

**UNAUDITED RESULTS FOR THIRD QUARTER ENDED 30 SEPTEMBER 2011****PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS****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.**

	Group					
	Third Quarter Ended			Nine Months Ended		
	30.9.2011	30.9.2010	+/(-) %	30.9.2011	30.9.2010	+/(-) %
	\$'000	\$'000	%	\$'000	\$'000	%
<u>Continuing operations</u>						
Revenue	9,174	17,860	(48.6)	24,090	42,419	(43.2)
Cost of sales	(3,264)	(13,351)	(75.6)	(11,391)	(26,379)	(56.8)
Gross profit	5,910	4,509	31.1	12,699	16,040	(20.8)
Other income	3,365	149	n.m.	3,824	3,796	n.m.
General and administrative costs	(1,776)	(2,705)	(34.3)	(6,834)	(8,299)	(17.7)
Selling and distribution costs	(57)	(43)	32.6	(144)	(150)	(4.0)
Other operating costs	(4,095)	(256)	n.m.	(4,178)	(732)	470.8
Finance costs	(155)	(372)	(58.3)	(458)	(1,226)	(62.6)
Share of after tax results of associates and unincorporated joint venture	-	-	-	-	-	-
	(309)	(364)	n.m.	(856)	(524)	n.m.
Profit from continuing operations, before taxation	2,883	918	214.1	4,053	8,905	(54.5)
Taxation	(497)	(121)	310.7	(927)	(1,201)	(22.8)
Profit from continuing operations, after taxation	2,386	797	199.4	3,126	7,704	(59.4)
<u>Discontinued operation</u>						
Profit from discontinued operation, after taxation	-	-	-	-	37,054	n.m.
Net profit after taxation	2,386	797	199.4	3,126	44,758	(93.0)
Net profit after taxation attributable to:						
Equity holders of the Company	2,386	797	199.4	3,126	44,758	(93.0)
Minority Interests	-	-	-	-	-	-
	2,386	797	-	3,126	44,758	-

n.m. denotes not meaningful.

Note:

- Revenue decreased by \$18.3 million year-on-year (“yoy”), from \$42.4 million for nine months ended 30 September 2010 (“FY2010”) to \$24.09 million for same period ended 2011 (“FY2011”) mainly due to decrease in
 - rental income by \$0.5 million (FY2011: \$5.3 million; FY2010: \$5.8 million)
 - proceeds from sale of investment securities by \$17.4 million (FY2011: \$11.6 million; FY2010: \$29.0 million)
 - Interest income by \$3.7 million (FY2011: \$6.4 million; FY2010: \$2.7 million) as an investment security which contributed significantly to interest income was redeemed in 2Q2010

The decrease was mitigated by an increase in dividend income (FY2011: \$3.9 million; FY2010:\$0.7 million) due mainly to a US\$3 million distribution made by a fund in which the Group has a 17.82% interest.

Decrease in revenue by \$8.7 million quarter-on-quarter (“qoq”) from \$17.9 million for third quarter ended 30 September 2010 (“3Q2010”) to \$9.2 million for the same period in 2011 (“3Q2011”) was mainly due to reduction in proceeds from sale of investment securities by \$11.7 million (3Q2011: \$3.0 million; 3Q2010: \$14.7 million). This was offset partially by increase in dividend income by \$3 million (3Q2011: \$3.3 million; 3Q2010: \$0.3 million).

2. The decrease in cost of sales for FY2011 and 3Q2011 was due mainly to the lower cost of investments that were sold during the period.

