

**PROFORMA FINANCIAL STATEMENT****UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2007****TABLE OF CONTENTS**

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## 1 UNAUDITED RESULTS FOR THE QUARTER ENDED 31 MARCH 2007

The Directors of Keppel Land Limited announce the following unaudited results of the Group for the quarter ended 31 March 2007:

### 1 (a) GROUP PROFIT AND LOSS ACCOUNT for the Quarter Ended 31 March 2007

	First Quarter Ended 31.03.07 \$'000	First Quarter Ended 31.03.06 \$'000	+ / (-) %
<b>Sales</b>	<b>295,416</b>	118,957	148.3
<b>Cost of sales</b>	<b>(225,814)</b>	(73,727)	206.3
<b>Gross profit</b>	<b>69,602</b>	45,230	53.9
Distribution costs	<b>(1,671)</b>	(1,003)	66.6
Administrative and other expenses (see Note 1)	<b>(12,942)</b>	(5,782)	123.8
<b>Operating profit</b>	<b>54,989</b>	38,445	43.0
Interest and investment income	<b>13,705</b>	13,054	5.0
Finance costs (see Note 2)	<b>(21,463)</b>	(10,054)	113.5
Share of results of associated companies	<b>36,567</b>	4,740	671.5
<b>Profit before taxation</b>	<b>83,798</b>	46,185	81.4
Taxation	<b>(13,502)</b>	(4,708)	186.8
<b>Profit after taxation</b>	<b>70,296</b>	41,477	69.5
Attributable to:			
<b>Shareholders of the Company</b>	<b>62,467</b>	36,343	71.9
Minority interests	<b>7,829</b>	5,134	52.5
	<b>70,296</b>	41,477	69.5
Basic earnings per share (cents)	<b>8.7</b>	5.1	
Diluted earnings per share (cents)	<b>8.6</b>	5.1	
Operating profit margin	<b>18.6%</b>	32.3%	
Return on equity	<b>3.9%</b>	2.1%	
Profit before taxation is arrived at after charging / (crediting) the following:			
Write-back of provisions for property held for sale	<b>(9,757)</b>	(9,395)	
Depreciation	<b>2,379</b>	2,663	
Cost of share-based payments	<b>431</b>	288	
Foreign exchange (gain) / loss	<b>(2,031)</b>	2,037	
Provision of doubtful debts	<b>525</b>	257	
Fair value loss / (gain) from revaluation of interest rate hedging instruments	<b>3,030</b>	(4,231)	
Employee emoluments	<b>16,502</b>	12,121	

#### Notes

- The increase in administrative and other expenses is due mainly to higher staff costs, and certain provisions written back in 1Q2006
- Finance costs are higher primarily on account of a revaluation loss of \$3 million for the Group's interest rate hedging instruments compared with a gain of \$4.2 million recorded for 1Q2006.

**1(b)(i) BALANCE SHEETS as at 31 March 2007**

	<b>Group</b>		<b>Company</b>	
	<b>31.03.07</b>	31.12.06	<b>31.03.07</b>	31.12.06
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Share capital</b>	<b>1,183,847</b>	1,183,413	<b>1,183,847</b>	1,183,413
<b>Reserves</b>	<b>475,898</b>	407,521	<b>399,877</b>	402,184
<b>Share capital and reserves</b>	<b>1,659,745</b>	1,590,934	<b>1,583,724</b>	1,585,597
<b>Minority interests</b>	<b>323,298</b>	310,018	-	-
<b>Total equity</b>	<b>1,983,043</b>	1,900,952	<b>1,583,724</b>	1,585,597
<b>Long-term borrowings</b>	<b>2,640,565</b>	2,111,107	<b>1,426,397</b>	1,482,108
	<b>4,623,608</b>	4,012,059	<b>3,010,121</b>	3,067,705
Represented by:				
<b>Fixed assets</b>	<b>202,666</b>	205,137	<b>61</b>	62
<b>Investment properties</b>	<b>1,210,726</b>	1,199,722	-	-
<b>Properties held for development</b>	<b>182,078</b>	183,327	-	-
<b>Investments</b>				
Subsidiary companies	-	-	<b>1,186,013</b>	1,186,013
Associated companies	<b>646,253</b>	624,134	<b>135,320</b>	135,320
Other investments	<b>41,362</b>	35,241	<b>3,584</b>	3,313
	<b>687,615</b>	659,375	<b>1,324,917</b>	1,324,646
<b>Current assets</b>				
Properties held for sale	<b>1,392,633</b>	1,352,915	-	-
Consumable stocks	<b>3,113</b>	3,437	-	-
Debtors	<b>158,187</b>	159,358	<b>1,480</b>	1,568
Amounts owing by holding and related companies	<b>1,237,417</b>	917,282	<b>1,921,657</b>	2,100,713
Fixed deposits, bank balances and cash	<b>524,942</b>	580,951	<b>1,986</b>	2,114
	<b>3,316,292</b>	3,013,943	<b>1,925,123</b>	2,104,395
Less:				
<b>Current liabilities</b>				
Creditors	<b>590,227</b>	623,403	<b>16,526</b>	14,422
Net tax provision	<b>67,476</b>	86,378	<b>1,458</b>	1,458
Short-term borrowings	<b>218,684</b>	439,619	<b>116,750</b>	267,290
Amounts owing to holding and related companies	<b>65,723</b>	65,607	<b>94,047</b>	66,557
	<b>942,110</b>	1,215,007	<b>228,781</b>	349,727
<b>Net current assets</b>	<b>2,374,182</b>	1,798,936	<b>1,696,342</b>	1,754,668
<b>Deferred taxation</b>	<b>(33,659)</b>	(34,438)	<b>(11,199)</b>	(11,671)
	<b>4,623,608</b>	4,012,059	<b>3,010,121</b>	3,067,705
Group net debt (\$'000)	<b>2,334,307</b>	1,969,775		
Group net debt/equity ratio (times)	<b>1.18</b>	1.04		
Net tangible assets per share (\$)	<b>2.31</b>	2.21		

