GuocoLand Limited

A Member of the Hong Leong Group

Annual Report 2013

Reaching out to you

Cover Image: Artist's impression of Tanjong Pagar Centre.
Standing at 290m, Tanjong Pagar Centre will be Singapore's tallest building when completed.

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GuocoLand Limited, a public company listed on the Singapore Exchange, is an award winning developer whose developments are distinguished by quality, innovative designs and concepts. A major developer headquartered in Singapore, GuocoLand and its subsidiaries have established property operations in their geographical markets of Singapore, the People's Republic of China, Malaysia and Vietnam.

In furtherance of GuocoLand's vision to be a premier regional property group, the Group is focused on achieving scalability, sustainability and growth in these core markets through its property development, investment and management businesses.

As at 30 June 2013, GuocoLand had total assets of $9.15 billion and shareholders' funds of $2.45 billion.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Quek Leng Chan, *Chairman*
Quek Chee Hoon, *Group President & Chief Executive Officer*
Kwek Leng Hai
Timothy Teo Lai Wah
Francis Siu Wai Keung
Abdullah Bin Tarmugi
Lim Suat Jien
Jennie Chua Kheng Yeng

AUDIT COMMITTEE

Timothy Teo Lai Wah, *Chairman*
Francis Siu Wai Keung
Lim Suat Jien

NOMINATING COMMITTEE

Abdullah Bin Tarmugi, *Chairman*
Kwek Leng Hai
Timothy Teo Lai Wah

REMUNERATION COMMITTEE

Abdullah Bin Tarmugi, *Chairman*
Quek Leng Chan
Jennie Chua Kheng Yeng

GROUP COMPANY SECRETARY

Dawn Pamela Lum

REGISTERED OFFICE

20 Collyer Quay
#20-01
Singapore 049319
Tel: (65) 6535 6455
Fax: (65) 6532 6196
Registration No : 197600660W

WEBSITE

http://www.guocoland.com.sg

AUDITORS

KPMG LLP
Public Accountants and Certified Public Accountants
Partner-in-charge : Lo Mun Wai
(since FY ended June 2013)
Auditor's Registration No : 01148

REGISTRAR

B.A.C.S Private Limited
63 Cantonment Road, Singapore 089758

PRINCIPAL BANKERS

Affin Bank Berhad
Alliance Bank Malaysia Berhad
AmBank (M) Berhad
Bank of Communications Co., Ltd.
Bank of Shanghai Co., Ltd
China Merchants Bank Co., Ltd.
CIMB Bank Berhad
Citibank N.A.
DBS Bank Ltd
Hang Seng Bank Limited
Industrial and Commerical Bank of China Limited
Malayan Banking Berhad
Oversea-Chinese Banking Corporation Limited
Public Bank Berhad
RHB Bank Berhad
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited
Xiamen International Bank

STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

DATE OF INCORPORATION

31 March 1976

DATE OF CONVERSION TO A PUBLIC COMPANY

30 September 1978

Skyline of Tanjong Pagar anchored by Tanjong Pagar Centre

CHAIRMAN'S STATEMENT

OPERATING ENVIRONMENT

The business environment for the Group for the Financial Year ended 30 June 2013 was difficult. In the Group's principal key markets of Singapore and China, the property sector saw further government property cooling measures to moderate escalating prices and instill financial prudence, particularly in the residential sectors.

There was also much uncertainty in the global economic outlook. Although global growth rate was projected to increase during 2013, this upturn will be uneven across the global economies and will very much depend on the underlying economic conditions and policy reforms of the major economies of the world.

FINANCIAL RESULTS

On the back of this economic landscape, the Group posted revenue of $677.44 million for the full year ended 30 June 2013, on par with the previous year.

Profit attributable to equity holders is $40.49 million compared to $63.19 million in the previous year, due to higher operating and finance costs, which included additional construction cost for *Goodwood Residence* and *Sophia Residence*. A replacement main contractor had to be appointed to complete the projects, as a result of default by the previous main contractor which is under judicial management. These two projects nonetheless remain profitable and the profits will be progressively recognised for the Financial Year ending 30 June 2014.

