



# UNITED OVERSEAS AUSTRALIA LTD

ACN 009 245 890

Suite 1, 467 Scarborough Beach Road, OSBORNE PARK WA 6017

P.O. Box 1788, Osborne Park DC, W.A. 6017

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30 August 2012

Company Announcements Manager  
Australian Securities Exchange Limited  
4th Floor  
20 Bridge Street  
SYDNEY NSW 2000

Company Announcements Manager  
Singapore Stock Exchange  
2 Shenton Way  
#19 SGX Centre  
SINGAPORE 068804

*“Transmitted Electronically”*

Dear Sirs,

**Re: Half Yearly Report and Appendix 4D for period ending 30 June 2012**

Please find the Half Yearly Report and Appendix 4D attached for the six months ended 30 June 2012.

Yours faithfully,

**ALAN C WINDUSS**

**Company Secretary**

**MALAYSIAN OFFICE:**

**Wisma UOA Bangsar South**

Tower 1, Avenue 3, The Horizon, Bangsar South

No. 8, Jalan Kerinchi, 59200. KUALA LUMPUR

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**UNITED OVERSEAS AUSTRALIA LIMITED  
AND ITS CONTROLLED ENTITIES**

**A.C.N 009 245 890**

**HALF-YEARLY REPORT  
30 June 2012**

**UNITED OVERSEAS AUSTRALIA LIMITED  
AND ITS CONTROLLED ENTITIES**

**A.C.N 009 245 890**

**HALF-YEARLY REPORT  
30 JUNE 2012**

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## Corporate Information

**A.C.N 009 245 890**

### **Directors**

Chong Soon Kong (Chairman)  
Pak Lim Kong  
Alan Charles Winduss  
Alphonsus Chok Kian Tan (Resigned effective 20<sup>th</sup> August 2012)  
Chee Seng Teo  
May Chee Kong (Alternate Director for Chong Soon Kong)

### **Company Secretary**

Alan Charles Winduss

### **Registered Office**

Suite 1,  
467 Scarborough Beach Road  
Osborne Park  
Western Australia 6017

### **Bankers**

National Australia Bank Limited  
Cnr Howe and Sundercombe Street  
Osborne Park, Western Australia 6017

### **Share Registry**

Advanced Share Registry Services  
150 Stirling Highway  
Nedlands, Perth, Western Australia 6009

### **Auditors**

Grant Thornton Audit Pty Ltd  
Chartered Accountants  
Level 1, 10 Kings Park Road  
West Perth, Western Australia 6005

### **Solicitors**

Steinepreis Paganin  
Level 4, The Read Building  
16 Milligan Street  
Perth, Western Australia 6000

ASX Code: UOS

## Directors' Report

Your directors submit their report for the half-year ended 30 June 2012.

### DIRECTORS

The names and details of the directors holding office during the period 1 January 2012 to 30 June 2012 and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

**C.S. Kong** C.P Eng. M.I.E. Aust (Chairman and Chief Executive Officer)

**P.L. Kong** B.E. Hons M.I.E P.E (Executive Director)

**A.C. Winduss** I.C.A.A. (AFF) CPA AFAIM FAICD

**A.C.K. Tan** (Resigned 20th August 2012)

**C.S. Teo**

**M.C. Kong** (alternate for C.S. Kong)

### REVIEW AND RESULTS OF OPERATIONS

As will be seen from the financial statements the group recorded an after tax profit of \$37.35 million for the six month period ended 30 June 2012 (2011: \$46.19 million).

## OPERATIONAL ACTIVITIES

### **Current & Future**

The current state of current and planned development being carried out by the company's controlled listed entity UOA Development Bhd is described below:

#### **The Horizon**

Small to Medium Office Towers

Phase 1 -14 Towers

Completed 2009

Phase 2A-4 Towers

Completed 2011

Phase 2B – 4 Towers

Completed 2011

#### **The Vertical**

Office Suites

Expected Completion 2015

#### **The Park Residences**

Acacia & Begonia

Completed 2010. At date of this report 87% sold.

Camellia Serviced Apartments

Expected completion end of year 2012.

### **PARK RESIDENCE – PHASE 1**

Completed in 2010 and at the date of this report 87% sold.

### **PHASE 2 – 5 (FUTURE)**

This development is located on an elevated area at the southern boundary of Bangsar South. The entire residential development will occupy a total site area of 92,121 sq metres.