**Review of Financial Position**

The Group's net tangible assets per share increased to \$2.31 from \$2.21 as at 31 December 2006. Net debt/equity ratio of 1.18 was 13.5% higher than that at end-December 2006. This was due largely to financing for Phase 2 of the Marina Bay Financial Centre project.

**1(b)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES****Amount Repayable in One Year or Less, or on Demand**

As at 31.03.07		As at 31.12.06	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
-	218,684	9,175	430,444

**Amount Repayable after One Year**

As at 31.03.07		As at 31.12.06	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
338,122	2,302,443	267,517	1,843,590

In addition to funds from internal sources and related companies, the Group obtains its funds from the capital market through its US\$800 Million Medium Term Note Programme and the convertible bond issue of \$300 million, and banks either on a bilateral or on a syndicated basis.

Interest rate caps and interest rate swaps have been used to hedge the Group's exposure to interest rate risk. On a hedged basis, 44% of the Group's borrowings were fixed. For the quarter ended 31 March 2007, the Group's cost of funds was 3.6%.

**Details of Any Collateral**

Certain subsidiaries of the Company pledged their assets in order to obtain loans from financial institutions. The net book value of properties and other assets mortgaged to financial institutions amounted to \$609 million (31.12.06: \$475 million).

**1(c) CONSOLIDATED CASH FLOW STATEMENT  
for the Quarter Ended 31 March 2007**

	First Quarter Ended 31.03.07	First Quarter Ended 31.03.06
	\$'000	\$'000
<b>Cash flow from operating activities</b>		
Operating profit before interest and taxation	54,989	38,445
Adjustments for:		
Depreciation of fixed assets	2,379	2,663
Write-back of provision for properties held for sale	(9,757)	(9,395)
Provision of doubtful debts	525	257
Cost of share-based payments	431	288
<b>Operating income before reinvestment in working capital</b>	<b>48,567</b>	<b>32,258</b>
Decrease / (increase) in debtors	8,644	(42,173)
Increase in work-in-progress and consumable stocks	(21,709)	(5,319)
Development expenditure	(181,547)	(81,273)
Proceeds from progress billings	179,991	101,902
Decrease in creditors	(18,780)	(20,873)
<b>Cash from / (used in) operations</b>	<b>15,166</b>	<b>(15,478)</b>
Interest received	13,705	13,054
Interest paid	(21,463)	(10,054)
Income taxes paid	(30,039)	(5,197)
<b>Net cash used in operating activities</b>	<b>(22,631)</b>	<b>(17,675)</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets and improvement in investment properties	(3,414)	(1,203)
Other investments	(3,214)	-
Additional investment in a subsidiary company	-	(9,721)
Additional investment in associated companies	(13,005)	-
<b>Net cash used in investing activities</b>	<b>(19,633)</b>	<b>(10,924)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issuance of share capital by Company	434	2,851
Net loan drawdown / (repayment)	306,226	(10,621)
Repayment to minority shareholders of certain subsidiaries	(27,653)	(283)
Loans to related and associated companies, less dividends received	(298,730)	(27,433)
Contributions from, less dividends to minority shareholders of subsidiary companies	4,357	(57,315)
<b>Net cash used in financing activities</b>	<b>(15,366)</b>	<b>(92,801)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(57,630)</b>	<b>(121,400)</b>
Cash and cash equivalents at beginning of period	580,951	597,677
Exchange adjustments	1,621	(11,279)
Cash and cash equivalents at end of period	<b>524,942</b>	<b>464,998</b>

**1(c) CONSOLIDATED CASH FLOW STATEMENT  
for the Quarter Ended 31 March 2007**

	First Quarter Ended 31.03.07	First Quarter Ended 31.03.06
	\$'000	\$'000
<b>Represented by:</b>		
<b>Cash and cash equivalents</b>		
Fixed deposits, bank balances and cash	516,690	448,857
Deposits with related companies	8,252	16,141
	<b><u>524,942</u></b>	<b><u>464,998</u></b>

**Review of Cash Flows for 1Q2007****(i) Net Cash Used in Operating Activities**

The Group's net cash used in operating activities was \$22.6 million compared with \$17.7 million in the corresponding quarter last year. There was an increased cash flow from operating activities of \$48.6 million because of the higher profit made. In addition, progress payments from end-purchasers in the current quarter were higher due to the newly launched project, The Sixth Avenue Residences in Singapore, and there was more collection from debtors. Offsetting these inflows were development expenditure mainly for land acquisition in India and China amounting to \$84.6 million, and an increase in work-in-progress and consumable stocks.

