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## **PRESS RELEASE**

### **Keppel Land Limited Unaudited Results for the Quarter Ended 31 March 2010**

**20 April 2010**

The Directors of Keppel Land Limited advise the following results of the Company and of the Group for the quarter ended 31 March 2010.

These figures have not been audited.

Presentation materials are available at [www.kepcorp.com](http://www.kepcorp.com) and [www.keppelland.com.sg](http://www.keppelland.com.sg)

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## 1. UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2010

The Directors of Keppel Land Limited announce the following unaudited results of the Group for the quarter ended 31 March 2010:

### 1(a) GROUP PROFIT AND LOSS ACCOUNT for the First Quarter Ended 31 March 2010

	Quarter Ended 31.03.10 \$'000	Quarter Ended 31.03.09 \$'000	+ / (-) %
Sales	158,826	145,711	9.0
Costs of sales	(91,005)	(87,641)	3.8
<b>Gross profit</b>	<b>67,821</b>	<b>58,070</b>	<b>16.8</b>
Distribution costs	(2,370)	(1,331)	78.1
Administrative and other expenses (Note 1)	(19,070)	(24,803)	(23.1)
<b>Operating profit</b>	<b>46,381</b>	<b>31,936</b>	<b>45.2</b>
Interest and investment income	5,738	7,374	(22.2)
Interest expense	(11,227)	(12,959)	(13.4)
Share of results of associated companies (Note 2)	47,772	29,318	62.9
<b>Profit before taxation</b>	<b>88,664</b>	<b>55,669</b>	<b>59.3</b>
Taxation (Note 3)	(19,138)	(9,929)	92.7
<b>Profit for the period</b>	<b>69,526</b>	<b>45,740</b>	<b>52.0</b>
Profit attributable to :			
<b>Shareholders of the Company</b>	<b>64,657</b>	<b>36,885</b>	<b>75.3</b>
Non-controlling interests	4,869	8,855	(45.0)
	<b>69,526</b>	<b>45,740</b>	<b>52.0</b>
Basic earnings per share (cents) (Note 4)	4.5	3.6	
Diluted earnings per share (cents) (Note 4)	4.5	3.6	
Operating profit margin	29.2%	21.9%	
Annualised return on equity	7.5%	6.0%	
Profit before taxation is arrived at after charging/(crediting) the following:			
Write-back of provisions for properties held for sale	(786)	(1,529)	
Depreciation of fixed assets	2,328	2,349	
Cost of share-based payments	406	549	
Foreign exchange (gains)/losses	(1,210)	2,361	
Allowance for doubtful debts	10	58	
Employee emoluments	16,326	22,256	

#### Notes

(1) The decrease in administrative and other expenses was due mainly to the write-back of staff cost provision in 1Q2010, as well as a foreign exchange gain in 1Q2010 compared with an exchange loss in 1Q2009.

(2) Reflections and Caribbean at Keppel Bay, as well as Marina Bay Suites were the major contributors to the higher profits from associated companies in 1Q2010.

(3) The increase in tax for current quarter was in line with the higher profits achieved. Included in 1Q2009 was the write-back of provision for deferred tax amounting to \$2.1 million resulting from the reduction in Singapore corporate tax rate from 18% to 17% in 2009.

(4) Earnings per share for 1Q2009 had been restated to include the effects of the rights issue completed in 2009.

