guarantees, performance bonds, insurance policies and any other contracts in respect of the investment and development properties of certain subsidiary companies; and
- corporate guarantees given by the Company and the minority shareholders of certain subsidiary companies.

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

**CONSOLIDATED CASHFLOW STATEMENT FOR THE:**

	Quarter ended 30 September		9 months ended 30 September	
	2004	2003	2004	2003
	S\$'000	S\$'000	S\$'000	S\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	11,145	36,406	52,125	84,865
Adjustments for:				
Share of results of associated companies	(48)	(37)	(79)	(86)
Write-back for diminution in value of development properties (net)	(6,191)	(2,802)	(6,015)	(7,053)
Depreciation of property, plant and equipment	2,083	1,769	6,186	5,280
(Gain)/Loss on disposal of property, plant and equipment (net)	(49)	2	(54)	2
Interest income	(44)	(232)	(208)	(840)
Interest expense	1,737	3,155	6,033	11,592
<b>Operating profit before working capital changes</b>	<b>8,633</b>	<b>38,261</b>	<b>57,988</b>	<b>93,760</b>
(Increase)/Decrease in stocks	(3)	36	29	119
Decrease in development properties	10,269	50,028	30,403	85,040
(Increase)/Decrease in trade and other debtors	(17,987)	(22,739)	(16,110)	118,289
Decrease in trade and other creditors	(1,800)	(7,622)	(8,663)	(15,802)
Increase/(Decrease) in rental deposits	276	(590)	315	(603)
<b>Cash (used in)/generated from operations</b>	<b>(612)</b>	<b>57,374</b>	<b>63,962</b>	<b>280,803</b>
Interest paid	(1,812)	(5,303)	(13,183)	(19,958)
Income tax paid	(15,428)	(12,076)	(36,964)	(31,231)
<b>Net cash (used in)/generated from operating activities</b>	<b>(17,852)</b>	<b>39,995</b>	<b>13,815</b>	<b>229,614</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipt from variable rate notes	-	-	10,000	-
Proceeds from disposal of property, plant and equipment	125	-	136	21
Additions to property, plant and equipment	(2,949)	(3,091)	(8,493)	(7,238)
Liquidation of a subsidiary company	-	-	(10)	-
Deposits paid	(882)	-	(882)	-
Dividends from associated companies	-	168	-	168
Dividends paid -by Company	-	-	(29,431)	(28,665)
Dividends paid -to minority shareholders	-	(382)	-	(382)
Interest received	44	232	208	840
<b>Net cash used in investing activities</b>	<b>(3,662)</b>	<b>(3,073)</b>	<b>(28,472)</b>	<b>(35,256)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of shares	57	40	810	40
Funds from/(to) minority shareholders	4,165	12,979	3,361	(1,924)
Funds from associated companies	-	181	600	891
Increase/(Reduction) in borrowings	12,400	(81,510)	(104,494)	(212,690)
<b>Net cash generated from/(used in) financing activities</b>	<b>16,622</b>	<b>(68,310)</b>	<b>(99,723)</b>	<b>(213,683)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(4,892)</b>	<b>(31,388)</b>	<b>(114,380)</b>	<b>(19,325)</b>
Cash and cash equivalents as at the beginning of the period	21,743	150,016	131,231	137,953
<b>Cash and cash equivalents as at the end of the period</b>	<b>16,851</b>	<b>118,628</b>	<b>16,851</b>	<b>118,628</b>

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 FOR THE 3RD QUARTER ENDED 30 SEPTEMBER:**