**(ii) Net Cash Used in Investing Activities**

The Group's net cash used in investing activities was higher at \$19.6 million compared with \$10.9 million used in the corresponding quarter last year. This was due to additional investments in associated companies of \$13 million, other investments of \$3.2 million and purchase of fixed assets of \$3.4 million. In the corresponding quarter last year, an additional investment in a subsidiary company and purchase of fixed assets amounted to \$10.9 million.

**(iii) Net Cash Used in Financing Activities**

The Group's net cash used for financing activities was \$15.4 million compared with \$92.8 million in the corresponding quarter last year. Increased funding for related and associated companies of \$298.7 million, mainly for the Marina Bay Financial Centre project, and repayment to minority shareholders of \$27.7 million were financed mainly by drawdown of loans of \$306.2 million.

(iv) Overall, the net decrease in cash and cash equivalents of \$57.6 million was funded by the Group's cash balance of \$581 million as at 31 December 2006.

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY**
**GROUP STATEMENT OF CHANGES IN EQUITY**

for the Quarter Ended 31 March 2007

	Share Capital \$'000	Property Revaluation and Other Capital Reserves* \$'000	Foreign Currency Translation Account \$'000	Revenue Reserves \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<b>Balance at 1 January 2007</b>	1,183,413	310,164	(38,636)	135,993	1,590,934	310,018	1,900,952
Net fair value change on available-for-sale financial assets	-	3,033	-	-	3,033	26	3,059
Exchange difference arising on consolidation	-	-	2,446	-	2,446	1,068	3,514
Net gains not recognised in profit and loss account	-	3,033	2,446	-	5,479	1,094	6,573
Net profit for the period	-	-	-	62,467	62,467	7,829	70,296
Total recognised gains for the period	-	3,033	2,446	62,467	67,946	8,923	76,869
Issue of shares under the Keppel Land Share Option Scheme	434	-	-	-	434	-	434
Cost of share-based payments	-	431	-	-	431	-	431
Property revaluation reserves transferred to revenue reserves (see Note below)	-	(263,043)	-	263,043	-	-	-
Capital contribution	-	-	-	-	-	4,357	4,357
<b>Balance at 31 March 2007</b>	<b>1,183,847</b>	<b>50,585</b>	<b>(36,190)</b>	<b>461,503</b>	<b>1,659,745</b>	<b>323,298</b>	<b>1,983,043</b>

\*Includes share option reserves

Note

The Group has adopted Financial Reporting Standard ("FRS") 40 (Investment property) with effect from 1 January 2007, the effective date of the FRS. The amount accumulated in the property revaluation reserve at 1 January 2007 of \$263 million has been adjusted against revenue reserves in accordance with the transitional provision of the FRS.

**GROUP STATEMENT OF CHANGES IN EQUITY**  
 for the Quarter Ended 31 March 2006

	Share Capital \$'000	Share Premium \$'000	Property Revaluation and Other Capital Reserves* \$'000	Foreign Currency Translation Account \$'000	Revenue Reserves \$'000	Total \$'000	Minority Interests \$'000	Total Equity \$'000
<b>Balance at 1 January 2006</b>	357,576	818,794	311,284	(17,697)	208,975	1,678,932	280,577	1,959,509
Net fair value change on available-for-sale financial assets	-	-	610	-	-	610	-	610
Exchange difference arising on consolidation	-	-	-	(8,652)	-	(8,652)	(5,722)	(14,374)
Net gain / (losses) not recognised in profit and loss account	-	-	610	(8,652)	-	(8,042)	(5,722)	(13,764)
Net profit for the period	-	-	-	-	36,343	36,343	5,134	41,477
<b>Total recognised for the period</b>	-	-	610	(8,652)	36,343	28,301	(588)	27,713
Issue of shares under the Keppel Land Share Option Scheme	1,884	967	-	-	-	2,851	-	2,851
Transfer of share premium reserve to share capital account (See note below)	819,761	(819,761)	-	-	-	-	-	-
Cost of share-based payments	-	-	288	-	-	288	-	288
Dividend paid	-	-	-	-	-	-	(2,371)	(2,371)
Set-off against advances from a minority Shareholder	-	-	-	-	-	-	65,498	65,498
Acquisition of interest from minority Shareholders	-	-	-	-	-	-	(10,243)	(10,243)
<b>Balance at 31 March 2006</b>	<b>1,179,221</b>	<b>-</b>	<b>312,182</b>	<b>(26,349)</b>	<b>245,318</b>	<b>1,710,372</b>	<b>332,873</b>	<b>2,043,245</b>

\*Includes share option reserve

Note

With effect from 30 January 2006, the concepts of "par value" and "authorised capital" were abolished under the Companies (Amendment) Act 2005. The amount standing to the credit of the Company's share premium account as at 30 January 2006 had become part of the Company's share capital as at that date.