3. Other income comprised the following:

	3Q2011	3Q2010	+/(-)	FY2011	FY2010	+/(-)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest income	95	65	30.0	313	335	(22.0)
Dividend income	27	31	(4.0)	219	229	(10.0)
Gain on sale of investment securities	604	7	597.0	604	30	574.0
Gain on disposal of plant and equipment	-	-	-	-	-	-
Gain on disposal of investment properties	2,574	-	n.m	2,574	3,076	(502.0)
Sundry	65	46	19.0	114	126	(12.0)
	<u>3,365</u>	<u>149</u>		<u>3,824</u>	<u>3,796</u>	

4. General and administrative costs included the following:

	3Q2011	3Q2010	+/(-)	FY2011	FY2010	+/(-)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General and administrative costs	(1,776)	(2,705)	(929)	(6,834)	(8,299)	(1,465)
Included in general and administrative costs:						
Agents expenses	(107)	(266)	(159.0)	(322)	(813)	(491.0)
Foreign exchange (loss)/gain	357	(267)	(624.0)	(177)	(364)	(187.0)
Legal and professional fees	(117)	(30)	87.0	(599)	(905)	(306.0)
Salaries, CPF and bonus	(1,124)	(1,169)	(45.0)	(3,420)	(3,710)	(290.0)
Depreciation	(70)	(147)	(77.0)	(239)	(316)	(77.0)

5. Other operating costs comprised the following:

	3Q2011	3Q2010	+/(-)	FY2011	FY2010	+/(-)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Allowance (made)/written-back for impairment on						
- non-current investments	486	(251)	(737.0)	486	(569)	(1,055.0)
- current investments	(4,595)	(5)	4,590.0	(4,678)	(6)	4,672.0
Allowance (made)/written-back for doubtful debts receivable from associate	14	-	0.0	14	(157)	(171.0)
	<u>(4,095)</u>	<u>(256)</u>		<u>(4,178)</u>	<u>(732)</u>	

The increase in allowance for impairment loss is due to the unfavourable market conditions during 3Q2011 which resulted in increase in the amount of investment securities which have suffered a significant or prolonged decline in the market value below the acquisition cost of those investments.

6. Reduction in finance costs by \$0.7 million yoy and \$0.2 million qoq was due to repayment of interest bearing loans.

7. Effective tax rates for FY2011 and 3Q2011 were 10.5% (FY2010: 13.50%) and 17.2% (3Q2010: 13.2%) respectively. The taxation charge for the Group is lower than that arrived at by applying the statutory tax rate of 17% to the profit before taxation from continuing operations because certain income were taxed at concessionary rates or were capital in nature.

Profit from continuing operations, before taxation included the following:

	Group					
	Third Quarter Ended			Nine Months Ended		
	30.9.2011	30.9.2010	+ /(-)	30.9.2011	30.9.2010	+ /(-)
	\$'000	\$'000	%	\$'000	\$'000	%
Investment income	3,257	282	n.m	3,941	652	504.4
Other income including interest income	4,224	1,073	293.7	6,452	10,255	(37.1)
Interest on borrowings	(154)	(372)	(58.6)	(457)	(1,226)	(62.7)
Depreciation on property, plant and equipment and investment properties	(389)	(494)	(21.3)	(1,223)	(1,368)	(10.6)
Allowance (made)/written-back for doubtful debts and bad debts	14	-	n.m	14	(157)	n.m
Allowance (made)/written-back for impairment loss on						
- non-current investments	486	(251)	n.m	486	(569)	n.m
- current investments	(4,593)	(5)	n.m	(4,678)	(6)	n.m
Over/(under) provision of taxation in prior years	-	258	(100.0)	-	164	(100.0)
Foreign exchange (loss)/gain	357	(267)	n.m	(177)	(364)	(51.4)
Gain on disposal of investment securities						
- included in gross profit	516	1,847	(72.1)	2,031	4,248	(52.2)
- included in other income	603	7	n.m	604	30	n.m
Gain on disposal of property, plant and equipment	-	-	-	-	-	-
Gain on disposal of investment properties	2,574	-	n.m	2,574	3,076	(16.3)