**1(b)(i) BALANCE SHEETS as at 31 March 2010**

	GROUP		COMPANY	
	31.03.10 \$'000	31.12.09 \$'000	31.03.10 \$'000	31.12.09 \$'000
<b>Share capital</b>	<b>1,989,075</b>	1,987,542	<b>1,989,075</b>	1,987,542
<b>Reserves</b>	<b>1,481,058</b>	1,388,247	<b>876,595</b>	874,427
<b>Share capital and reserves</b>	<b>3,470,133</b>	3,375,789	<b>2,865,670</b>	2,861,969
<b>Non-controlling interests</b>	<b>450,475</b>	412,813	-	-
<b>Total equity</b>	<b>3,920,608</b>	3,788,602	<b>2,865,670</b>	2,861,969
<b>Long-term borrowings</b>	<b>1,290,740</b>	903,570	<b>747,538</b>	345,925
	<b>5,211,348</b>	4,692,172	<b>3,613,208</b>	3,207,894
Represented by:				
<b>Fixed assets</b>	<b>230,131</b>	227,838	<b>45</b>	47
<b>Investment properties</b>	<b>1,449,482</b>	1,404,992	-	-
<b>Amounts owing by associated companies</b>	<b>972,690</b>	940,708	-	-
<b>Investments</b>				
Subsidiary companies	-	-	<b>1,319,741</b>	1,288,681
Associated companies	<b>1,459,909</b>	1,432,449	<b>136,603</b>	147,837
Long-term investments	<b>70,296</b>	67,884	<b>6,221</b>	6,221
	<b>1,530,205</b>	1,500,333	<b>1,462,565</b>	1,442,739
<b>Current assets</b>				
Properties held for sale	<b>1,202,149</b>	1,151,994	-	-
Stocks	<b>3,836</b>	3,692	-	-
Debtors	<b>342,212</b>	295,208	<b>8,704</b>	3,896
Amounts owing by holding company and related parties	<b>136,645</b>	134,301	<b>2,527,413</b>	2,221,828
Cash and cash equivalents	<b>811,829</b>	892,711	<b>145,463</b>	272,053
	<b>2,496,671</b>	2,477,906	<b>2,681,580</b>	2,497,777
Less:				
<b>Current liabilities</b>				
Creditors	<b>692,199</b>	715,188	<b>51,612</b>	37,050
Net tax provision	<b>164,381</b>	155,199	<b>6,053</b>	6,930
Short-term borrowings	<b>447,474</b>	823,153	<b>401,000</b>	618,000
Amounts owing to holding company and related parties	<b>64,797</b>	67,542	<b>68,697</b>	67,069
	<b>1,368,851</b>	1,761,082	<b>527,362</b>	729,049
<b>Net current assets</b>	<b>1,127,820</b>	716,824	<b>2,154,218</b>	1,768,728
<b>Deferred taxation</b>	<b>(98,980)</b>	(98,523)	<b>(3,620)</b>	(3,620)
	<b>5,211,348</b>	4,692,172	<b>3,613,208</b>	3,207,894
Group net debt (\$'000)	<b>926,385</b>	834,012		
Group net debt/equity ratio (times)	<b>0.24</b>	0.22		
Net tangible assets per share (\$)	<b>2.43</b>	2.36		

**Review of Financial Position**

Share capital and reserves for the Group increased by \$94.3 million. The improvement was due largely to the profits for the first quarter and the increase in foreign currency translation reserves arising from the strengthening of Chinese renminbi and Indonesian rupiah.

As a result, the Group's net tangible assets per share increased from \$2.36 as at 31 December 2009 to \$2.43.

The Group's net debt/equity ratio was 0.24 at end-March 2010, compared with 0.22 at end-December 2009, due mainly to the utilisation of rights proceeds for capital injection into Keppel Tianjin Eco-City and a residential project in Hunnan District in Shenyang, as well as for funding the Marina Bay projects.

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

As at 31.03.10		As at 31.12.09	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
15,977	431,497	170,037	653,116

**Amount Repayable after One Year**

As at 31.03.10		As at 31.12.09	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
355,352	935,388	166,637	736,933

In addition to funds from internal sources and related companies, the Group obtained its funds from the capital market through its US\$800 Million Medium Term Note Programme and banks either on a bilateral or on a syndicated basis. At end-March 2010, about 34% of the Group's borrowings were on fixed interest rate basis. For the quarter ended 31 March 2010, the Group's net cost of funds was 2.15% per annum.

**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 \$1,246.6 million (31.12.09: \$1,189.2 million).

1(c) **CONSOLIDATED STATEMENT OF CASH FLOWS for the First Quarter Ended 31 March 2010**

	Quarter Ended 31.03.10 \$'000	Quarter Ended 31.03.09 \$'000
<b>Operating activities:</b>		
Operating profit	46,381	31,936
Adjustments for:		
Depreciation of fixed assets	2,328	2,349
Profit on sale of fixed assets and investment properties	(312)	-
Write-back of provision for foreseeable losses on properties held for sale	(786)	(1,529)
Allowance for doubtful debts	10	58
Cost of share-based payments	406	549
<b>Operating cashflows before changes in working capital</b>	<b>48,027</b>	<b>33,363</b>
Working capital changes:		
Debtors	(30,745)	(57,369)
Creditors	(23,456)	(51,919)
Work-in-progress	(27,248)	(22,721)
Consumable stocks	(144)	1,162
Development expenditures	(98,066)	(83,673)
Progress billings received/receivable	97,296	127,066
<b>Cash flows used in operations</b>	<b>(34,336)</b>	<b>(54,091)</b>
Interest received	5,641	7,374
Interest paid	(11,227)	(12,959)
Income taxes paid	(2,416)	(364)
<b>Net cash flows used in operating activities</b>	<b>(42,338)</b>	<b>(60,040)</b>
<b>Investing activities:</b>		
Investment in associated companies	(3,356)	(3,333)
Investment in an investee company	(2,409)	(3,235)
Purchase of fixed assets	(1,684)	(580)
Expenditure on investment properties	(39,660)	(8,489)
Dividends received from associated companies	16,935	14,993
Dividends received from investee companies	97	-
Proceeds from sale of fixed assets and investment properties	1,296	-
<b>Net cash flows used in investing activities</b>	<b>(28,781)</b>	<b>(644)</b>
<b>Financing activities:</b>		
Proceeds from issuance of shares by the Company	1,533	-
Drawdown of loans	443,730	109,198
Repayment of loans	(436,335)	(63,357)
Drawdown/(repayment) of loans to related companies	(3,394)	224
Loan to associated companies	(32,640)	(16,738)
Advances (to)/from non-controlling interests	(13,503)	13,411
Contribution from non-controlling interests	25,414	7,853
<b>Net cash flows generated from/(used in) financing activities</b>	<b>(15,195)</b>	<b>50,591</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(86,314)</b>	<b>(10,093)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>892,711</b>	<b>626,361</b>
Exchange adjustments	5,432	11,046
<b>Cash and cash equivalents at end of the period</b>	<b>811,829</b>	<b>627,314</b>