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
for the Quarters Ended 31 March 2007 and 31 March 2006

	Share Capital \$'000	Share Premium \$'000	Property Revaluation and Other Capital Reserves* \$'000	Revenue Reserves \$'000	Total \$'000
<b>Balance at 1 January 2007</b>	1,183,413	-	35,367	366,817	1,585,597
Net fair value change on available-for-sale financial assets	-	-	271	-	271
Net gain not recognised in profit and loss account	-	-	271	-	271
Net loss for the period	-	-	-	(3,009)	(3,009)
Total recognised gain/(loss) for the period	-	-	271	(3,009)	(2,738)
Issue of shares under the Keppel Land Share Option Scheme	434	-	-	-	434
Cost of share-based payments	-	-	431	-	431
<b>Balance at 31 March 2007</b>	<b>1,183,847</b>	<b>-</b>	<b>36,069</b>	<b>363,808</b>	<b>1,583,724</b>
<b>Balance at 1 January 2006</b>					
As previously reported	357,576	818,794	1,414	501,148	1,678,932
Adjustment to reinstate investments in subsidiaries and associated companies to cost (see Note 1)	-	-	-	(181,145)	(181,145)
As restated	357,576	818,794	1,414	320,003	1,497,787
Net profit for the period	-	-	-	18,076	18,076
Issue of shares under the Keppel Land Share Option Scheme	1,884	967	-	-	2,851
Transfer of share premium reserve to share capital account (see Note 2)	819,761	(819,761)	-	-	-
Cost of share-based payments	-	-	288	-	288
<b>Balance at 31 March 2006</b>	<b>1,179,221</b>	<b>-</b>	<b>1,702</b>	<b>338,079</b>	<b>1,519,002</b>

\*Includes share option reserve

Notes

- As of 1 January 2006, investments in subsidiaries and associated companies in the books of the Company were stated at cost less impairment loss, as fair values under the previous basis cannot be reliably determined in the light of volatile property prices. In past years, they were stated at the Company's attributable share of the fair values of their combined net assets. The change in accounting policy resulted in a decrease of \$181,145,000 in the revenue reserve of the Company as at 1 January 2006. However, this change had no impact on the results and revenue reserve of the Group.
- With effect from 30 January 2006, the concepts of "par value" and "authorised capital" were abolished under the Companies (Amendment) Act 2005. The amount standing to the credit of the Company's share premium account as at 30 January 2006 had become part of the Company's share capital as at that date.

**1(d)(ii) SHARE CAPITAL**

During the quarter ended 31 March 2007, the Company issued 243,500 ordinary shares upon the exercise of options granted under the Keppel Land Share Option Scheme to executive employees. The share capital of the Company as at 31 March 2007 comprised 719,477,081 ordinary shares.

As at 31 March 2007, there were unexercised options for 3,596,000 (31.03.06: 5,161,000) of unissued ordinary shares under the Keppel Land Share Option Scheme.

**2. AUDIT**

The figures have not been audited or reviewed by the Company's auditors.

**3. AUDITORS' REPORT**

Not applicable.

**4. ACCOUNTING POLICIES**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2006.

**5. CHANGES IN THE ACCOUNTING POLICIES**

With effect from 1 January 2007, the Group has adopted FRS 40 (Investment property).

Prior to the adoption of FRS 40, investment properties are accounted for as long-term investments and stated at valuations made each year. Surpluses arising on revaluation were credited directly to capital reserves. Revaluation deficits were taken to the profit and loss account in the absence of or to the extent that they exceeded any surpluses held in reserves relating to previous revaluations.

On the adoption of FRS 40, changes in fair values of investment properties are included in the profit and loss account. This change in accounting policy has been accounted for prospectively in accordance with the transitional provisions and has resulted in a decrease in capital reserves of \$263,043,000 with a corresponding increase in revenue reserves as at 1 January 2007.