The Group's total assets increased to $9.15 billion from $8.76 billion and net asset value per share accordingly increased $0.04 to $2.20. The Group's equity attributable to equity holders was $2.65 billion as at 30 June 2013, an increase of 10 percent from 30 June 2012, mainly due to the issuance of $200 million in aggregate principal of 4.7 percent senior perpetual securities by the Group in May 2013.

DIVIDENDS

The Board is pleased to recommend an unchanged first and final dividend of five cents per share for the financial year in review. Subject to shareholders' approval at the Annual General Meeting scheduled for 25 October 2013, the dividend will be paid to shareholders on 19 November 2013.

BUSINESS REVIEW

1. SINGAPORE

Singapore's GDP growth slowed to 1.3 percent from 5.2 percent in 2012, largely due to weakness in externally-oriented sectors. The country, however, remains comparatively resilient and stable and its forecast was upgraded to 2.5 to 3.5 percent by mid 2013. Although the luxury residential market appears lacklustre, the Group believes that location and pricing remain key in attracting demand for this segment. The Group is confident that its residential projects, mainly *Goodwood Residence* and *Leedon Residence*, given their intrinsic quality and value, will continue to garner interest.

During the year, two developments achieved their respective temporary occupation permits ("TOPs"). *Goodwood Residence* achieved its TOP in June 2013 and a selection of completed units will be relaunched for sale in the current Financial Year. TOP for *The Waterline*, which is fully sold, was obtained in March 2013.

We unveiled the concept and design of our major integrated mixed-use development *Tanjong Pagar Centre* in May 2013. It will provide a total aggregate gross

We unveiled the concept and design of our major integrated mixed-use development *Tanjong Pagar Centre* in May 2013. It will provide a total aggregate gross floor area of 1.7 million square feet when completed in 2016. As Singapore's tallest building at 290 metres, this development received much local and international publicity and interest. *Tanjong Pagar Centre* will position the Tanjong Pagar precinct as a premier quality business and lifestyle hub in the Central Business District ("CBD").

CHAIRMAN'S STATEMENT

floor area of 1.7 million square feet when completed in 2016. As Singapore's tallest building at 290 metres, this development received much local and international publicity and interest. *Tanjong Pagar Centre* will position the Tanjong Pagar precinct as a premier quality business and lifestyle hub in the Central Business District ("CBD"). It will be anchored by a soaring 64-storey tower, comprising *Guoco Tower*, a premium Grade A office block occupying the 7th to 38th storeys, six levels of retail and F&B space and a branded residence starting at an unprecedented 180 metres. A luxury business hotel will complement the offering. The residential component is earmarked for launch in the current Financial Year.

Tung Centre, which has been renamed *20 Collyer Quay* is over 90 percent leased todate and through progressive upgrading efforts, including installation of destination lifts, continues to be a prime office building in Raffles Place. Together with *Guoco Tower*, when completed, the Group will hold approximately 1.2 million square feet of gross floor area of office space in the CBD.

2. CHINA

China's economic expansion slowed to 7.8 percent in 2012, compared to 9.3 percent in 2011, attributed to both external and internal economic factors. Though there are concerns of slow growth, China's fundamentals of a large economy and stable employment remain intact. With efforts underway to create more inclusive growth and structural reforms, we remain cautiously confident that the medium and long term prospects in China remain positive.

In Shanghai, the Group's integrated mixed-use development in Changfeng Shanghai comprises approximately 500,000 square metres of gross floor area featuring retail, office towers, Small office, Home office ("SoHo") units, a hotel and service apartments. The SoHo units and one office block under the Phase 1 development have been sold. The Group will embark on an asset enhancement initiative to refurbish the retail component and reposition the shopping mall to stay competitive in the domestic market, and will target to complete phase 2 of the commercial/office space in 2016.

The Group is currently developing a market positioning concept and design for its 47,675 square metres residential site in Changfeng Plot 9 in Shanghai.

In Nanjing, the Group sold its interest in a project in August 2013 as part of its continuous process to review and rationalise its assets. The profit of approximately $81 million arising from the sale will be recognised in the current Financial Year.

In Tianjin, the Group has todate sold 53 percent of its residential development despite government property curbs. The Group will review strategies to generate further sales, particularly to first time buyers who remain unaffected by the property measures.