The Camellia Serviced Apartments and Annexe Building is located to the northern boundary of the residential development of Bangsar South.

The 34 storey building consists of 720 units of serviced apartments. When completed, facilities will be located on both the ground floor and roof top to cater for the residents and service suites guests respectively. Located adjacent to the Camellia Serviced Apartments is an annexe building that has been completed and is currently a healthcare centre. This development project will occupy a total site area of 8,101 sq m with a total saleable/lettable area of 61,732 sq m upon completion.

The Company has entered into a management contract with an international operator to manage the operations of the serviced apartments on their completion.

Phases 3-5 of Park Residence will be progressively completed over the next several years. This will comprise four blocks of luxury condominiums with a total of 1,648 units and a Clubhouse.

### **The CLUBHOUSE BANGSAR SOUTH**

The Clubhouse project is located at the northern boundary of the residential development in Bangsar South.

The facilities available at the Clubhouse will include business centre, gymnasium, wellness spa centre, ballroom/function room, restaurants and cafes.

Construction is on schedule and it is expected to be completed in 2013. The Clubhouse will be kept as an investment property by the Group.

## **COMMERCIAL DEVELOPMENTS**

### **THE HORIZON (PHASE 1)**

This development is located on the northern boundary of Bangsar South and is segregated from the Residential Precinct by a main thoroughfare road.

Phase 1 of The Horizon comprises 14 blocks of 10 and 11 storey office buildings each with an average saleable area of 5,000 sq metres. It is being marketed to medium sized corporations who want to acquire their own corporate office at an affordable price. The main theme of this development will include water features, lush landscaping and a contemporary designed facade.

To date 11 towers valued at \$104 million have been sold with negotiations taking place for the sale of remaining 3 properties of which 2 blocks are with MSC status. The Group has retained 1 block as its headquarters.

### **THE HORIZON PHASE II**

The Horizon Phase II comprises 13 to 20 storey office towers which are built to comply with the MSC (Malaysia Cybercentre) requirements. This development project will include lush landscaping, water features and consists of office towers with a contemporary-designed facade and are intended to be green buildings in accordance to the standards under the Green Building Index (GBI) Malaysia upon completion. When completed, this development project will occupy a total site area of approximately 22,225 sq m. The total saleable area for Horizon Phase II is approximately 133,731 sq m.

At the date of this report 3 blocks have been sold with the group holding. 3 for investments purpose and expression of interest being sort for the remaining 2.

### **THE SPHERE**

The Sphere is a three storey retail and commercial centre which is fully operational with over 30 retailers, food and beverage outlets and service providers operating.

### **THE VERTICAL**

The Vertical is a development project located within the 111,400 sq m commercial development of Bangsar South to the western boundary of the commercial development.

The construction of the Vertical Office Suite (phase1) has commenced and is expected to be completed in 2015.

To promote a healthy living environment, there will also be a six acre recreational park with a man-made lake and lush greenery and gardens located within the development project.

## **BINJAI 8**

Binjai 8 is strategically located within the prime business district of Kuala Lumpur City Centre.

Sitting on a prime site with a total area of 3,773 sq m, this development project focuses on a modern theme – SoHo. The contemporary designed 40 storey building will consist of 310 units of SoHo with each unit size ranging from 70 sq m to 166 sq m with an approximate total saleable area of 32,748 sq m. This development project comes with facilities such as swimming pool, gymnasium, business centre and sky bar/lounge. It is also located within close proximity to five star hotels, Grade ‘A’ offices, shopping malls, restaurants, international schools, hotels and embassies.

Construction started in 2010 and completion is expected in second half of 2012.

## **KEPONG BUSINESS PARK**

Kepong Business Park is situated in the mature area of Kepong, Kuala Lumpur. It is located within close proximity to the Segambut commuter train station and is accessible via Jalan Kuching, Jalan Segambut, Jalan Duta and Duta-Ulu Kelang Expressway.

This development project occupies a total site area of 75,751 sq m comprises 35 units of 2 1/2 –storey detached office cum warehouse. This low density business park with spacious design is expected to have a total of 36,533 sq m saleable area with the area of each unit ranging from 800 to 1,987 sq m.

The project has been completed.