Statement of Comprehensive Income

	Group					
	Third Quarter Ended			Nine Months Ended		
	30.9.2011	30.9.2010	+ /(-)	30.9.2011	30.9.2010	+ /(-)
	\$'000	\$'000	%	\$'000	\$'000	%
Net profit after taxation	2,386	797	199.4	3,126	44,758	(93.0)
<u>Other comprehensive income/(loss):</u>						
Net gain/(loss) on available-for-sale investments (net of tax)	(414)	862	n.m	(3,401)	(1,366)	149.0
Exchange difference arising from						
- consolidation	(93)	344	n.m	(131)	78	n.m
- revaluation of net investment in foreign operation	28	63	(55.6)	(255)	(1,151)	(77.8)
Revaluation gain realised by an associate to income statement	(215)	-	n.m	(215)	(215)	-
Reclassification of fair value reserve on disposal of discontinued operation	-	-	-	-	(261)	100.0
Other comprehensive gain/(loss), net of tax	(694)	1,269	n.m	(4,002)	(2,915)	n.m
Total comprehensive(loss)/ gain for the period	1,692	2,066	(18.1)	(876)	41,843	n.m
Total comprehensive gain for the period attributable to:						
Equity holders of the Company	1,692	2,066	(18.1)	(876)	41,843	n.m
Minority Interests	-	-	-	-	-	-
	<u>1,692</u>	<u>2,066</u>		<u>(876)</u>	<u>41,843</u>	

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.

	Group		Company	
	30.9.2011 \$'000	31.12.2010 \$'000	30.9.2011 \$'000	31.12.2010 \$'000
Non-current assets				
Property, plant and equipment	6,059	6,218	7	28
Investment properties	83,589	84,419	-	-
Investment in subsidiaries	-	-	194,984	194,984
Investment in associates	370	1,185	746	746
Investment securities	6,246	8,399	-	-
Other receivables	11,540	9,296	-	-
Amounts due from associates	17,494	17,565	-	-
	125,298	127,082	195,737	195,758
Current assets				
Inventories	22	18	-	-
Trade receivables	630	1,336	-	-
Prepayments and deposits	441	490	14	34
Other receivables	3,551	3,729	30	50
Amounts due from subsidiaries	-	-	2,444	1,800
Amounts due from associates	14,273	14,070	-	-
Investment securities	24,724	32,538	-	-
Cash and bank balances	51,329	128,940	23,855	43,919
	94,970	181,121	26,343	45,803
Current liabilities				
Trade payables	(758)	(1,575)	-	-
Other payables	(1,708)	(1,676)	(225)	(205)
Accrued operating expenses	(1,313)	(2,818)	(62)	(137)
Amounts due to associates	(584)	(520)	(348)	(349)
Amounts due to subsidiaries	-	-	(45,475)	(43,030)
Bank overdraft (unsecured)	(932)	(650)	-	-
Bank loans (secured)	(8,244)	(8,382)	-	-
Tax payable	(1,585)	(2,389)	-	-
	(15,124)	(18,010)	(46,110)	(43,721)
Net current assets	79,846	163,111	(19,767)	2,082
Non-current liabilities				
Deferred tax liabilities	(5,238)	(5,272)	-	-
Bank loans (secured)	(5,158)	(7,591)	-	-
Other payables	(441)	(459)	-	-
	(10,837)	(13,322)	-	-
Net assets	194,307	276,871	175,970	197,840

**Equity attributable to equity holders
of the Company**

Share capital	172,154	172,154	172,154	172,154
Capital reserve	1,825	2,040	-	-
Revenue reserve	30,792	109,355	3,816	25,686
Fair value reserve	4,598	7,999	-	-
Currency translation reserve	(15,062)	(14,677)	-	-
	<u>194,307</u>	<u>276,871</u>	<u>175,970</u>	<u>197,840</u>
Minority interests	-	-	-	-
Share capital and reserves	<u>194,307</u>	<u>276,871</u>	<u>175,970</u>	<u>197,840</u>

Note:

1. Decrease in investment properties by \$0.8 million was mainly due to depreciation charge during the period.
2. Decrease in investment in associates by \$0.8 million was mainly due to share of losses taken up during the period.
3. Increase in non-current other receivables by \$2.2 million was due to accrual of interest on loans to an associates.
4. Reduction in current investment securities by \$7.8 million was mainly due to disposals during the period.
5. Decrease in other accrued operating expenses by \$1.5 million was due mainly to lower accrual for bonus and payments made during the period.

