

# ***Keppel Land Limited***

## ***Nine Months to September 2005 Results***

***24 October 2005***



# *Highlights*

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- **Financial Results**
- **Operations Review**
- **Market Outlook**
- **Going Forward**

# *Financial Performance*

<b>\$m</b>	<b>YTD 3Q2005</b>	<b>YTD 3Q2004</b>	<b>% Chg</b>
<b>Turnover</b>	<b>401.6</b>	<b>381.3</b>	<b>5.3</b>
<b>EBITDA</b>	<b>117.8</b>	<b>98.5</b>	<b>19.6</b>
<b>Operating Profit</b>	<b>108.4</b>	<b>89.4</b>	<b>21.3</b>
<b>Pre-tax Profit</b>	<b>125.1</b>	<b>107.2</b>	<b>16.7</b>
<b>PATMI</b>	<b>100.2</b>	<b>92.3</b>	<b>8.6</b>

# *Financial Performance*

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<b>\$m</b>	<b>3Q2005</b>	<b>3Q2004</b>	<b>% Chg</b>
<b>Turnover</b>	<b>162.9</b>	<b>96.0</b>	<b>69.7</b>
<b>EBITDA</b>	<b>33.0</b>	<b>36.4</b>	<b>(9.3)</b>
<b>Operating Profit</b>	<b>29.8</b>	<b>33.5</b>	<b>(11.0)</b>
<b>Pre-tax Profit</b>	<b>40.8</b>	<b>41.7</b>	<b>(2.2)</b>
<b>PATMI</b>	<b>33.2</b>	<b>32.4</b>	<b>2.5</b>

# Key Ratios

	YTD 3Q2005	YTD 3Q2004	% Chg
EPS (¢)	14.1	13.0	8.5
NTA/Share (\$)	2.34	2.15	8.8
Debt/Equity Ratio	1.00	1.03	(2.9)
Annualised ROE (%)	8.2	8.2	-

# Key Ratios

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	3Q2005	3Q2004	% Chg
EPS (¢)	4.7	4.6	2.2
NTA/Share (\$)	2.34	2.15	8.8
Debt/Equity Ratio	1.00	1.03	(2.9)
Annualised ROE (%)	8.1	8.4	(3.6)

# Net Profit - by Business Segment

Business Segment	YTD	YTD	%
	3Q2005	3Q2004	Chg
	\$m	\$m	
<b>Property</b>			
Trading	80.3	68.4	17.4
Investment	28.0	24.7	13.4
Hotels / Resorts	(8.8)	(5.0)	nm
Others	0.7	4.2	(83.3)
<b>PATMI after EI</b>	<b>100.2</b>	<b>92.3</b>	<b>8.6</b>

# Net Profit - by Business Segment

Business Segment	3Q2005 \$m	3Q2004 \$m	% Chg
<b>Property</b>			
Trading	24.5	22.0	11.4
Investment	13.1	6.5	101.5
Hotels / Resorts	(2.1)	0.1	nm
Others	(2.3)	3.8	nm
<b>PATMI after EI</b>	<b>33.2</b>	<b>32.4</b>	<b>2.5</b>

# Net Profit - by Geographical Location

Geographical Location	YTD 3Q2005		YTD 3Q2004		% Chg
	\$m	%	\$m	%	
Singapore	43.3	43.2	51.9	56.2	(16.6)
Other Countries	56.9	56.8	40.4	43.8	40.8
PATMI after EI	100.2	100.0	92.3	100.0	8.6

# Net Profit - by Geographical Location

Geographical Location	3Q2005		3Q2004		%
	\$m	%	\$m	%	Chg
Singapore	14.7	44.3	9.8	30.2	50.0
Other Countries	18.5	55.7	22.6	69.8	(18.1)
PATMI after EI	33.2	100.0	32.4	100.0	2.5

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# *Operations Review*

# Operations Review

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## Singapore

- Sold one Cluny Hill bungalow plot
- Sold 28 (45%) out of total 62 units at The Tresor
- Soft-launched and sold 140 (96%) out of 146 launched units at Park Infinia at Wee Nam (Total : 486 units)
- Caribbean, Belvedere and Urbana achieved good sales to date
  - 654 (82%) out of 801 launched units sold at Caribbean at Keppel Bay  
(Total : 969 units; 168 units kept for corporate residences)
  - 111 (93%) out of 120 launched units sold at The Belvedere  
(Total : 167 units)
  - 91 (72%) out of total 126 units sold at Urbana

# Operations Review

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## Singapore

- **Unlocked value of investment properties - finalised deal to divest Parco Bugis Junction and consolidate office tower for potential inclusion into REIT**
- **Successfully won Business & Financial Centre (BFC) site at New Downtown with Cheung Kong and Hongkong Land**
  - **Total GFA : 4.7m sf**
  - **At least 60% for office use, remaining 40% can be for residential and retail use**
- **Integrated Resort - Keppel Land-Harrah's JV forged alliances with some of the finest industry players**
  - **Alliance with global conventions specialist SMG to make Singapore a choice destination**
  - **Alliance with world's leading cultural institution Centre Pompidou to create a cultural centre in Singapore**