## 6. EARNINGS PER ORDINARY SHARE

	GROUP		
	Quarter Ended 31.03.07	Quarter Ended 31.03.06	+/(-)%
Earnings per ordinary share of the Company for the period based on Group net profit attributable to shareholders:			
(i) On the weighted average number of shares	8.7 cents	5.1 cents	70.6
- Weighted average number of shares ('000)	719,351	716,272	0.4
(ii) On a fully diluted basis	8.6 cents	5.1 cents	68.6
- Adjusted weighted average number of shares ('000)	765,257	718,331	6.5

## 7. NET ASSET VALUE

	GROUP	
	31.03.07	31.12.06
Net asset value per share based on issued share capital at the end of the period (\$)	2.31	2.21

## 8. REVIEW OF GROUP PERFORMANCE

### 1Q2007 vs 1Q2006

The Group's turnover for 1Q2007 was \$295.4 million, up by 148.3% over the \$119 million recorded for the corresponding quarter last year. This increase was due largely to sales from a newly launched project in Singapore, The Sixth Avenue Residences. Higher revenue also came from the strong performance of the Group's other current trading projects, eg Park Infinia at Wee Nam and Urbana in Singapore, The Seasons and Villa Riviera in China, Villa Riviera in Vietnam and Elita Promenade in India. This increase was, however, partly offset by lower sales from 8 Park Avenue and The Waterfront in China.

Rental income from Group's investment buildings decreased by \$5.7 million, compared with that for the corresponding quarter last year. This was due mainly to the cessation of income from four office buildings (Bugis Junction Towers, Prudential Tower, Keppel Towers and GE Tower) which were sold to K-REIT Asia in April 2006. Revenue from hotels and resorts was slightly up on that for 1Q2006.

At the pre-tax level, Group profit was \$83.8 million or 81.4% higher than that for 1Q2006. This was due to maiden contributions from The Sixth Avenue Residences and Marina Bay Residences, and higher contributions from the Group's other current trading projects.

After taking into account minority interests' share of profits, Group attributable profit was \$62.5 million. Group tax provision of \$13.5 million for 1Q2007 was higher than that for 1Q2006.

Earnings from overseas represented about 28% of the Group's attributable profit compared with 53% for 1Q2006 due to strong performance in Singapore.

## **9. VARIANCE FROM PROSPECTS STATEMENT**

No prospects statement for 1Q2007 was previously provided.

## **10. PROSPECTS**

### **Singapore**

The Singapore economy is estimated to have grown at a higher-than-expected 6% in the first quarter of 2007.

Private residential prices continued to strengthen, rising 4.6% in the first quarter. CB Richard Ellis has estimated that about 3,500 new homes were sold, significantly higher than the 1,858 units sold over the same period in 2006. The market is expected to remain strong, sustained by both local and foreign demand.

In early April, the Group launched the much-awaited Reflections at Keppel Bay amid increasing demand for world-class waterfront living from local and foreign homebuyers. Designed by internationally-acclaimed architect Daniel Libeskind, the iconic waterfront development has sold about 90% of the 350 units launched with prices averaging about \$1,900 psf.

The office market remains strong. Backed by demand from financial institutions, Grade A office occupancy moved up to near full occupancy as at end-March 2007 from about 99% as at end-2006. Grade A office rentals rose to \$10.60 psf at the end of March from \$8.71 psf in the last quarter of 2006. Robust demand and limited new supply of office space will continue to push up rentals and occupancies over the next few years.

The consortium comprising the Company, Cheung Kong (Holdings) and Hongkong Land has exercised its option to purchase Phase Two of the Marina Bay Financial Centre site. Phase Two will add another 194,000 sm of gross floor area to the 244,000 sm already under development in Phase One and will comprise both Grade A office and high-end residential components.

## Overseas

Housing demand in Asia continues to grow steadily, underpinned by healthy economic growth and demographic trends. The launches of the Group's residential projects in China and India continued to achieve good take-up rates in the first quarter of 2007.

As of 24 April 2007, The Seasons in Beijing sold about 95% of all 1,859 units. In Chengdu, The Waterfront achieved sales of about 99% of the 1,124 units launched while about 82% of all 1,476 units under Phase Two of The Botanica were sold. Villa Riviera in Shanghai has sold 70% of the 40 villas released. The Arcadia villa development in Tianjin and the first phase of the Wuxi township are expected to be launched within the next few months.

Over at India, Elita Promenade in Bangalore sold about 78% of the 1,263 units launched as of 24 April 2007. Elita Horizon, the Group's second condominium development in Bangalore, and a residential project in Kolkata are scheduled for launch around the middle of 2007.

In Vietnam, the Group has entered into two separate joint ventures to develop prime residential projects in An Phu Ward in District 2 of Ho Chi Minh City. The first project, The Estella will comprise 1,500 – 1,600 units and will cater to the upper income market. The second project will consist of about 500 units of prime waterfront condominiums on a site fronting the Saigon River. Both projects are slated for launch in 2008 and underscore the Group's confidence in Vietnam's residential market. Vietnam's recent entry into the World Trade Organisation and continued strong economic performance will translate into greater demand for quality housing in prime locations.

## 11. BUSINESS DYNAMICS AND RISK FACTORS

The Group's strategy for enhancing shareholder value focuses on developing properties for sale and managing property funds. Besides the Singapore property market, the Group is expanding into the growing property markets of China, Thailand, Vietnam, Indonesia and India where there is still insufficient good quality housing to satisfy the home ownership needs of their growing middle-class populations.