**Review of Cash Flows for 1Q2010****(i) Net cash used in operating activities**

The Group's net cash flows used in operating activities was \$42.3 million compared with \$60 million for 1Q2009. The lower net outflow was due to a lower payment to creditors and a lower increase in debtors, partly offset by higher development expenditures mainly for the Shenyang Township project in China and the waterfront project in Jeddah. Progress billings received for 1Q2010 were \$29.8 million lower than the amount for 1Q2009 due largely to the completion of projects in Singapore in the last financial year.

**(ii) Net cash used in investing activities**

Net cash of \$28.8 million was used in investing activities compared with \$0.6 million for 1Q2009. The major outflow for 1Q2010 was the development expenditure for Ocean Financial Centre.

**(iii) Net cash generated from/(used in) financing activities**

The net cash used in financing activities was \$15.2 million compared with an inflow of \$50.6 million for 1Q2009. The outflow was due largely to higher loans extended to associated companies, mainly for the development of the Marina Bay projects. In addition, there was an advance to a non-controlling interest of a subsidiary company in 1Q2010 compared with the \$13.4 million advance received in 1Q2009. The Group also recorded a lower net drawdown of loan in 1Q2010. The outflow for 1Q2010 was offset by a higher contribution of \$17.6 million from non-controlling interests of non-wholly owned subsidiaries, mainly for the Keppel Tianjin Eco-City project in China.

Overall, the net decrease in cash and cash equivalents was \$86.3 million compared with \$10 million for 1Q2009.

**1(d) CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
for the First Quarter Ended 31 March 2010**

	<b>GROUP</b>	
	<b>Quarter Ended 31.03.10 \$'000</b>	<b>Quarter Ended 31.03.09 \$'000</b>
<b>Profit for the period</b>	<b>69,526</b>	<b>45,740</b>
<b>Other comprehensive income:</b>		
Exchange difference on consolidation	<b>30,356</b>	35,524
Exchange difference transferred to profit and loss account	<b>(67)</b>	(17)
Share of other comprehensive income of associated companies	<b>4,838</b>	10,051
<b>Other comprehensive income for the period, net of tax</b>	<b>35,127</b>	<b>45,558</b>
<b>Total comprehensive income for the period</b>	<b>104,653</b>	<b>91,298</b>
Total comprehensive income attributable to :		
<b>Shareholders of the Company</b>	<b>92,405</b>	77,999
Non-controlling interests	<b>12,248</b>	13,299
	<b>104,653</b>	<b>91,298</b>

**1(e)(i) STATEMENTS OF CHANGES IN EQUITY for the First Quarter Ended 31 March 2010**

GROUP	Share	Capital	Foreign	Revenue	Total	Non-	Total
	Capital	Reserves	Currency	Reserves		controlling	Equity
	\$'000	\$'000	Translation	\$'000	\$'000	Interests	\$'000
			Account				
			\$'000				
<b>Balance at 1 January 2010</b>	1,987,542	50,220	(12,718)	1,350,745	3,375,789	412,813	3,788,602
Total comprehensive income for the period	-	182	27,566	64,657	92,405	12,248	104,653
Issue of shares under the Keppel Land Share Option Scheme	1,533	-	-	-	1,533	-	1,533
Cost of share-based payments	-	406	-	-	406	-	406
Capital contribution	-	-	-	-	-	25,414	25,414
<b>Balance at 31 March 2010</b>	<b>1,989,075</b>	<b>50,808</b>	<b>14,848</b>	<b>1,415,402</b>	<b>3,470,133</b>	<b>450,475</b>	<b>3,920,608</b>
<b>Balance at 1 January 2009</b>	1,188,479	66,570	59,264	1,128,247	2,442,560	454,374	2,896,934
Total comprehensive income for the period	-	(181)	41,295	36,885	77,999	13,299	91,298
Cost of share-based payments	-	549	-	-	549	-	549
Capital contribution	-	-	-	-	-	16,700	16,700
<b>Balance at 31 March 2009</b>	<b>1,188,479</b>	<b>66,938</b>	<b>100,559</b>	<b>1,165,132</b>	<b>2,521,108</b>	<b>484,373</b>	<b>3,005,481</b>