	Share capital S\$'000	Revaluation reserve S\$'000	Share premium S\$'000	Retained profits S\$'000	Total S\$'000
<b><u>Group</u></b>					
Balance as at 1/7/2003	525,000	321,941	324,768	415,048	1,586,757
Net profit for the period	-	-	-	23,927	23,927
Issue of shares under the Allgreen Share Option Scheme 2002	21	-	19	-	40
<b>Balance as at 30/9/2003</b>	<b>525,021</b>	<b>321,941</b>	<b>324,787</b>	<b>438,975</b>	<b>1,610,724</b>
<b><u>Company</u></b>					
Balance as at 1/7/2003	525,568	280,327	325,279	443,373	1,574,547
Net profit for the period	-	-	-	7,509	7,509
Issue of shares under the Allgreen Share Option Scheme 2002	30	-	27	-	57
<b>Balance as at 30/9/2004</b>	<b>525,598</b>	<b>280,327</b>	<b>325,306</b>	<b>450,882</b>	<b>1,582,113</b>
<b><u>Group</u></b>					
Balance as at 1/7/2003	525,000	-	324,768	509,607	1,359,375
Net profit for the period	-	-	-	3,411	3,411
Issue of shares under the Allgreen Share Option Scheme 2002	21	-	19	-	40
<b>Balance as at 30/9/2003</b>	<b>525,021</b>	<b>-</b>	<b>324,787</b>	<b>513,018</b>	<b>1,362,826</b>
<b><u>Company</u></b>					
Balance as at 1/7/2004	525,568	-	325,279	481,617	1,332,464
Net profit for the period	-	-	-	1,907	1,907
Issue of shares under the Allgreen Share Option Scheme 2002	30	-	27	-	57
<b>Balance as at 30/9/2004</b>	<b>525,598</b>	<b>-</b>	<b>325,306</b>	<b>483,524</b>	<b>1,334,428</b>

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 FOR THE NINE MONTHS ENDED 30 SEPTEMBER:**

	Share capital S\$'000	Revaluation reserve S\$'000	Share premium S\$'000	Dividend reserve S\$'000	Retained profits S\$'000	Total S\$'000
<b><u>Group</u></b>						
Balance as at 1/1/2003	525,000	321,941	324,768	28,665	379,355	1,579,729
Net profit for the period	-	-	-	-	59,620	59,620
Dividend paid for the previous year	-	-	-	(28,665)	-	(28,665)
Issue of shares under the Allgreen Share Option Scheme 2002	21	-	19	-	-	40
<b>Balance as at 30/9/2003</b>	<b>525,021</b>	<b>321,941</b>	<b>324,787</b>	<b>-</b>	<b>438,975</b>	<b>1,610,724</b>
<b><u>Company</u></b>						
Balance as at 1/1/2003	525,000	-	324,768	28,665	505,828	1,384,261
Net profit for the period	-	-	-	-	7,190	7,190
Dividend paid for the previous year	-	-	-	(28,665)	-	(28,665)
Issue of shares under the Allgreen Share Option Scheme 2002	21	-	19	-	-	40
<b>Balance as at 30/9/2003</b>	<b>525,021</b>	<b>-</b>	<b>324,787</b>	<b>-</b>	<b>513,018</b>	<b>1,362,826</b>
Balance as at 1/1/2004	525,172	280,327	324,922	28,674	414,949	1,574,044
Net profit for the period	-	-	-	-	36,690	36,690
Dividend adjustment for the previous year	-	-	-	757	(757)	-
Dividend paid for the previous year	-	-	-	(29,431)	-	(29,431)
Issue of shares under the Allgreen Share Option Scheme 2002	426	-	384	-	-	810
<b>Balance as at 30/9/2004</b>	<b>525,598</b>	<b>280,327</b>	<b>325,306</b>	<b>-</b>	<b>450,882</b>	<b>1,582,113</b>
Balance as at 1/1/2004	525,172	-	324,922	28,674	480,513	1,359,281
Net profit for the period	-	-	-	-	3,768	3,768
Dividend adjustment for the previous year	-	-	-	757	(757)	-
Dividend paid for the previous year	-	-	-	(29,431)	-	(29,431)
Issue of shares under the Allgreen Share Option Scheme 2002	426	-	384	-	-	810
<b>Balance as at 30/9/2004</b>	<b>525,598</b>	<b>-</b>	<b>325,306</b>	<b>-</b>	<b>483,524</b>	<b>1,334,428</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 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.**