Regionally, the success of the Group's efforts will be dependent, inter alia, on the following factors:

- Availability of residential sites at competitive prices for housing and also good sites at competitive prices in populous cities for township development so that economies of scale can be achieved to provide good quality and affordable urban housing;
- Effective partnerships with contractors, suppliers and joint venture partners so that projects can be delivered on time and with quality;
- Favourable lending laws and interest rates for property developers and end-purchaser financing;
- Favourable tax laws and double taxation treaties with Singapore, and ease of repatriating funds to Singapore;
- Proper management of interest and currency rate exposures.

The Group also faces possible challenges such as political uncertainty issues.

The Group's property fund management business will develop further for recurring income. Efforts are being made to identify and invest in projects that will give the expected rates of return required by investors.

The Company will continue to monitor all major risks affecting the Group and take the necessary actions to mitigate or eliminate them.

**12. DIVIDENDS****(a) Current financial period reported on**

None.

Name of Dividend	Final	Special	Total
Dividend type	-	-	-
Dividend rate	-	-	-
Dividend in cents	-	-	-
Par value of shares	-	-	-
Tax rate	-	-	-

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

Name of Dividend	Final	Special	Total
Dividend type	-	-	-
Dividend rate	-	-	-
Dividend in cents	-	-	-
Par value of shares	-	-	-
Tax rate	-	-	-

**(c) DATE PAYABLE**

Not applicable.

**(d) BOOKS CLOSURE DATES**

Not applicable.

**13. DIVIDEND STATEMENT  
(if no dividend has been declared / recommended)**

No dividend has been declared for the quarter ended 31 March 2007.

For the year ended 31 December 2006, Directors have recommended a final one-tier dividend of 6 cents per share for approval by shareholders at the Annual General Meeting to be held on 27 April 2007. If approved, the final dividend will be payable on 22 May 2007.

**14. SEGMENTAL ANALYSIS**
**1Q2007 vs 1Q2006**
**By Business Segment**

	Group Figures					
	Turnover		Profit before Tax		Attributable Profit	
	First Quarter 2007 \$'000	First Quarter 2006 \$'000	First Quarter 2007 \$'000	First Quarter 2006 \$'000	First Quarter 2007 \$'000	First Quarter 2006 \$'000
Property trading	258,907	84,250	81,620	31,186	56,483	19,487
Property investment	15,683	21,434	8,663	12,894	11,488	9,599
Hotels and resorts, fund management and property services	20,826	13,273	(6,485)	2,105	(5,504)	7,257
Before gains from enbloc property sales and impairment loss	295,416	118,957	83,798	46,185	62,467	36,343
Gains from enbloc property sales and impairment loss	-	-	-	-	-	-
After gains from enbloc property sales and impairment loss	295,416	118,957	83,798	46,185	62,467	36,343

**By Geographical Location**

	Group Figures					
	Turnover		Profit before Tax		Attributable Profit	
	First Quarter 2007 \$'000	First Quarter 2006 \$'000	First Quarter 2007 \$'000	First Quarter 2006 \$'000	First Quarter 2007 \$'000	First Quarter 2006 \$'000
Singapore	188,496	34,809	63,481	19,688	45,196	17,210
Other countries	106,920	84,148	20,317	26,497	17,271	19,133
Before gains from enbloc property sales and impairment loss	295,416	118,957	83,798	46,185	62,467	36,343
Gains from enbloc property sales and impairment loss	-	-	-	-	-	-
After gains from enbloc property sales and impairment loss	295,416	118,957	83,798	46,185	62,467	36,343

**1Q2007 vs 4Q2006**
**By Business Segment**

	Group Figures					
	Turnover		Profit before Tax		Attributable Profit	
	First Quarter 2007 \$'000	Fourth Quarter 2006 \$'000	First Quarter 2007 \$'000	Fourth Quarter 2006 \$'000	First Quarter 2007 \$'000	Fourth Quarter 2006 \$'000
Property trading	258,907	305,135	81,620	55,501	56,483	51,331
Property investment	15,683	15,229	8,663	5,411	11,488	(1,390)
Hotels and resorts, fund management and property services	20,826	21,537	(6,485)	(3,752)	(5,504)	(14,745)
Before gains from enbloc property sales and impairment loss	295,416	341,901	83,798	57,160	62,467	35,196
Gains from enbloc property sales and impairment loss	-	-	-	45,425	-	46,026
After gains from enbloc property sales and impairment loss	295,416	341,901	83,798	102,585	62,467	81,222

**By Geographical Location**

	Group Figures					
	Turnover		Profit before Tax		Attributable Profit	
	First Quarter 2007 \$'000	Fourth Quarter 2006 \$'000	First Quarter 2007 \$'000	Fourth Quarter 2006 \$'000	First Quarter 2007 \$'000	Fourth Quarter 2006 \$'000
Singapore	188,496	185,527	63,481	12,573	45,196	8,894
Other countries	106,920	156,374	20,317	44,587	17,271	26,302
Before gains from enbloc property sales and impairment loss	295,416	341,901	83,798	57,160	62,467	35,196
Gains from enbloc property sales and impairment loss	-	-	-	45,425	-	46,026
After gains from enbloc property sales and impairment loss	295,416	341,901	83,798	102,585	62,467	81,222

**15. REVIEW OF SEGMENTAL PERFORMANCE****1Q2007 vs 1Q2006****By Business Segment****Property trading**

Turnover was higher compared with that for 1Q2006 due largely to maiden contribution from The Sixth Avenue Residences and higher sales from Park Infinia at Wee Nam and The Urbana in Singapore, The Seasons and Villa Riviera in China, Villa Riviera in Vietnam and Elita Promenade in India. Partly offsetting this increase were lower revenues from 8 Park Avenue and The Waterfront in China.