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

Amount repayable in one year or less, or on demand

	30.9.2011		31.12.2010	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Bank overdrafts	932	-	650	-
Short term bank loans	1,100	-	1,100	-
Long term bank loans	7,144	-	7,282	-
	<u>9,176</u>	<u>-</u>	<u>9,032</u>	<u>-</u>

Amount repayable after one year

	30.9.2011		31.12.2010	
	Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
Long term bank loans	5,158	-	7,591	-

Details of any collateral

Long term bank loans of \$12.3 million (31.12.2010: \$14.9 million) are secured by a fixed charge over subsidiaries' investment properties. Short term bank loans are secured by an existing deed of guarantee and indemnity of \$4 million from a subsidiary.

Bank Overdraft is secured by a corporate guarantee from the Company for \$15 million.

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.**

	Group			
	Third Quarter Ended		Nine Months Ended	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
	\$'000	\$'000	\$'000	\$'000
Cash flow from operating activities:				
Profit before taxation				
- continuing operations	2,883	918	4,053	8,905
- discontinued operation	-	-	-	36,951
	2,883	918	4,053	45,856
Adjustments for:				
Interest income	533	(989)	(2,942)	(7,375)
Interest expense	154	372	457	1,226
Depreciation of property, plant and equipment and investment properties	389	494	1,223	1,524
Share of results of associates and unincorporated joint venture	309	364	856	524
Net claims incurred	-	-	-	6,701
Provision for unexpired risks	-	-	-	2,626
Allowance made/(written-back) for impairment loss on	-	-	-	-
- non current investment securities	49	251	49	1,660
- current investment securities	4,593	5	4,678	6
Allowance made/(written-back) for doubtful receivables (associate)	-	-	-	157
Gain on disposal of property, plant and equipment	-	-	-	(1)
Gain on disposal of investment properties	(2,574)	-	(2,574)	(3,076)
Gain on disposal of subsidiary	-	-	-	(36,261)
Property, plant and equipment written off	-	-	-	-
	3,453	497	1,747	(32,289)
Operating income before reinvestment in working capital	6,336	1,415	5,800	13,567
(Increase)/Decrease in receivables and current investments	(2,408)	1,948	258	3,242
(Increase)/decrease in inventories	4	13	(4)	(1)
(Decrease)/increase in payables	(1,462)	632	(3,494)	(1,597)
	(3,866)	2,593	(3,240)	1,644
Cash generated from operations	2,470	4,008	2,560	15,211
Net claims paid	-	-	-	(5,132)
Interest received	514	276	875	1,729
Interest paid	(154)	(372)	(457)	(1,226)
Income taxes recovered/(paid)	(532)	(82)	(1,384)	7
	(172)	(178)	(966)	(4,622)
Net cash generated from operating activities	2,298	3,830	1,594	10,589
Cash flow from investing activities:				
Dividends received from associate	-	2,400	-	10,400
(Increase)/decrease in other investments	1,518	(148)	2,101	59,603
(Increase)/decrease in amounts due from associates	42	16	(68)	(1,042)
Net cash inflow from disposal of subsidiary	-	2,130	-	24,321
Proceeds from capital reduction exercise conducted by an associate	-	-	-	-
Proceeds from disposal of investment properties	4,467	-	4,467	8,864
Proceeds from disposal of property, plant and equipment	-	-	-	1
Purchase of investment properties	-	-	(1,103)	-
Addition to investment properties	-	(219)	(362)	(229)
Purchase of property, plant and equipment	(309)	(15)	(415)	(790)
Net cash generated from investing activities	5,718	4,164	4,620	101,128
Net cash generated from operating and investing activities carried forward	8,016	7,994	6,214	111,717