## **DESA GREEN (Formerly Known as DESA II (Commercial))**

This is a future development project located near Taman Desa, Old Klang Road off the East-West Link. Highway and together with Desa II (Residential), occupies a total site area of 22,926 sq m. It is located approximately seven km from KL City Centre and will comprise of residential and commercial buildings.

## **DESA II (Residential)**

Desa II (Residential) together with Desa II (Commercial) are located in Taman Desa. Old Klang Road, with a total site area of 22,926 sq m. This development project is an exclusive condominium block of 24 units with a total potential saleable area of 9,147 sq m upon completion. Commencement of this project is expected in late 2012.

## **ONE @ BUKIT CEYLON HOTEL SUITES**

One @ Bukit Ceylon hotel Suites is a development project located within Kuala Lumpur City Centre. This development project will occupy a site area of 15,241 sq m.

Construction works commenced in 2011, with completion planned for late 2013.



### **KENCANA SQUARE (Formerly known as GLENMARIE)**

The Kencana Square is located near Glenmarie, Shah Alam and is directly across from the Subang Jaya commuter train station.

This development project has direct access from the Federal Highway and will occupy a total site area of 42,264 sq m. It is expected that this development project will consist of 11 blocks of 14-16 storey office towers with a potential combined saleable/lettable area of 184,141 sq m. Initial conceptualisation, planning and design for this development project has been completed and construction will commence in 2012.

### **SCENARIA (Formerly known as KIARA IV)**

This future development is located in Segambut, Kuala Lumpur and is approximately eight km from KL City Centre. This residential development project is expected to occupy a site area of 39,700 sq.

### **VILLA PINES**

Villa Pines is located in Segambut, Kuala Lumpur, minutes away from the upmarket residential area of Mon't Kiara.

This 3,907 sq m development project is an exclusive gated and guarded community. It comprises 20 units of villas, each with a private basement and car porch. This development project will have a total saleable area of approximately 5,935 sq m. This project is completed.

### **UOA DEVELOPMENT BHD**

At the date of this report the group holds a 67.40% interest in UOA Development Bhd.

### **UOA REAL ESTATE INVESTMENT TRUST (UOA REIT)**

At the time of this report, the Group currently holds 46% equity in the UOA REIT.

The trust has declared a distribution of 1.73 cents per unit for period ended 30 June 2012 and the Group will receive a gross distribution payment of \$5 million for the period.

# DIRECTORS' REPORT

## Dividend

The directors have recommended an interim dividend of 0.5 cents (half of one cent) be paid from profits recorded in this period.

## Rounding

The amounts contained in this report and in the half year financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under the ASIC class order 98/0100/ The company is an entity to which this class order applies.

## Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 for the half year ended 30 June 2012 is attached.

Signed in accordance with the resolutions of directors.



A.C. Winduss  
Director

Perth  
30 August 2012

## DIRECTORS DECLARATION

In accordance with a resolution of the directors of United Overseas Australia Ltd, I state that:

(1) In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity:

- (i) give a true and fair view of the financial position as at 30 June 2012 and the performance for the half-year ended on that date of the consolidated entity; and
- (ii) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Board



A.C. Winduss  
Director

Perth  
30 August 2012

# Statement of Comprehensive Income

FOR THE HALF-YEAR ENDED 30 JUNE 2012

	Notes	CONSOLIDATED	
		June 2012 \$'000	June 2011 \$'000
Sales revenue		108,166	100,903
Cost of sales		(55,470)	(48,538)
<b>Gross profit</b>		<b>52,696</b>	<b>52,365</b>
Other revenues from ordinary activities	2	40,114	49,598
Property maintenance expenses		(4,597)	(3,869)
Occupancy expenses		-	-
Marketing expenses		(3,317)	(5,396)
Administrative expenses		(5,244)	(2,792)
Other expenses from ordinary activities		(3,290)	(5,615)
Foreign exchange gain/(loss)		557	(10,118)
<b>Profit from ordinary activities before tax and finance costs</b>		<b>76,919</b>	<b>74,173</b>
Finance costs		(3,192)	(2,866)
Share of results of associate		67	(6)
<b>Profit before income tax</b>		<b>73,794</b>	<b>71,301</b>
Income tax expense		(12,796)	(14,073)
<b>Profit for the period</b>		<b>60,998</b>	<b>57,228</b>
<b>Other comprehensive income, net of tax</b>			
Available for sale financial assets			
- current period gain/(loss)		407	(82)
- reclassification to profit or loss		-	-
Exchange differences on translating foreign operations		(2,583)	(6,680)
<b>Other comprehensive income/(loss) for the period</b>		<b>(2,176)</b>	<b>(6,762)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>58,822</b>	<b>50,466</b>
Profit attributable to :			
Owners of the parent		37,353	46,187
Non-controlling interest		23,645	11,041
		<b>60,998</b>	<b>57,228</b>
Total comprehensive income attributable to :			
Owners of the parent		35,012	39,278
Non-controlling interest		23,810	11,188
		<b>58,822</b>	<b>50,466</b>
Earnings per share (cents per share)			
- basic for profit for the half-year		3.65	4.43
- diluted for profit for the half-year		3.65	4.43