Attributable profit was \$37 million higher compared with that for 1Q2006 due mainly to maiden contributions from Marina Bay Residences and The Sixth Avenue Residences in Singapore. Higher contributions also came from the Group's existing trading projects in Singapore and overseas, namely Park Infinia at Wee Nam in Singapore, The Seasons and Villa Riviera in China, Elita Promenade in India and Villa Riviera in Vietnam. However, the increase was partly offset by lower contributions from 8 Park Avenue and The Waterfront in China.

**Property investment**

Turnover was \$5.7 million lower than in 1Q2006 due mainly to the sale of four office buildings to K-REIT Asia in April 2006. The attributable profit was higher than in 1Q2006 due largely to a write-back of tax provision.

**Hotels and resorts, fund management and property services**

This segment registered a loss \$5.5 million in this quarter compared with a profit of \$7.2 million for the corresponding quarter of last year. This was due mainly to a revaluation loss of \$3 million for the Group's interest rate hedging instruments compared with a gain of \$4.2 million recorded for 1Q2006.

**By Geographical Location**

Earnings from overseas represented about 28% of the Group's attributable profit compared with 53% for 1Q2006 due to strong performance in Singapore.

**1Q2007 vs 4Q2006****By Business Segment****Property trading**

Turnover was \$46.2 million less compared with the previous quarter's on account of lower sales by 8 Park Avenue, The Seasons and The Waterfront in China, Elita Promenade in India and Park Infina at Wee Nam, Freesia Woods, The Linc and The Belvedere in Singapore. This was, however, partly offset by higher sales by Villa Riviera in China and Vietnam, and The Sixth Avenue Residences in Singapore.

At the attributable profit level, this segment showed an increase of \$5.2 million over last quarter's. The decreases in revenue and profit reported by the above-mentioned projects were offset by Group's share of profit from Marina Bay Residences.

**Property investment**

Turnover maintained at the same level of last quarter's. As a result of tax adjustments, this segment showed an attributable profit of \$11.5 million compared with a loss of \$1.4 million for 4Q2006.

**Hotels and resorts, fund management and property services**

This segment recorded lower loss compared with that for 4Q2006. This was due largely to additional tax and doubtful debt provisions made in the last quarter. The Group's hotels and resorts also incurred lower losses for this quarter compared with that for 4Q2006.

In 4Q2006, the Group reported gains from enbloc property sales and impairment in value of Group's hotel properties amounting to a net gain of \$46 million.

**By Geographical Location**

Profits from overseas contributed 28% of Group attributable profit as compared with 75% for 4Q2006 (before gains from enbloc property sales and impairment loss). The decrease in contribution was due largely to lower contributions from The Seasons and 8 Park Avenue in China, Elita Promenade in India. In addition, profit from sale of interest in a Fuzhou project was recorded in 4Q2006.

**16. BREAKDOWN OF SALES**

	<b>GROUP</b>		
	<b>2007 \$'000</b>	<b>2006 \$'000</b>	<b>+ / (-)%</b>
Sales reported for first quarter	295,416	118,957	148.3
Operating profit after tax before deducting minority interests reported for first quarter	70,296	41,477	69.5

**17. INTERESTED PERSON TRANSACTIONS**

Name of Interested Person	Aggregate Value of all Interested Person Transactions during the Period under Review (excluding Transactions less than \$100,000 and Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST's Listing Manual).		Aggregate Value of all Interested Person Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST's Listing Manual.	
	First Quarter 2007 \$'000	First Quarter 2006 \$'000	First Quarter 2007 \$'000	First Quarter 2006 \$'000
Property transactions -				
Keppel Corporation Limited Group :				
Project development and management fees	-	-	2,330	49
Property management fees	-	-	607	55
Marketing commission	-	-	550	226
Management and support services	-	-	525	324
Asset management fees	-	-	1,027	-
Rent expense	-	-	(530)	-
			4,509	654
Other services and products -				
Keppel Corporation Limited Group :				
Treasury – interest income	-	-	1,301	1,206
Treasury – interest expense	-	-	(14,416)	(12,707)
Management fees paid	-	-	(1,221)	(630)
Other services	-	-	(192)	(172)