**1(e)(i) STATEMENTS OF CHANGES IN EQUITY for the First Quarter Ended 31 March 2010**

<b>COMPANY</b>	<b>Share Capital \$'000</b>	<b>Capital Reserves \$'000</b>	<b>Revenue Reserves \$'000</b>	<b>Total Equity \$'000</b>
<b>Balance at 1 January 2010</b>	1,987,542	46,036	828,391	2,861,969
Total comprehensive income for the period	-	-	1,762	1,762
Issue of shares under the Keppel Land Share Option Scheme	1,533	-	-	1,533
Cost of share-based payments	-	406	-	406
<b>Balance at 31 March 2010</b>	<b>1,989,075</b>	<b>46,442</b>	<b>830,153</b>	<b>2,865,670</b>
<b>Balance at 1 January 2009</b>	1,188,479	42,737	680,131	1,911,347
Total comprehensive income for the period	-	-	(2,112)	(2,112)
Cost of share-based payments	-	549	-	549
<b>Balance at 31 March 2009</b>	<b>1,188,479</b>	<b>43,286</b>	<b>678,019</b>	<b>1,909,784</b>

**1(e)(ii) SHARE CAPITAL**

During the quarter ended 31 March 2010, the Company issued 556,091 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 2010 comprised 1,430,299,010 ordinary shares (31.12.09: 1,429,742,919 ordinary shares).

As at 31 March 2010, the Company did not hold any treasury shares (31.12.09: Nil).

As at 31 March 2010, there were unexercised options for 6,370,507 (31.03.09: 4,752,250) of unissued ordinary shares under the Keppel Land Share Option Scheme and \$300 million convertible bonds which are convertible into 53,763,440 shares (31.03.09: 45,801,526 shares) at the adjusted conversion price of \$5.58 per share (31.03.09: \$6.55 per share).

**2. AUDIT**

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

**3. AUDITORS' REPORT**

Not applicable.

**4. ACCOUNTING POLICIES**

(a) The Group's policy is to revalue its investment properties on an annual basis. An update to the fair values will be done at the end of the financial year.

(b) Except as disclosed in Note 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 for the audited financial statements as at 31 December 2009.

**5. CHANGES IN THE ACCOUNTING POLICIES**

In the current year, the Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2010. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

Revised FRS 103 *Business Combinations*  
Amendments to FRS 27 *Consolidated and Separate Financial Statements*  
Improvements to FRSs issued in 2009

The adoption of the above FRS did not result in any significant impact on the financial statements.

**6. EARNINGS PER ORDINARY SHARE**

	<b>GROUP</b>		
	<b>Quarter ended</b>		
	<b>31.03.10</b>	<b>31.03.09 (Restated)</b>	<b>+/(-)%</b>
Earnings per ordinary share of the Company for the period based on Group's net profit attributable to shareholders:			
(i) On the weighted average number of shares (cents)	<b>4.5</b>	3.6	25.0
- Weighted average number of shares ('000)	<b>1,430,139</b>	1,016,401	40.7
(ii) On a fully diluted basis (cents)	<b>4.5</b>	3.6	25.0
- Adjusted weighted average number of shares ('000)	<b>1,430,255</b>	1,017,770	40.5

**7. NET ASSET VALUE**

	<b>GROUP</b>	
	<b>31.03.10</b>	<b>31.12.09</b>
Net tangible asset per share based on issued share capital at the end of the period (\$)	<b>2.43</b>	2.36

## 8. REVIEW OF GROUP PERFORMANCE

### 1Q2010 vs. 1Q2009

The Group's revenue for 1Q2010 was \$158.8 million, compared with \$145.7 million for 1Q2009. The increase was due mainly to progressive revenue recognition from Singapore residential projects, namely Madison Residences in 1Q2010 and additional units sold for The Promont. Higher revenue were also recognised for The Estella in Ho Chi Minh City, Elita Promenade in Bangalore, and several projects in China, namely The Arcadia and Serenity Cove in Tianjin, Stamford City in Jiangyin and Villa Riviera in Shanghai, as well as Jakarta Garden City in Indonesia. In addition, Riviera Cove in Ho Chi Minh City which was launched in November 2009 continued to register good sales. Higher revenue achieved by the Group's fund management operations, property services segment as well as the hotels and resorts segment also contributed to the improvement. These increases were partly offset by lower sales from Eight Park Avenue in Shanghai. No revenue was recognised for The Sixth Avenue Residences and The Tresor as these projects had been completed and fully sold. The Group's property investment segment showed a decline in revenue in 1Q2010 due mainly to lower rental incomes from Saigon Centre in Ho Chi Minh City and Royal Park in Hanoi, and Ocean Towers in Singapore. The decline was, however, partly mitigated by higher rental income from Barclays House in Jakarta.