# Statement of Financial Position

AS AT 30 JUNE 2012

	Notes	CONSOLIDATED	
		As at 30 June 2012 \$'000	As at 31 December 2011 \$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents		217,058	308,717
Trade and other receivables		81,897	84,968
Inventories		226,572	228,515
Investment properties	3	60,606	-
<b>Total Current Assets</b>		<b>586,133</b>	<b>622,200</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		24,131	23,108
Investment properties		496,647	537,907
Land held for property development		67,269	25,449
Investment in associate		6,200	6,159
Amount owing by associate		986	966
Available for sale financial assets		4,873	4,480
Deferred tax assets		6,565	5,888
<b>Total Non-current Assets</b>		<b>606,671</b>	<b>603,957</b>
<b>TOTAL ASSETS</b>		<b>1,192,804</b>	<b>1,226,157</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables		66,445	71,484
Financial liabilities		125,502	125,324
Current tax liabilities		-	2,201
<b>Total Current Liabilities</b>		<b>191,947</b>	<b>199,009</b>
<b>Non-Current Liabilities</b>			
Other payables		21,918	18,008
Financial liabilities		3,133	2,543
Deferred tax liabilities		7,289	6,387
<b>Total Non-Current Liabilities</b>		<b>32,340</b>	<b>26,938</b>
<b>TOTAL LIABILITIES</b>		<b>224,287</b>	<b>225,947</b>
<b>NET ASSETS</b>		<b>968,517</b>	<b>1,000,210</b>
<b>EQUITY</b>			
Parent entity interest			
Share capital	5	27,298	94,174
Reserves		(44,712)	(42,371)
Retained profits		654,703	632,515
Total parent entity interest in equity		637,289	684,318
Total non-controlling interest		331,228	315,892
<b>TOTAL EQUITY</b>		<b>968,517</b>	<b>1,000,210</b>

The accompanying notes form part of this financial report.

# Statement of Cash Flows

FOR THE HALF-YEAR ENDED 30 JUNE 2012

	CONSOLIDATED	
	June 2012 \$'000	June 2011 \$'000
<b>Cash flow from operating activities</b>		
Profit before income tax	73,794	71,301
Adjustments for :		
Bad and doubtful debts	12	(746)
Depreciation of property, plant and equipment	1,421	1,141
Dividend income	(106)	(165)
Unrealised gain on investment properties	(16,873)	(29,694)
Gain on disposal of investment properties	(1,108)	(313)
Gain on disposal of available for sale financial assets	(2)	-
Gain on disposal of property, plant and equipment	(6)	(33)
Foreign currency (gain)/loss	(557)	825
Property, plant and equipment written off	6	69
Finance costs	3,192	2,866
Interest income	(3,711)	(2,934)
Share of results of associate	(67)	6
Loss on disposal of subsidiary company	-	3,030
<b>Operating profit before working capital changes</b>	<b>55,995</b>	<b>45,353</b>
Decrease/(Increase) in inventories	1,361	(35,653)
Decrease/(Increase) in receivables	2,743	(1,071)
Decrease in payables	(4,864)	(6,161)
Cash generated from operations	55,235	2,468
Interest paid	(2,645)	(3,010)
Interest received	3,101	1,390
Income taxes paid	(14,786)	(10,422)
<b>Net cash generated from/(used in) operating activities</b>	<b>40,905</b>	<b>(9,574)</b>
<b>Cash flow from investing activities</b>		
Payment for purchase of available for sale financial assets	(3)	(12)
Advances received from other entities	4,078	6,127
Dividend received	106	165
Proceeds from sale of investment properties	1,913	1,846
Proceeds from sale of available for sale financial assets	2	1,060
Proceeds from sale of property, plant and equipment	16	45
Payment for purchase of investment properties	(4,933)	(12,417)
Payment for purchase of property, plant and equipment	(1,024)	(780)
Purchase of land held for property development	(43,499)	(4,391)
Acquisition of additional shares in existing subsidiary	(1,027)	-
Acquisition of additional shares by non-controlling interest	-	48
Proceeds from disposal of subsidiary, net of cash	-	3,456
<b>Net cash used in investing activities</b>	<b>(44,371)</b>	<b>(4,853)</b>