	Group			
	Third Quarter Ended		Nine Months Ended	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
	\$'000	\$'000	\$'000	\$'000
Net cash generated from operating and investing activities brought forward	8,016	7,994	6,214	111,717
Cash flow from financing activities:				
Repayments in bank loans	(2,548)	(453)	(2,572)	(17,251)
Increase/(decrease) in bank overdrafts	-	148	-	162
Dividends paid	(16,338)	(39,210)	(81,688)	(47,679)
Decrease/(increase) in pledged cash and bank balances	-	-	-	4,429
Net cash used in financing activities	(18,886)	(39,515)	(84,260)	(60,339)
Net increase/(decrease) in cash and cash equivalents	(10,870)	(31,521)	(78,046)	51,678
Cash and cash equivalents at beginning of the period	47,684	167,727	114,950	84,624
Effects of exchange rate changes on cash and cash equivalents	243	(25)	153	(121)
Cash and cash equivalents at end of the period	37,057	136,181	37,057	136,181

For purposes of presenting consolidated cash flow statements, the consolidated cash and cash equivalents comprise the following:

	Group		Group	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
	\$'000	\$'000	\$'000	\$'000
Cash and bank balances				
- continuing operations	51,329	149,521	51,329	149,521
- discontinued operation	-	-	-	-
Less: cash and bank balances pledged	(13,340)	(13,340)	(13,340)	(13,340)
Less bank overdraft secured	(932)	-	(932)	-
Cash and cash equivalents at end of the period	37,057	136,181	37,057	136,181

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

----- Attributable to Equity Holders of the Company -----								
	Share capital \$'000	Capital reserve ** \$'000	Revenue reserve \$'000	Fair value reserve \$'000	Currency translation reserve \$'000	Reserve of disposal group classified as held for sale \$'000	Minority interests \$'000	Total equity \$'000
Group								
Balance at 1.1.2011	172,154	2,040	109,355	7,999	(14,677)	-	-	276,871
Total comprehensive gain/(loss) for the period	-	-	433	(996)	(101)	-	-	(664)
Balance at 31.3.2011	172,154	2,040	109,788	7,003	(14,778)	-	-	276,207
Total comprehensive gain/(loss) for the period	-	-	306	(1,991)	(219)	-	-	(1,904)
Dividends paid	-	-	(65,350)	-	-	-	-	(65,350)
Balance at 30.6.2011	172,154	2,040	44,744	5,012	(14,997)	-	-	208,953
Total comprehensive gain/(loss) for the period	-	(215)	2,386	(414)	(65)	-	-	1,692
Dividends paid	-	-	(16,338)	-	-	-	-	(16,338)
Balance at 30.9.2011	172,154	1,825	30,792	4,598	(15,062)	-	-	194,307
Balance at 1.1.2010	172,154	2,411	111,713	8,160	(13,531)	(192)	-	280,715
Total comprehensive gain/(loss) for the period	-	-	3,267	(2,101)	(720)	(377)	-	69
Balance at 31.3.2010	172,154	2,411	114,980	6,059	(14,251)	(569)	-	280,784
Total comprehensive gain/(loss) for the period	-	(215)	40,694	(580)	(760)	569	-	39,708
Dividends paid	-	-	(8,169)	-	-	-	-	(8,169)
Balance at 30.6.2010	172,154	2,196	147,505	5,479	(15,011)	-	-	312,323
Total comprehensive gain/(loss) for the period	-	-	797	862	407	-	-	2,066
Dividends paid	-	-	(39,210)	-	-	-	-	(39,210)
Balance at 30.9.2010	172,154	2,196	109,092	6,341	(14,604)	-	-	275,179