At pre-tax level, the Group's profit was \$88.7 million, compared with \$55.7 million reported in 1Q2009. This increase was due primarily to the strong performance of the Group's associated companies, mainly Reflections and Caribbean at Keppel Bay, Marina Bay Suites and K-REIT Asia in Singapore; offset by lower profit contribution from Marina Bay Residences in 1Q2010 as the project was close to completion. Higher contributions were also reported by the Group's development projects in China, Vietnam and India. However, this was offset by lower rental yields from the Group's investment properties, particularly, Saigon Centre in Ho Chi Minh City and Royal Park in Hanoi, as well as Ocean Towers in Singapore, mitigated by higher contributions from Barclays House in Jakarta. The Group's fund management segment reported an increase in profits due to higher acquisition and management fees earned. Also contributing to the increase in profits were higher sales and lease commission earned by the Group's marketing activities, as well as the write-back of cost provisions in 1Q2010.

After accounting for non-controlling interests' share of profits, the Group's attributable profit was \$64.7 million, an increase of 75.3% from \$36.9 million reported in 1Q2009.

Earnings from overseas represented about 32% of the Group's attributable profit compared with 25% for 1Q2009.

**9. VARIANCE FROM PROSPECTS STATEMENT**

No prospects statement for 1Q2010 was previously provided.

**10. PROSPECTS****Singapore**

Singapore experienced robust GDP growth of 13.1% in the first quarter of 2010, reversing the 2.1% contraction in 2009. The government has raised its GDP growth forecast for 2010 to 7-9% from 4.5-6.5% previously.

The residential market remains buoyant with more than 4,400 homes sold in the first quarter, surpassing the 2,596 units sold in the same period last year.

Strong buyer confidence was evident at Reflections at Keppel Bay. In total, 97% or 737 units out of 760 launched units have been sold to date. Capitalising on demand for premium residences with close proximity to Resorts World Sentosa integrated resort, the Group plans to launch another 100-200 units at Reflections at Keppel Bay in phases during the year. Marina Bay Suites will also be launched to capitalise on the opening of Marina Bay Sands.

In the office market, Grade A occupancy has improved to 94.5% from 93.8% in the last quarter of 2009. Rents are bottoming out with Grade A and prime office rents stabilising at \$8 and \$6.70 psf respectively as at end-March 2010 according to CB Richard Ellis. The "flight to quality" trend continues with Marina Bay Financial Centre ("MBFC") securing an additional commitment of 250,000 sf from Barclays Capital. Prudential Asset Management and Nomura have also signed up as tenants. MBFC Phase 1 is now fully leased except for a small percentage of space reserved for existing tenants' expansion. The overall commitment for MBFC Phase 1 and 2 stands at about 78%. Ocean Financial Centre's commitment has increased to 31%.

The Group's property fund management vehicles continue to add to their portfolios with strategic acquisitions. K-REIT Asia has acquired a 50% stake in 275 George Street in Brisbane, Australia while Alpha Investment Partners' Alpha Asia Macro Trends Fund took a 77% stake in Katong Mall, Singapore.

**Overseas**

Property markets in Asia have recovered from the global recession. The Group's township projects in China continued to achieve strong take-up. Phase 5 of The Botanica in Chengdu sold all 376 launched units when they were launched in early April.

Capitalising on the economic spin-offs of the Shanghai World Expo 2010, the Group will launch The Springdale in Nanhui in the second quarter, as well as two blocks at 8 Park Avenue in the Jingan district in the second half of 2010.

Riding on the resilience in the demand for homes in the residential townships, the next phases of The Botanica and Central Park City in Wuxi will be launched for sale in the second quarter of 2010.

Pent-up demand for quality landed homes in Vietnam led to strong sales for Riviera Cove in Ho Chi Minh City, Vietnam, with 83% of 82 launched units sold as at end-March 2010. Sales of township homes at Jakarta Garden City in Indonesia were also robust with 72 units sold in the first quarter. In total, 77% of the 580 launched units have been sold.

## 11. BUSINESS DYNAMICS AND RISK FACTORS

The Group's strategy of enhancing shareholder value focuses on developing properties for sale and managing property funds. Besides the Singapore, the Group is in the property markets of China, Vietnam, Indonesia, India and Middle East where there is a shortage of good quality housing to satisfy the 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, joint venture partners and other stakeholders 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.

For both its Singapore and overseas markets, the Group may again face economic uncertainties if the rebound from the recent global economic downturn is not sustained.

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.

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

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**(e) If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared for the quarter ended 31 March 2010.