## Statement of Cash Flows (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

	Notes	CONSOLIDATED	
		June 2012 \$'000	June 2011 \$'000
<b>Cash flow from financing activities</b>			
Net drawdown from borrowings		585	30,826
Proceeds from Initial Public Offering net of listing expenses		-	313,868
Dividend paid to non-controlling shareholders		(5,852)	(39,933)
Dividend paid to shareholders		(755)	(743)
Payment of hire purchase and finance lease liabilities		(730)	(402)
Share buyback		-	(1,208)
Capital repayment		(81,377)	-
<b>Net cash (used in)/generated from financing activities</b>		<b>(88,129)</b>	<b>302,408</b>
Net (decrease)/increase in cash and cash equivalents		(91,595)	287,981
Net foreign exchange differences		(64)	2,216
Cash and cash equivalents at beginning of period		308,717	42,670
<b>Cash and cash equivalents at end of period</b>	8	<b>217,058</b>	<b>332,867</b>

The accompanying notes form part of this financial report.

## Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 30 JUNE 2012

CONSOLIDATED	<i>Share capital \$'000</i>	<i>Retained earnings \$'000</i>	<i>Foreign exchange reserve \$'000</i>	<i>Other reserve \$'000</i>	<i>Total \$'000</i>	<i>Non-controlling Interest \$'000</i>	<i>Total equity \$'000</i>
<b>At 1 January 2011</b>	77,461	408,517	(39,294)	212	446,896	173,538	620,434
Dividends paid	-	(14,716)	-	-	(14,716)	(39,933)	(54,649)
Shares issued during the period							
- dividend reinvestment scheme	13,973	-	-	-	13,973	-	13,973
Share buyback during the period	(1,208)	-	-	-	(1,208)	-	(1,208)
Other changes in non-controlling interest	-	-	-	-	-	(8,527)	(8,527)
Dilution of controlling interest	-	152,945	-	-	152,945	156,687	309,632
<b>Transactions with owners</b>	<b>90,226</b>	<b>546,746</b>	<b>(39,294)</b>	<b>212</b>	<b>597,890</b>	<b>281,765</b>	<b>879,655</b>
Profit for the period	-	46,187	-	-	46,187	11,041	57,228
<b>Other comprehensive income :</b>							
Available for sale financial assets							
- current period gains/(loss)	-	-	-	(229)	(229)	147	(82)
- reclassification to profit or loss	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(6,680)	-	(6,680)	-	(6,680)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>46,187</b>	<b>(6,680)</b>	<b>(229)</b>	<b>39,278</b>	<b>11,188</b>	<b>50,466</b>
<b>At 30 June 2011</b>	<b>90,226</b>	<b>592,933</b>	<b>(45,974)</b>	<b>(17)</b>	<b>637,168</b>	<b>292,953</b>	<b>930,121</b>

The accompanying notes form part of this financial report.



