

## PRESS RELEASE:

### Keppel Land's Financial Highlights for the Half Year Ended 30 June 2004

28 July 2004

#### Contribution from property trading continues to grow

PATMI (\$m)	1H2004	1H2003	% Chg YoY
Property Investment	18.2	18.0	1.1
Property Trading	46.4	26.2	77.1
Others	(4.5)	3.2	Nm
<b>Total</b>	<b>60.1</b>	<b>47.4</b>	<b>26.8</b>
Singapore	42.4	34.3	23.6
Other Countries	17.7	13.1	35.1
<b>Total</b>	<b>60.1</b>	<b>47.4</b>	<b>26.8</b>

Key ratios	1H2004	1H2003	% Chg YoY
Earnings Per Share (cts)	8.5	6.7	26.9
Net Tangible Asset per Share (\$)	2.11	2.14	(1.4)
Annualised ROE (%)	8.0	6.3	27.0

#### Highlights:

- PATMI up 26.8% y-o-y to \$60.1 million in 1H2004 with growth driven mainly by Property Trading
- Property Trading profit up 77.1% y-o-y to \$46.4 million, driven by progressive profit recognition for One Park Avenue, Caribbean at Keppel Bay and 8 Park Avenue, sale of two Cluny Hill bungalow plots and write-backs of provisions for Butterworth 8 and Amaranda Gardens
- Overseas contribution about 30% of PATMI, up from 28% in 1H2003
- Earnings per share up 26.9% y-o-y to 8.5 cents per share

### **Higher returns from property trading boost bottom line**

Keppel Land Limited (KLL) recorded a net profit of \$60.1 million in 1H2004, compared with \$47.4 million in 1H2003, an increase of 26.8%. Property trading recorded a 77% increase.

The growth in property trading was mainly due to the progressive profit recognition for One Park Avenue, Caribbean at Keppel Bay and 8 Park Avenue, sale of two Cluny Hill bungalow plots, and write-backs of provisions for Butterworth 8 and Amaranda Gardens. One Park Avenue continued to recognise \$14.3 million profit in the first half, based on 100% sales and 83.7% completion, bringing it to a total of \$61.9 million recognised over seven quarters. Caribbean at Keppel Bay, which was 34% sold and 85% completed to-date, garnered \$6.1 million from its sold units in the first half. Certain associated companies such as Bugis City Holdings and Ocean Towers Shanghai also recorded higher contributions.

### **Looking forward to more activities in the second half**

Strong economic growth coupled with positive private residential price and office rental movements in 2Q2004 is expected to set the pace for a broad-based property market recovery in the second half. Caribbean at Keppel Bay is to be launched in August, and other projects expected to be launched in 2H2004 are Urbana in River Valley, Park Infinia at Wee Nam and The Tresor. Our China projects such as The Seasons in Beijing and The Waterfront in Chengdu will be launched in the second half. The Group's residential projects in Thailand and Vietnam are likely to be launched as well.

KLL has increased its overseas contribution of PATMI from 28% in 1H2003 to about 30% for 1H2004. As the Group continues to expand further overseas in China, Thailand and Vietnam, and into good potential markets such as India and Indonesia, KLL aims to achieve its 50% target earnings from overseas by 2005.

KLL recently entered into a Collaboration Agreement with Puravankara Projects Limited in an Indian joint venture to purchase and develop a site into a 2,000-unit, middle-income high-rise condominium development, located south of the Bangalore city centre in JP Nagar. Its timely foray into the India market as well as its presence in the other established markets marks the Group's optimism of increasingly favourable operating conditions in Asia, supported by continual economic recovery and sentiments.