The Directors have proposed that a final one-tier dividend of 8 cents per share amounting to \$114,379,000 subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company, be paid for the year ended 31 December 2009. The Dividend Reinvestment Scheme will be applicable to this final dividend.

**13. SEGMENTAL ANALYSIS**

Quarter ended 31 March 2010	Property trading	Property investment	Fund management	Hotels and resorts, property services, and others	Inter-segment elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	<b>External sales</b>	108,395	17,889	13,708	18,834	-
<b>Results</b>						
Operating profit	24,869	11,007	9,634	871	-	46,381
Investment income	-	-	-	97	-	97
Net interest income/(expenses)	1,048	(779)	55	(5,910)	-	(5,586)
Share of results of associated companies	38,840	7,122	385	1,425	-	47,772
Profit/(loss) before taxation	64,757	17,350	10,074	(3,517)	-	88,664
Taxation	(13,310)	(2,216)	(2,684)	(928)	-	(19,138)
Profit/(loss) after taxation	51,447	15,134	7,390	(4,445)	-	69,526
Non-controlling interests	(2,731)	(2,734)	-	596	-	(4,869)
Attributable profit/(loss)	48,716	12,400	7,390	(3,849)	-	64,657
<b>Other information</b>						
Segment assets	3,589,146	2,460,073	124,337	2,602,623	(2,097,000)	6,679,179
Segment liabilities	(1,657,586)	(637,738)	(18,753)	(2,541,494)	2,097,000	(2,758,571)
Net assets	1,931,560	1,822,335	105,584	61,129	-	3,920,608
Investment in associated companies	460,467	914,377	31,022	54,043	-	1,459,909
Additions to non-current assets *	1,258	42,973	-	469	-	44,700
Depreciation of fixed assets	943	82	21	1,282	-	2,328
<b>Geographical information</b>						
				Singapore	Other countries	Total
				\$'000	\$'000	\$'000
External sales				40,281	118,545	158,826
Non-current assets				3,451,119	731,389	4,182,508

\* Additions to non-current assets comprise investment in associated companies, purchase of fixed assets and expenditure on investment properties.

Quarter ended 31 March 2009	Property	Property	Fund	Hotels and	Inter-	Total
	trading	investment	management	services, and	segment	
	\$'000	\$'000	\$'000	others	elimination	
<b>External sales</b>	102,019	18,928	9,241	15,523	-	145,711
<b>Results</b>						
Operating profit/(loss)	20,301	11,829	4,956	(5,150)	-	31,936
Net interest income/(expenses)	60	(1,263)	33	(4,415)	-	(5,585)
Share of results of associated companies	24,886	3,847	544	41	-	29,318
Profit/(loss) before taxation	45,247	14,413	5,533	(9,524)	-	55,669
Taxation	(7,297)	(1,751)	(901)	20	-	(9,929)
Profit/(loss) after taxation	37,950	12,662	4,632	(9,504)	-	45,740
Non-controlling interests	(6,285)	(3,044)	-	474	-	(8,855)
Attributable profit/(loss)	31,665	9,618	4,632	(9,030)	-	36,885
<b>Other information</b>						
Segment assets	3,586,795	2,185,993	114,332	2,305,377	(1,930,271)	6,262,226
Segment liabilities	(1,844,681)	(650,648)	(15,159)	(2,676,528)	1,930,271	(3,256,745)
Net assets/(liabilities)	1,742,114	1,535,345	99,173	(371,151)	-	3,005,481
Investment in associated companies	250,756	645,561	34,002	54,519	-	984,838
Additions to non-current assets *	183	11,882	-	337	-	12,402
Depreciation of fixed assets	968	66	22	1,293	-	2,349

**Geographical information**

	Other		Total
	Singapore	countries	
	\$'000	\$'000	
External sales	88,201	57,510	145,711
Non-current assets	2,869,259	705,545	3,574,804

\* Additions to non-current assets comprise investment in associated companies, purchase of fixed assets and expenditure on investment properties.

**14. REVIEW OF SEGMENTAL PERFORMANCE****1Q2010 vs. 1Q2009****By Operating Segments**Property trading

Revenue for 1Q2010 was \$108.4 million, compared with \$102 million reported in 1Q2009. The increase was due largely to progressive revenue recognition from Madison Residences in Singapore, and additional units sold for The Promont. Also contributing to the higher revenue were sales from The Arcadia and Serenity Cove in Tianjin, Stamford City in Jiangyin, Villa Riviera in Shanghai, The Estella in Ho Chi Minh City, Elita Promenade in Bangalore, Jakarta Garden City in Indonesia, Thailand projects, as well as Riviera Cove in Ho Chi Minh City which was launched in November 2009. However, a lower revenue was reported by Eight Park Avenue in Shanghai. No revenue was recognised for The Sixth Avenue Residences and The Tresor as these projects had been completed and fully sold.