## Statement of Changes in Equity (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

CONSOLIDATED	<i>Share capital \$'000</i>	<i>Retained earnings \$'000</i>	<i>Foreign exchange reserve \$'000</i>	<i>Other reserve \$'000</i>	<i>Total \$'000</i>	<i>Non-controlling Interest \$'000</i>	<i>Total equity \$'000</i>
<b>At 1 January 2012</b>	94,174	632,515	(42,471)	100	684,318	315,892	1,000,210
Dividends paid	-	(15,256)	-	-	(15,256)	(5,852)	(21,108)
Shares issued during the period							
- dividend reinvestment scheme	14,501	-	-	-	14,501	-	14,501
Capital repayment during the period	(81,377)	-	-	-	(81,377)	-	(81,377)
Other changes in non-controlling interest	-	-	-	-	-	(1,504)	(1,504)
Change in stake	-	91	-	-	91	(1,118)	(1,027)
<b>Transactions with owners</b>	<b>27,298</b>	<b>617,350</b>	<b>(42,471)</b>	<b>100</b>	<b>602,277</b>	<b>307,418</b>	<b>909,695</b>
Profit for the period	-	37,353	-	-	37,353	23,645	60,998
<b>Other comprehensive income :</b>							
Available for sale financial assets							
- current period gains	-	-	-	242	242	165	407
- reclassification to profit or loss	-	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	(2,583)	-	(2,583)	-	(2,583)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>37,353</b>	<b>(2,583)</b>	<b>242</b>	<b>35,012</b>	<b>23,810</b>	<b>58,822</b>
<b>At 30 June 2012</b>	<b>27,298</b>	<b>654,703</b>	<b>(45,054)</b>	<b>342</b>	<b>637,289</b>	<b>331,228</b>	<b>968,517</b>

The accompanying notes form part of this financial report.

# Notes to the Half-Year Financial Statements (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

## 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

### (a) Basis of preparation

This general purpose consolidated financial statements for the half year ended 30 June 2012 has been prepared in accordance with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year financial report does not include all notes of the type normally included within the annual financial report. Accordingly this financial report is to be read in conjunction with the Annual Financial Report for the year ended 31 December 2011 and any public announcements made by United Overseas Australia Ltd during the period ended 30 June 2012 and in accordance with the continuous disclosure obligations of the ASX listing rules.

The accounting policies and methods of computation are the same as those adopted in the most recent financial report.

### (b) Reporting Basis and Conventions

The half year financial report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non current assets, financial assets and financial liabilities for which the fair value of accounting has been applied.

### (c) Investment Properties

The fair value model is applied to all investment properties. Investment properties are independently revalued, which are performed on an open market basis, which represents the amounts for which the assets could be exchanged between knowledgeable willing buyer and knowledgeable willing seller in an arm's length transaction at a valuation date.

The fair value of the investment properties held by the UOA Real Estate Investment Trust ("UOA REIT") were assessed by the Board of Directors of UOA Asset Management Sdn Bhd, the Manager of UOA REIT based on the indicative market values by an Independent Property Valuer, PA International Property Consultants (KL) Sdn Bhd on 18 July 2012. In arriving at the indicative market values, the valuer has applied the Investment and Comparison Methods to assess the market values of the investment properties. Whilst a full valuation has not been conducted, the valuations performed indicated a small increase in the value of the properties and hence confirmed the assessment by the Board of directors that the existing book values as at 30 June 2012 are fair. The last full valuation of the these properties were done on 11 January 2010 by PA International Property Consultants (KL) Sdn Bhd, an independent Property Valuer based on the Investment and Comparison Methods of Valuation.

All other commercial properties have been reviewed in conjunction with PA International Property Consultants (KL) Sdn Bhd by the directors who are of the opinion that the carrying values reflect the fair value of the investment properties.

The directors have also reviewed the valuation of all residential properties in conjunction with PA International Property Consultants (KL) Sdn Bhd, who are of the opinion that the carrying values reflect the fair value of the investment properties.

## Notes to the Half-Year Financial Statements (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

### 2 REVENUE AND EXPENSES

Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:

	CONSOLIDATED	
	June 2012	June 2011
	\$'000	\$'000
<b>(i) Revenue</b>		
Property development revenue	108,166	100,903
<b>(ii) Other revenues from ordinary activities</b>		
Rental revenue	15,120	15,134
Dividends received from investments – other corporation	106	165
Interest received from investments – other corporation	3,711	2,934
Gain on disposal of investment properties	1,108	313
Gain on disposal of property, plant and equipment	6	33
Gain on disposal of available for sale financial assets	2	-
Unrealised gain on investment properties	16,873	852
Unrealised gain on transfer to investment properties	-	28,842
Other services	3,188	1,325
	40,114	49,598
<b>(iii) Cost of sales</b>		
Development expenses	55,470	48,538
<b>(iv) Expenses</b>		
Depreciation	1,421	1,141

### 3 INVESTMENT PROPERTIES

On 23 May 2012, Nasib Unggul Sdn Bhd, a subsidiary of the Group, entered into a Sale and Purchase Agreement to dispose a commercial property for a total consideration of \$29.0 million. The disposal is pending completion, and is subject to the fulfilment of the condition precedent. The fair value of the said commercial property as at 30 June 2012 has been restated to the disposal price.

