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PRESS RELEASE

Keppel Land's Financial Highlights for the Quarter Ended 31 March 2011

19 April 2011

Keppel Land Continues to Achieve Strong Earnings

- **Net profit grew 45.5% to \$92.1 million on higher profit from property trading and K-REIT Asia as well as a gain from divestment of Keppel Digihub**
- **Property trading achieved higher net profit of \$51.6 million contributed by sales from Singapore residential projects and Elita Promenade in Bangalore**
- **Keppel Land acquired a residential site in Sengkang while Alpha jointly acquired Capital Square and K-REIT Asia increased its stake in Prudential Tower from 73% to 93%**

Keppel Land achieved a 45.5% growth in net profit to \$92.1 million for the first quarter ended 31 March 2011. Earnings were lifted by higher contributions from property trading, a greater share of profit from K-REIT Asia and a \$24.4 million gain on the divestment of the Group's interest in Keppel Digihub.

Property trading recorded an 8.2% increase in net profit to \$51.6 million contributed by sales of Singapore residential projects, in particular Reflections at Keppel Bay and The Lakefront Residences, as well as Elita Promenade in Bangalore, India upon its physical completion in March 2011. Profit from property investment was 15.7% higher at \$14.3 million mainly from increased contribution from K-REIT Asia.

From 1 January 2011, the Group has adopted the mandatory new accounting policy under which revenue and profit from overseas trading projects are recognised on full completion instead of progressive recognition on the basis of percentage of completion. However, in the case of large-scale projects, recognition will be on completion of the phases of the project instead of the entire development.

Singapore trading projects will continue to recognise revenue and profit on progressive recognition based on the percentage of completion.

Financial Highlights

(\$m)	Quarter Ended		% Change
	31 Mar 11	31 Mar 10 (Restated)	
Turnover	357.9	106.5	236.1
EBITDA	78.4	33.7	132.6
Pre-tax Profit	129.6*	83.8	54.7
Net Profit	92.1*	63.3	45.5

* Includes a \$24.4 million gain on divestment of interest in Keppel Digihub

Figures for the quarter ended 31 Mar 2010 have been restated due to a change in accounting policy.

Cooling Measures Moderated Home Sales

Singapore's latest round of property measures announced in January 2011 to curb speculation have started to take effect. Based on Urban Redevelopment Authority's preliminary estimates, about 3,700 new homes were sold in the first quarter, 12.7% lower compared to the previous quarter. Residential prices grew at a slower pace of 2.1% in the first quarter of 2011, registering the sixth consecutive quarter of moderated growth since third quarter of 2009.

Keppel Land sold 85 homes in the first quarter, mainly from sales at The Lakefront Residences where about 91% out of 591 launched units have been sold as at end-March 2011. To meet the demand for homes near MRT and key transportation nodes, the Group made and won the bid for a prime residential site near Sengkang MRT in March 2011. Slated for launch by the end of the year, this development will yield 622 homes.

The office property market has continued to strengthen. According to CB Richard Ellis, Grade A rentals grew by 4% q-o-q to \$10.30 psf in the first quarter of 2011, and is forecast to rise 10 -12% for the full year. Pre-commitment level at Ocean Financial Centre (OFC) rose from 80% to 82.3%, with new commitments secured from international companies in the professional services and energy sectors. OFC has obtained the Temporary Occupation Permit for part of its office tower in March 2011 and new tenants such as law firms Drew & Napier and Stamford Law have moved in.

The Group's property fund management vehicles continue to seize acquisition opportunities in Singapore. Alpha Asia Macro Trends Fund, a fund managed by the Group's private fund management arm Alpha Investment Partners, has jointly acquired Grade A office tower Capital Square for about \$889 million with NTUC Income. K-REIT Asia's strategy to be a leading landlord in Singapore's key business and financial districts is reinforced with the acquisition of additional four strata floors in Prudential Tower for \$125.1 million, which raised its interest in the Grade A office building from 73% to 93%.

Overseas Homes Remain in Demand

Keppel Land sold about 360 units overseas this quarter. Despite cautious market sentiments as a result of the recent cooling measures and a seasonally quiet first quarter for property sales, township homes in China remain in demand. Central Park City in Wuxi has continued to attract buyers, selling 110 units in the first quarter.

Subject to market conditions in China, the Group plans to soft-launch The Seasons, a new township in Shenyang in 2011. New phases of 8 Park Avenue and The Springdale in Shanghai, The Botanica in Chengdu as well as Seasons Park in Tianjin Eco-city, will also be gradually rolled out this year.

In April 2011, the Group unveiled Seasons City, Keppel Land China's first mixed-use development in Tianjin Eco- City which comprises three office towers, retail premises and serviced apartments, with a total Gross Floor Area of over 250,000 sm.

Over in Vietnam, a soft launch was held for Riviera Point, the Group's waterfront condominium development in Ho Chi Minh City (HCMC), in January 2011. Encouraging take-up was achieved, with about 58% out of 182 units sold as at end-March. Meanwhile, the Group sold a 36.75% effective stake in Phase 1 (1,068 units) of the project to PRUPIM Vietnam Property Fund for US\$19.7 million.

To tap on Vietnam's rising demand for quality homes, a new waterfront township development in South Rach Chiec, HCMC is primed for launch later in 2011.

Disclaimer

This release may contain statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. You are cautioned not to place undue reliance on such statements, which are based in the current views of Management on future developments and events.