Attributable profit for 1Q2010 of \$48.7 million was \$17 million or 54% higher than the \$31.7 million achieved for 1Q2009. The increase was due to the strong performance of the Group's associated companies, mainly Reflections and Caribbean at Keppel Bay, and Marina Bay Suites in Singapore.

Property investment

Rental income of \$17.9 million for 1Q2010 was \$1 million lower compared with that for 1Q2009. This was due to the lower rental incomes from Saigon Centre in Ho Chi Minh City and Royal Park in Hanoi, as well as Ocean Towers in Singapore as a result of the lower rental rates and occupancy. This decline was, however, partly mitigated by the higher rental income received from Barclays House in Jakarta on account of the increase in service fees and improvement in occupancy.

In addition, contribution from K-REIT Asia was higher, resulting in the higher attributable profit of \$12.4 million, up from \$9.6 million reported in 1Q2009.

Fund management

Revenue from fund management was \$13.7 million compared with \$9.3 million for 1Q2009, due to higher fees reported by Alpha Investment Partners and higher asset management fees earned by K-REIT Asia Management.

Attributable profit for 1Q2010 was \$7.4 million compared with \$4.6 million for 1Q2009.

Hotels and resorts, property services, and others

Revenue from hotels and resorts and property services for 1Q2010 was \$18.8 million, compared with \$15.5 million reported in 1Q2009. The higher revenue was due to higher sales and lease commission earned by the Group's marketing activities in 1Q2010.

Current quarter's attributable loss of \$3.8 million was \$5.2 million lower than that of \$9 million reported in 1Q2009. The decline was due mainly to the write-back of provision of costs in the current quarter.

**15. BREAKDOWN OF SALES**

	<b>GROUP</b>		
	<b>2010 \$'000</b>	<b>2009 \$'000</b>	<b>+ / (-) %</b>
Sales reported for first quarter	<b>158,826</b>	145,711	9.0
Operating profit after tax before deducting non-controlling interests reported for first quarter	<b>69,526</b>	45,740	52.0

**16. 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 Listing Manual).		Aggregate Value of all Interested Person Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST Listing Manual.	
	Quarter Ended 31.03.10 \$'000	Quarter Ended 31.03.09 \$'000	Quarter Ended 31.03.10 \$'000	Quarter Ended 31.03.09 \$'000
(a) Property transactions -				
Keppel Corporation Limited Group:				
Project development and management fees received	-	-	426	420
Property management fees received	-	-	550	435
Marketing commission received	-	-	1,190	320
Management and support services fees received	-	-	2,905	702
Asset management fees received	-	-	5,524	3,305
Rental expense	-	-	(803)	(710)
			<b>9,792</b>	<b>4,472</b>
(b) Other services and products -				
Keppel Corporation Limited Group:				
Treasury – interest income	-	-	95	91
Treasury – interest expense	-	-	(891)	(4,534)
Management fees paid	-	-	(1,118)	(1,041)
Other products and service fees paid	-	-	(100)	(165)
Deposits outstanding at period-end	-	-	151,139	129,882
Temasek Group:				
Rental received	-	-	58	-
Management fees paid	-	-	(233)	(69)
Consideration for sale of 3.5% effective interest in Singapore Tianjin Eco-City Investment Holdings Pte Ltd to Singbridge International Singapore Pte Ltd	5,698	-	-	-

**BY ORDER OF THE BOARD**

CHOO CHIN TECK  
Company Secretary  
20 April 2010

**CONFIRMATION BY THE BOARD**

We, CHOO CHIAU BENG and KEVIN WONG KINGCHEUNG, being two Directors of Keppel Land Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the 1Q2010 financial statements to be false or misleading in any material respect.