** Capital reserve relates to unrealised revaluation gain pertaining to certain properties purchased from an associate.

Company	Share capital \$'000	Revenue reserve \$'000	Total equity \$'000
Balance at 1.1.2011	172,154	25,686	197,840
Total comprehensive loss for the period	-	(200)	(200)
Balance at 31.3.2011	172,154	25,486	197,640
Total comprehensive gain for the period	-	57,219	57,219
Dividends paid	-	(65,350)	(65,350)
Balance at 30.6.2011	172,154	17,355	189,509
Total comprehensive gain for the period	-	2,799	2,799
Dividends paid	-	(16,338)	(16,338)
Balance at 30.9.2011	172,154	3,816	175,970
Balance at 1.1.2010	172,154	37,149	209,303
Total comprehensive gain for the period	-	(466)	(466)
Balance at 31.3.2010	172,154	36,683	208,837
Total comprehensive gain for the period	-	7,734	7,734
Dividends paid	-	(8,169)	(8,169)
Balance at 30.6.2010	172,154	36,248	208,402
Total comprehensive gain for the period	-	39,153	39,153
Dividends paid	-	(39,210)	(39,210)
Balance at 30.9.2010	172,154	36,191	208,345

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.

No option has been granted under the Hwa Hong Corporation Limited (2001) Share Option Scheme since its adoption on 29 May 2001.

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.

Since 31 December 2010, there has been no change to the total number of 653,504,000 issued ordinary shares of the Company.

As at 31 December 2009 and 30 September 2010, the Company's share capital was \$172,153,626 with 653,504,000 ordinary shares issued and fully paid.

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.

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

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.

Except as explained in paragraph 5, the Group and the Company have applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the most recently audited consolidated financial statements 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.

The Group and the Company have adopted the following new and revised FRSs that are mandatory for financial periods beginning on 1 July 2010 and 1 January 2011:-

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to FRS 32 <i>Financial Instruments: Presentation Classification of Right Issues</i>	1 February 2010
INT FRS 119 <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 July 2010
Revised FRS 24 <i>Related Party Disclosures</i>	1 January 2011
Amendments to INT FRS 114 <i>Prepayments of a Minimum Funding Requirement</i>	1 January 2011
INT FRS 115 <i>Agreements for the Construction of Real Estate</i>	1 January 2011
Improvements to FRSs issued in 2010:	
- Amendments to FRS 1 <i>Presentation of Financial Statements</i>	1 January 2011
- Transition requirements for amendments arising as a result of FRS 27 <i>Consolidated and Separate Financial Statements</i>	1 July 2010
- Amendment to FRS 34 <i>Interim Financial Reporting</i>	1 January 2011
- Amendment to FRS 101 <i>First-time Adoption of Financial Reporting Standards</i>	1 January 2011
- Amendments to FRS 103 <i>Business Combinations</i>	1 July 2010
- Amendments to FRS 107 <i>Financial Instruments: Disclosures</i>	1 January 2011
- Amendments to INT FRS 113 <i>Customer Loyalty Programmes</i>	1 January 2011

The adoption of the above FRS and INT FRS did not have financial impact on the Group and the Company for third quarter and nine months ended 30 September 2011.

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.**

	GROUP			
	Third Quarter Ended		Nine Months Ended	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
<u>Continuing operations</u>				
Earnings per ordinary share after deducting any provision for preference dividends:				
(i) Based on the weighted average number of ordinary shares in issue (cents)	0.37	0.12	0.48	1.18
(ii) On a fully diluted basis (cents)	0.37	0.12	0.48	1.18
<u>Discontinued operation</u>				
Earnings per ordinary share after deducting any provision for preference dividends:				
(i) Based on the weighted average number of ordinary shares in issue (cents)	-	-	-	5.67
(ii) On a fully diluted basis (cents)	-	-	-	5.67

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 financial period reported on; and

(b) immediately preceding financial year.