On 10 July 2012, Lencana Harapan Sdn Bhd, a subsidiary of the Group, received an acceptance to an offer to dispose a commercial property for a total purchase consideration of \$31.6 million. The completion of the sale and purchase is conditional upon the satisfactory completion of a technical due diligence audit. The fair value of the commercial property as at 30 June 2012 has been restated to the disposal price.

## Notes to the Half-Year Financial Statements (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

### 4 DIVIDENDS PAID OR PROPOSED

Equity dividends on ordinary shares:

	CONSOLIDATED	
	June 2012	June 2011
	\$'000	\$'000
(a) Dividends paid during the half year		
Final unfranked dividend for financial year 31 December 2011/31 December 2010	15,256	14,716
(b) Dividends proposed and not recognised as a liability		
Interim unfranked dividend for financial period 30 June 2012/30 June 2011	5,286	5,039

### 5 SHARE CAPITAL

	CONSOLIDATED	
	30 June 2012	31 Dec 2011
	\$'000	\$'000
<i>Ordinary shares</i>		
Issued and fully paid	27,298	94,174
	<i>Number of shares</i>	<i>\$'000</i>
<i>Movements in ordinary shares on issue</i>		
Balance at beginning of the financial year	1,017,041,997	94,174
Issued during the period		
- dividend reinvestment scheme	40,165,973	14,501
Capital repayment during the period	-	(81,377)
Balance at end of the financial period	1,057,207,970	27,298

### 6 CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there have not arisen any contingent liabilities or contingent assets.

### 7 CAPITAL COMMITMENT

The Group has the following capital commitments:

	\$'000
Purchase of land for development	9,793
Purchase of plant and equipment	809
	<u>10,602</u>

## Notes to the Half-Year Financial Statements (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

### 8 ADDITIONAL INFORMATION

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following at 30 June:

	CONSOLIDATED	
	30 June 2012	30 June 2011
	\$'000	\$'000
Cash at bank and in hand	38,825	22,754
Short term bank deposits	10,998	5,170
Short term investments	167,235	304,943
	<u>217,058</u>	<u>332,867</u>

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## Notes to the Half-Year Financial Statements (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

### 9 OPERATING SEGMENTS

	Investment		Land development and resale		Others		Elimination		Consolidated	
	June 2012	June 2011	June 2012	June 2011	June 2012	June 2011	June 2012	June 2011	June 2012	June 2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment revenue										
Sales to customers outside the group	-	-	108,166	100,903	-	-	-	-	108,166	100,903
Other revenues from customers outside the group	34,140	45,152	3,600	4,444	2,374	2	-	-	40,114	49,598
Inter segment revenue	39,045	237,237	60,227	90,971	20	-	(99,292)	(328,208)	-	-
Total revenue	73,185	282,389	171,993	196,318	2,394	2	(99,292)	(328,208)	148,280	150,501
Segment results	23,656	26,404	36,005	38,645	1,260	1	2	(7,849)	60,923	57,201
Segment assets	665,653	745,300	513,828	388,015	1,885	236	-	-	1,181,366	1,133,551

Inter segment pricing is based on normal terms and conditions.

## Notes to the Half-Year Financial Statements (Continued)

FOR THE HALF-YEAR ENDED 30 JUNE 2012

### 10 CHANGES TO OR WITHIN GROUP STRUCTURE

There were no changes to the group structure.

### 11 RELATED PARTY TRANSACTIONS

(a) Other transactions of Directors of the Group  
The Directors of the Group are entitled to the use of a corporate golf membership held by a controlled entity.

(b) Other related parties

In October 2011, the Group acquired 100% equity in Dats Management Sdn Bhd (DATS). The Group receives property management services from DATS. It is a requirement that prior to strata title being granted, a developer must provide property management to the development. The Group has appointed a director and an executive to the board of this company to fulfil the Group's responsibilities. The fees paid to DATS totalled \$159,638 for the period ended 30 June 2011. All fees paid are contribution towards the maintenance of the building, in proportion to the floor space owned.