# Operations Review

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## Overseas

- **Soft-launched and fully sold 230 units at Elita Promenade; another 180 units released for sale (Total : 1,572 units)**
- **Sales of residential projects in China remain encouraging :**
  - **8 Park Avenue (Shanghai) : 91% of 456 launched units sold (Total : 946 units)**
  - **The Seasons (Beijing) : 89% of 1,056 launched units sold (Total : 1,859 units)**
  - **The Waterfront (Chengdu) : 84% of 876 launched units sold (Total : 1,143 units)**
  - **The Botanica (Chengdu) : 99% of 970 (Ph 1) launched units sold (Total : 8,166 units; Phase 2-3 : 2,403 units)**
- **Takeover offer for remaining stake in Dragon Land to facilitate realisation of business potential**

# Operations Review

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## Fund Management

- Asia No. 1 Property Fund invested about 85% of total equity of US\$243m
- Alpha Core Plus Real Estate Fund invested in two Tokyo properties
  - Second closing in end 2005
  - About 30% of capital raised from first closing invested
- Total assets under management will be about US\$1 billion when the two funds are fully invested

# Recent Awards

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## Recognition for Corporate Transparency

- **Securities Investors Association (Singapore) Investors' Choice Awards 2005**
  - **Merit Award for Singapore Corporate Governance Award**
  - **Runner-up for Most Transparent Company under the properties category**

## Recognition for Product Excellence

- **The Waterfront, Chengdu - Model Residential Development for International Community by Chengdu Real Estate Brand Promotion Centre**
- **Saigon Centre, Ho Chi Minh City - “Gold Medal - Vietnam Quality Award” by the Ministry of Science, Technology and Environment of Vietnam in 2005**

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# *Market Outlook*

# *Market Outlook - Singapore*

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## Residential

- **Market on firm recovery**
  - **Prices rose 1.1% in 3Q2005, the biggest q-o-q gain in five years (Source : URA)**
  
- **Residential market to improve further**
  - **Housing demand boosted by improving labour market and increasing flow of foreign buyers**

# *Market Outlook - Singapore*

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## Office

- **Rising rentals and occupancy in 3Q2005**
  - **Average Grade A office rentals at \$5.25 psf in 3Q2005, up 14% from \$4.60 psf at end 2004 (Source : CBRE)**
  - **Average Grade A CBD occupancy stands at 91.2% in 3Q2005 (Source : CBRE)**
  
- **Prime office market to remain strong**
  - **Further upward trend on rents and occupancy rate, underpinned by limited new supply, declining existing supply due to conversion of use and positive growth in demand**

# *Market Outlook - Asia*

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- **Housing demand underpinned by economic growth, urbanisation, favourable demographics trends and positive government policies**
- **Asian economies and property markets may be affected by rising oil prices and related inflationary pressures, and potential bird flu outbreaks**

# *Market Outlook - China*

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- **Prices stabilised while volume slowly recovering in Shanghai in 3Q2005**
  - **Renewed interest in good quality developments in the city centre**
- **Other major cities are less affected by anti-speculation measures**

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# *Going Forward*

# Going Forward

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## Singapore

- Launch residential projects to capitalise on market sentiments
- Seek development sites with good potential returns
- Improve lease commitments for One Raffles Quay and other office buildings
- Continue to develop BFC to capitalise on the improving office and residential markets

# Possible Residential Launches Singapore 2005

Project	Location	Units to Launch
Caribbean at Keppel Bay *	Keppel Bay Drive	147#
Urbana *	River Valley Rd	35
The Belvedere *	Meyer Rd	56
Park Infinia at Wee Nam *	Wee Nam Rd	60
Devonshire Rd (60% stake) ^	Devonshire Rd	50

\* Balance units

^ New launches

# Excluding 168 units set aside for corporate leasing

# *Going Forward*

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## Overseas

- **Maintain expansion drive in promising countries, cities and market segments in Asia**
- **Launch residential and township projects in China, Thailand, Vietnam, India and Indonesia**

# Residential Projects Overseas

Project	Units to Launch		
	2005	2006	2007
<b>China</b>			
8 Park Avenue, Shanghai *	40	490	-
Xujing Villas, Shanghai ^	-	186	-
Park Avenue Central, Shanghai ^	-	-	708
The Seasons, Beijing *	112	803	-
The Waterfront, Chengdu *	189	217	-
Great Town Harbour, Fuzhou (Ph1) *	301	-	-
The Botanica (Phase 2), Chengdu ^	-	1,476	-
The Botanica (Phase 3), Chengdu ^	-	-	927
Tianjin Villas, Tianjin ^	-	160	-

\* Balance units

^ New launches

# Residential Projects Overseas

Project	Units to Launch		
	2005	2006	2007
<b><u>Vietnam</u></b>			
Villa Riviera, Ho Chi Minh City **	11	76	-
Saigon Sports City (Phase 1), HCMC ^	-	-	782
<b><u>Thailand</u></b>			
Villa Arcadia at Srinakarin, Bangkok *	7	317	-
Villa Arcadia at Watcharapol, Bangkok ^	-	100	170
<b><u>India</u></b>			
Elita Promenade in JP Nagar , Bangalore *	357	800	172
Condominium in Kanakapura, Bangalore ^	-	320	744
<b><u>Indonesia</u></b>			
Cakung Township (Phase 1), Jakarta ^	-	300	856

# Total units revised to 101

\* Balance units

^ New launches

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***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.***