	GROUP		COMPANY	
	As at 30.9.2011	As at 31.12.2010	As at 30.9.2011	As at 31.12.2010
Net asset value per ordinary share (cents)	29.73	42.37	26.93	32.27

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

	3Q2011	3Q2010	+/(-) %	FY2011	FY2010	+/(-) %
	\$'000	\$'000		\$'000	\$'000	
Rental and Investments ("RI")	6,136	13,937	(56.0)	14,044	29,167	(51.8)
Trading and Investments ("Trading")	3,038	3,923	(22.6)	10,046	13,252	(24.2)
Corporate and Others	-	-	-	-	-	-
	<u>9,174</u>	<u>17,860</u>		<u>24,090</u>	<u>42,419</u>	

The decrease in revenue in RI segment was mainly due to reduction in the following:

- Interest income by \$3.9 million to \$2.6 million in FY2011 (FY2010: \$6.5 million) and by \$0.1 million to \$ 0.8 million in 3Q2011 (3Q2010: \$0.9 million) mainly as a result of the redemption of an interest bearing investment security in 2Q2010 and also because of the lower fixed deposit balances.
- Proceeds from sale of investment securities decreased by \$14.1 million due to unfavourable market conditions from \$16.2 million in FY2010 to \$2.1 million in FY2011 and from \$10.8 million in 3Q2010 to \$ million in 3Q2011.

The decrease in revenue in RI segment was mitigated by increase in dividend income (see Note 1 on page 1).

The decrease in revenue for Trading segment for FY2011 was mainly due to decrease in proceeds from sale of investment securities by \$5.5 million to \$9.5 million (FY2010: \$12.8 million) because of unfavourable market conditions.

Proceeds from sale of investment securities decreased by \$1.1 million to \$2.8 million in 3Q2011 (3Q2010: \$3.9 million).

Profit before taxation

	3Q2011	3Q2010	+/(-) %	FY2011	FY2010	+/(-) %
	\$'000	\$'000		\$'000	\$'000	
Rental and Investments ("RI")	5,292	1,620	227	7,565	10,997	(31)
Trading and Investments ("Trading")	(1,932)	(156)	1,138	(1,862)	538	(446)
Corporate and Others	(477)	(546)	(12.6)	(1,650)	(2,630)	(37)
	<u>2,883</u>	<u>918</u>	214	<u>4,053</u>	<u>8,905</u>	(54)

The decrease in profit before taxation for RI segment was mainly due to the following:

- Lower gain from sale of investment securities.
- allowance made for impairment loss on investment securities amounting to \$2.5 million in 3Q2011.
- Increase in share of loss of associates and unincorporated joint venture.

The Trading segment's result has turned into a loss mainly because of the allowance for impairment loss made on its investment securities amounting to \$2.2 million in 3Q2011.

Loss before taxation for Corporate and Others segment of about \$0.5 million for third quarter of both years were mainly contributed by salaries, bonus and accruals of directors fees. The lower loss for FY2011 was due to lower staff costs and lower professional fees.

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

Not applicable.

10. A commentary at the date of the announcement of the 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.

Uncertainties in the world economy will affect the Group's revenue and profitability. A weak equity market will also adversely affect profitability.

While the Group's portfolio of properties in the United Kingdom continues to perform to expectations, its serviced office properties outside central London continue to face challenging operating conditions given the weakness in the UK economy and ongoing Eurozone crisis.

The upgrading of the Paya Lebar property is scheduled to start in December and there will be no income from the property for the next twelve months.

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 financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

13. INTERESTED PERSON TRANSACTIONS

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 shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Ong Hian Eng – Interest earned on convertible note issued by a company in which the above director has a substantial interest for the nine months ended 30 September 2011	\$160,103	Not applicable [^]
Hong Leong Investment Holdings Pte. Ltd. Group – Interest charged on shareholder loan to Hong Property Investment Pte Ltd for nine months ended 30 September 2011	\$210,290	Not applicable [^]

[^] There is no subsisting shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

14. CONFIRMATION BY THE BOARD

The Board of Directors of Hwa Hong Corporation Limited confirms that to the best of its knowledge, nothing has come to its attention which may render the interim financial results to be false or misleading in any material respect.

SUBMITTED BY

Simon Ong
Chief Financial Officer
25 October 2011