During the third quarter ended 30 September 2004, the issued share capital was increased as follows:

	Number of shares '000	Amount S\$'000
Issued share capital as at 1/7/2004	1,051,136	525,568
Issue of ordinary shares of S\$0.50 each under the Allgreen Share Option Scheme 2002	<u>60</u>	<u>30</u>
Issued share capital as at 30/9/2004	<u><u>1,051,196</u></u>	<u><u>525,598</u></u>

As at 30 September 2004, there were 9,380,000 (As at 30 September 2003: 11,008,000) unissued shares of S\$0.50 each under the Allgreen Share Option Scheme 2002.

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

The figures have not been audited.

- 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 financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current period as compared with the audited financial statements for the year ended 2003.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, which 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 period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group Quarter ended 30 September		Group 9 months ended 30 September	
	2004	2003	2004	2003
Earnings per ordinary share of the Company for the period based on Group's profit attributable to shareholders :				
(i) Based on the weighted average number of shares	0.71 cents	2.28 cents	3.49 cents	5.68 cents
- Weighted number of shares ('000)	1,051,004	1,050,000	1,051,004	1,050,000
(ii) On a fully diluted basis	0.71 cents	2.28 cents	3.49 cents	5.68 cents
- Adjusted weighted number of shares ('000)	1,051,897	1,050,654	1,051,977	1,050,000

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

	Group		Company	
	30/09/04 S\$	31/12/03 S\$	30/09/04 S\$	31/12/03 S\$
Net asset value per ordinary share on issued share capital at the end of the period	1.51	1.50	1.27	1.29

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 period reported on.**

#### **3Q 2004 vs 3Q 2003**

The Group's revenue decreased by 55.7% to S\$55.9 million in 3Q 2004 from S\$126.2 million in 3Q 2003. This was mainly due to lower sales recognition of development properties, notwithstanding sales of Cherry Gardens apartments at Lorong Lew Lian and better revenue from Traders Hotel.

The increase in administrative expenses was mainly due to higher cost at Traders Hotel in line with improved business.

Interest expense decreased due to lower borrowings and lower interest rates.

Taxation declined correspondingly with the lower profit for the period.

As a result of the above, the attributable profit to shareholders declined to S\$7.5 million in 3Q 2004 from S\$23.9 million in 3Q 2003.

#### **9 months 2004 vs 9 months 2003**

For the 9 months period ended 30 September 2004, the Group's revenue was S\$186.5 million as compared to S\$290.0 million for the corresponding period in year 2003, down by 35.7%. This was mainly due to fewer units offered for sale and lower sales recognition of development properties.

The profit attributable to shareholders declined by 38.5% to S\$36.7 million in the 9 months period ended 30 September 2004 from S\$59.6 million in the corresponding period of year 2003.

As at 30 September 2004, the gearing was 0.36x with borrowings at S\$692.4 million (As at 31/12/2003: S\$798.8 million).

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

Our reported results for 3Q 2004 are in line with the prospect statement made in 2Q 2004 results announcement of a profitable year for 2004.



**10. A commentary at the date of this 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.**

There are growing signs of a market recovery given the recent positive newsflow, a view that is increasingly being expressed by analysts and market watchers. We have launched D'Lotus at Lorong Ampas and a new phase of Kerrisdale at Beatty Road.

Barring any unforeseen circumstances, Allgreen will continue to be profitable in year 2004, although at a lower level as compared to year 2003.

**11. Dividend**

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

Any dividend recommended for the current financial period reported on? No

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

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

**(c) Date payable**

Not applicable.

**(d) Books closing date**

Not applicable.

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

Not applicable.

**BY ORDER OF THE BOARD**

MS ISOO TAN

COMPANY SECRETARY

12/11/2004