**18. TOTAL ANNUAL DIVIDEND**

Total annual dividend amounted to

Type of dividend	2007 (\$'000)	2006 (\$'000)
Ordinary	-	43,154
Special dividend <i>in specie</i>	-	262,894
Preference	-	-
Total	-	306,048

**BY ORDER OF THE BOARD**CHOO CHIN TECK / YEO KAH TIANG  
Joint Company Secretaries  
25 April 2007

**KEPPEL LAND'S SEGMENTAL RESULTS – QUARTERLY BREAKDOWN**

**By Business Segment (\$m)**

	FY 05	1Q 06	2Q 06	1H 06	3Q 06	4Q 06	FY 06	1Q 07
<b>TURNOVER</b>								
Property								
Investment	69.3	21.4	16.0	37.4	14.6	15.2	67.2	15.7
Trading	465.1	84.3	198.9	283.2	221.5	305.1	809.8	258.9
Hotels and resorts, fund management and property services	52.0	13.3	16.6	29.9	19.5	21.6	71.0	20.8
Total	586.4	119.0	231.5	350.5	255.6	341.9	948.0	295.4
<b>EBITDA</b>								
Property								
Investment	34.6	12.6	8.1	20.7	7.3	9.5	37.5	9.1
Trading	127.3	29.6	77.9	107.5	37.7	44.9	190.1	47.1
Hotels and resorts, fund management and property services	2.0	(1.1)	(8.2)	(9.3)	1.7	(4.7)	(12.3)	1.2
Total	163.9	41.1	77.8	118.9	46.7	49.7	215.3	57.4
<b>OPERATING PROFIT</b>								
Property								
Investment	34.6	12.5	8.0	20.5	7.1	9.3	36.9	8.9
Trading	127.3	29.4	77.7	107.1	37.4	44.5	189.0	46.7
Hotels and resorts, fund management and property services	(15.3)	(3.5)	(10.5)	(14.0)	(0.5)	(7.3)	(21.8)	(0.6)
Total	146.6	38.4	75.2	113.6	44.0	46.5	204.1	55.0
<b>PRE-TAX PROFIT *</b>								
Property								
Investment	41.6	12.9	8.3	21.2	10.8	5.4	37.4	8.7
Trading	144.6	31.2	81.3	112.5	39.7	55.5	207.7	81.6
Hotels and resorts, fund management and property services	(2.8)	2.1	(14.3)	(12.2)	(11.2)	(3.7)	(27.1)	(6.5)
Total	183.4	46.2	75.3	121.5	39.3	57.2	218.0	83.8
<b>ATTRIBUTABLE PROFIT</b>								
Property								
Investment	39.6	9.6	4.6	14.2	14.8	(1.4)	27.6	11.5
Trading	112.0	19.5	45.3	64.8	34.6	51.3	150.7	56.5
Hotels and resorts, fund management and property services	2.9	7.2	(5.6)	1.6	(10.9)	(14.7)	(24.0)	(5.5)
Enbloc property sales/impairment	1.2	-	-	-	-	46.0	46.0	-
Total	155.7	36.3	44.3	80.6	38.5	81.2	200.3	62.5

\* before enbloc property sales and impairment loss

**By Geographical Location (\$m)**

	FY 05	1Q 06	2Q 06	1H 06	3Q 06	4Q 06	FY 06	1Q 07
<b>TURNOVER</b>								
Singapore	207.3	34.8	92.8	127.6	142.5	185.5	455.6	188.5
Other Countries	379.1	84.2	138.7	222.9	113.1	156.4	492.4	106.9
Total	586.4	119.0	231.5	350.5	255.6	341.9	948.0	295.4
<b>EBITDA</b>								
Singapore	36.7	16.4	13.0	29.4	20.5	15.2	65.1	31.0
Other Countries	127.2	24.7	64.8	89.5	26.2	34.5	150.2	26.4
Total	163.9	41.1	77.8	118.9	46.7	49.7	215.3	57.4
<b>OPERATING PROFIT</b>								
Singapore	36.8	16.1	12.7	28.8	20.1	14.9	63.8	30.7
Other Countries	109.8	22.3	62.5	84.8	23.9	31.6	140.3	24.3
Total	146.6	38.4	75.2	113.6	44.0	46.5	204.1	55.0
<b>PRE-TAX PROFIT *</b>								
<b>(before EI)</b>								
Singapore	61.2	19.7	11.7	31.4	13.1	12.6	57.1	63.5
Other Countries	122.2	26.5	63.6	90.1	26.2	44.6	160.9	20.3
Total	183.4	46.2	75.3	121.5	39.3	57.2	218.0	83.8
<b>ATTRIBUTABLE PROFIT</b>								
Singapore	63.3	17.2	10.9	28.1	19.2	8.9	56.2	45.2
Other Countries	91.2	19.1	33.4	52.5	19.3	26.3	98.1	17.3
Enbloc property sales/impairment	1.2	-	-	-	-	46.0	46.0	-
Total	155.7	36.3	44.3	80.6	38.5	81.2	200.3	62.5

\* before enbloc property sales and impairment loss