On behalf of the Board of Directors



CHOO CHIAU BENG  
Chairman



KEVIN WONG KINGCHEUNG  
Group Chief Executive Officer

Singapore, 20 April 2010

**SEGMENTAL RESULTS – QUARTERLY BREAKDOWN**

**By Operating Segments (\$'m)**

	FY08	1Q09	2Q09	1H09	3Q09	4Q09	FY09	1Q10
<b>TURNOVER</b>								
Property								
Trading	675.1	102.0	204.9	306.9	163.8	250.0	720.7	108.4
Investment	70.3	18.9	18.7	37.6	19.0	18.7	75.3	17.9
Fund Management	36.5	9.3	10.1	19.4	10.3	13.1	42.8	13.7
Hotels and resorts, property services, and others	60.3	15.5	16.2	31.7	34.7	18.7	85.1	18.8
Total	842.2	145.7	249.9	395.6	227.8	300.5	923.9	158.8
<b>EBITDA</b>								
Property								
Trading	175.3	21.3	35.6	56.9	35.7	48.8	141.4	25.8
Investment	48.3	11.9	11.2	23.1	13.4	13.7	50.2	11.1
Fund Management	21.8	5.0	4.7	9.7	6.4	7.9	24.0	9.6
Hotels and resorts, property services, and others	(6.0)	(3.9)	(4.0)	(7.9)	12.4	(8.7)	(4.2)	2.2
Total	239.4	34.3	47.5	81.8	67.9	61.7	211.4	48.7
<b>OPERATING PROFIT</b>								
Property								
Trading	172.8	20.3	34.6	54.9	34.8	47.9	137.6	24.9
Investment	47.9	11.8	11.1	22.9	13.3	13.5	49.7	11.0
Fund Management	21.4	5.0	4.7	9.7	6.4	7.9	24.0	9.6
Hotels and resorts, property services, and others	(10.4)	(5.2)	(5.3)	(10.5)	11.1	(10.0)	(9.4)	0.9
Total	231.7	31.9	45.1	77.0	65.6	59.3	201.9	46.4
<b>PROFIT BEFORE TAXATION *</b>								
Property								
Trading	229.1	45.2	71.4	116.6	74.4	95.8	286.8	64.8
Investment	57.8	14.4	14.5	28.9	17.0	18.1	64.0	17.4
Fund Management	25.6	5.5	5.1	10.6	6.6	8.5	25.7	10.1
Hotels and resorts, property services, and others	(13.7)	(9.4)	(7.6)	(17.0)	9.7	(9.8)	(17.1)	(3.6)
Total	298.8	55.7	83.4	139.1	107.7	112.6	359.4	88.7
<b>ATTRIBUTABLE PROFIT</b>								
Property								
Trading	160.0	31.7	50.8	82.5	50.8	63.1	196.4	48.7
Investment	46.6	9.6	10.1	19.7	11.9	11.7	43.3	12.4
Fund Management	21.1	4.6	4.2	8.8	5.6	7.1	21.5	7.4
Hotels and resorts, property services, and others	(14.4)	(9.0)	(6.9)	(15.9)	10.2	(5.3)	(11.0)	(3.8)
Corporate restructuring surplus/ enbloc property sales/ fair value gain on investment properties/ impairment provisions	3.7	-	-	-	-	19.1	19.1	-
Gain on acquisition of additional interest in an associated company	10.7	-	-	-	-	11.1	11.1	-
Total	227.7	36.9	58.2	95.1	78.5	106.8	280.4	64.7

\* before corporate restructuring surplus, enbloc property sales, fair value gain on investment properties, impairment provision and gain on acquisition of additional interest in an associated company.

**Appendix (Cont'd)**
**By Geographical Segments (\$'m)**

	FY08	1Q09	2Q09	1H09	3Q09	4Q09	FY09	1Q10
<b>TURNOVER</b>								
Singapore	505.1	88.2	146.5	234.7	84.0	133.4	452.1	40.3
Other countries	337.1	57.5	103.4	160.9	143.8	167.1	471.8	118.5
Total	842.2	145.7	249.9	395.6	227.8	300.5	923.9	158.8
<b>EBITDA</b>								
Singapore	169.8	21.8	29.7	51.5	36.4	28.1	116.0	18.9
Other countries	69.6	12.5	17.8	30.3	31.5	33.6	95.4	29.8
Total	239.4	34.3	47.5	81.8	67.9	61.7	211.4	48.7
<b>OPERATING PROFIT</b>								
Singapore	168.5	21.5	29.4	50.9	36.1	27.7	114.7	18.6
Other countries	63.2	10.4	15.7	26.1	29.5	31.6	87.2	27.8
Total	231.7	31.9	45.1	77.0	65.6	59.3	201.9	46.4
<b>PROFIT BEFORE TAXATION*</b>								
Singapore	219.6	42.3	56.1	98.4	67.4	72.3	238.1	56.0
Other countries	79.2	13.4	27.3	40.7	40.3	40.3	121.3	32.7
Total	298.8	55.7	83.4	139.1	107.7	112.6	359.4	88.7
<b>ATTRIBUTABLE PROFIT</b>								
Singapore	150.3	27.5	40.5	68.0	51.3	52.2	171.5	44.2
Other countries	63.0	9.4	17.7	27.1	27.2	24.4	78.7	20.5
Corporate restructuring surplus/ enbloc property sales/ fair value gain on investment properties/ impairment provision	3.7	-	-	-	-	19.1	19.1	-
Gain on acquisition of additional interest in an associated company	10.7	-	-	-	-	11.1	11.1	-
Total	227.7	36.9	58.2	95.1	78.5	106.8	280.4	64.7

\* before corporate restructuring surplus, enbloc property sales, fair value gain on investment properties, impairment provision and gain on acquisition of additional interest in an associated company.