DATS leased certain floors from the Group to operate car-parking facilities to the occupants of the building. During the period ended 30 June 2011 the revenue received from this activity totalled \$1,104,329. All fees were paid under normal commercial terms and conditions.

DATS provides management services and facilities management services to the Group. During the period ended 30 June 2011, the fees paid for these services totalled \$341,153. All fees were paid under normal commercial terms and conditions.

The parent entity receives accounting services from a company, Winduss & Associates. During the period, the fees paid to Winduss & Associates totalled \$53,170 (30.6.2011: \$75,757).

Aggregate amounts included in the determination of operating profit before income tax that resulted from transactions with other related parties are dividend received from controlled entities by United Overseas Australia Ltd is NIL (30.6.2011: NIL).

### 12 EVENTS AFTER THE REPORTING DATE

On 23 August 2012, the directors of United Overseas Australia Ltd proposed an interim unfranked dividend of 0.5 cents per ordinary shares (totaling \$5,286,040) in respect of the financial period 30 June 2012. The dividend has not been provided for in the half year ended 30 June 2012.

# Appendix 4D

## Half Yearly Report

### Half Year Ended 30 June 2012

Introduced 1/1/2003

Name of entity

UNITED OVERSEAS AUSTRALIA LTD

ACN or equivalent company  
reference

009 245 890

Half year ('current period')

30 June 2012  
(Previous corresponding period: 30 June  
2011)

### Results for announcement to the market

*Extracts from this report for announcement to the market*

\$'000

Revenues from ordinary activities	Up	7.20%	to	108,166
Profit from ordinary activities after tax attributable to members	Down	19.13%	to	37,353
Net profit for the period attributable to members	Down	19.13%	to	37,353

<b>Dividends (distributions)</b>	Amount per security	Franked amount per security
Interim dividend	0.5¢	Nil
Previous corresponding period	0.5¢	Nil
Interim dividend	0.5¢	Nil

<sup>+</sup>Record date for determining entitlements to the dividend,  
(in the case of a trust, distribution) (see item 15.2)

[ 17/10/2012 ]

Brief explanation of any of the figures reported above and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

+ See chapter 19 for defined terms.

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### Ratios and Other measures

NTA backing	Current period	Previous corresponding Period
Net tangible asset backing per <sup>+</sup> ordinary security	94.59 cents	89.31 cents

### Dividends (in the case of a trust, distributions)

Date the dividend (distribution) is payable

[ 01/11/2012 ]

<sup>+</sup>Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if <sup>+</sup>securities are not <sup>+</sup>CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if <sup>+</sup>securities are <sup>+</sup>CHESS approved)

[ 17/10/2012 ]

### Amount per security

	Amount per security	Franked amount per security at % tax	Amount per security of foreign source dividend
<b>Interim dividend:</b> Current year	0.5¢	Nil	Nil
Previous year	0.5¢	Nil	Nil

### Interim dividend on all securities

	Current period \$'000	Previous corresponding period - \$'000
<sup>+</sup> Ordinary securities	5,286	5,039

The <sup>+</sup>dividend or distribution plans shown below are in operation.

United Overseas Australia Ltd Shareholders Dividend Reinvestment Plan

The last date(s) for receipt of election notices for the <sup>+</sup>dividend or distribution plans

[ 22/10/2012 ]

Any other disclosures in relation to dividends

Nil

<sup>+</sup> See chapter 19 for defined terms.

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**Auditor's Independence Declaration  
To The Directors of United Overseas Australia Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of United Overseas Australia Limited for the half-year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



J W Vibert  
Partner – Audit & Assurance

Perth, 30 August 2012

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**Independent Auditor's Review Report  
To the Members of United Overseas Australia Limited**

We have reviewed the accompanying half-year financial report of United Overseas Australia Limited which comprises the consolidated financial statements being the statement of financial position as at 30 June 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the company and the entities it controlled at the half-year's end or from time to time during the half-year.

**Directors' responsibility for the half-year financial report**

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's responsibility**

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410: Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of United Overseas Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review

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procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of United Overseas Australia Limited is not in accordance with the Corporations Act 2001, including:

- 1 giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the half-year ended on that date; and
- 2 complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants

J W Vibert  
Partner – Audit & Assurance

Perth, 30 August 2012