In Beijing, as announced previously, the Group continues to explore various options with regard to the Dongzhimen project in Beijing. While it is taking longer than anticipated, the Group is hopeful of a resolution basing on the rising value of the project.

3. MALAYSIA

The Malaysian economy expanded 5.6 percent in 2012, compared to 5.1 percent in 2011, driven by robust domestic investment and consumption despite the challenging global economic environment. The property market was relatively stable with upside in selective sectors. Demand for residential properties and selected commercial developments in sought-after locations continued to be strong.

The Group's integrated mixed-use development in Kuala Lumpur, *Damansara City*, comprising two luxury residential towers, two Grade A office towers, a luxury hotel and a lifestyle shopping mall, will provide a total aggregate gross floor area of approximately 2.2 million square feet in the commercial and residential hub of Damansara Heights when completed by 2016. The residences at *Damansara City* will be launched in the current Financial Year.

The Group's associate, Tower REIT Real Estate Investment Trust ("Tower REIT"), is listed on Bursa Malaysia. Tower REIT's existing assets include *Menara ING*, *Menara HLA* and *HP Towers*. We will continue to review the viability of the REIT acquiring further assets to augment its income and provide a stable yield.

4. VIETNAM

Vietnam's economic growth rate slowed to 5 percent in 2012 from 5.9 percent compared to the year before and is

CHAIRMAN'S STATEMENT

expected to remain at similar levels in 2013. The export sector and foreign direct investment inflows, particularly those from Japanese investors, are helping to mitigate lacklustre domestic demand.

The Group's 17.5 hectare integrated mixed-use development called *The Canary* is the first integrated mixed-use development in Binh Duong Province, comprising residential apartments, a retail mall, an office tower and educational facilities.

Construction of Phase 2 of the residential component is currently underway, though sales, due to a languid domestic economic environment, have been slow. During the year, the retail component of the Group's integrated development was sold to AEON, an established Japanese mall operator. AEON intends to build a one million square feet destination mall which, on completion, will enhance the value of the remaining residential and commercial components.

CAPITAL STRUCTURE

The Board continuously reviews the Company's capital structure and the Group's debt equity ratio to ensure that the Company is adequately capitalised and able to withstand any challenges in the economic environment.

We have enlarged our equity base by issuing $200 million perpetual securities during the Year. We also received strong support for the securities issued under our $3 billion Multicurrency Medium Term Note programme. The Group's debt equity ratio will progressively improve in tandem with sales of units of our residential projects and recognition of construction progress.

PROSPECTS

Singapore raised its forecast for economic growth to a range of 2.5 percent to 3.5 percent in 2013, after the economy expanded 2 percent in the first half of the year. China appears to be stable at 7.5 percent to 8 percent for the year, albeit lower than market expectations. Both these forecasts signal that the economies are holding steady amidst global uncertainties. However, concerns remain over the extent of the downside risks from the external global environments. The local measures relating to property curbs are also expected to stay.

We remain cautious and selective in our search for suitable investment opportunities which can add value to our portfolio. Meanwhile, the Group will focus on strong execution of its current projects and will remain vigilant and prudent on costs.

CHANGES TO THE BOARD

Mr Reggie Thein retired as Director of the Company, Chairman of the Audit Committee and member of the Remuneration Committee on 30 June 2013. I would like to record the Board's deep appreciation and gratitude to Mr Reggie Thein for his invaluable contributions to the Group.

The Board also welcomed two Independent Non-Executive Directors, namely Ms Lim Suat Jien, with her extensive experience in the media industry and Ms Jennie Chua, who holds wide and varied expertise in hospitality and foreign relations. Both will bring to the Board much added diversity and fresh perspectives.

NEW CHAIRMAN

From 1 November 2013, I will step down as Chairman and will remain as Director of the Company. I am pleased to be succeeded by Mr Moses Lee, who will be appointed Independent Non-Executive Director and Chairman of the Board and the Company. The Board is delighted to welcome Mr Moses Lee to the Company. With his wealth of experience in the public sector, Mr Lee will complement the diversity in experience and composition of the current Board.

APPRECIATION

I wish to express my sincere appreciation to the Board, the management and staff of the Group for their commitment and dedication over the course of the Financial Year. On behalf of the Board, I would also like to thank our valued customers, shareholders, business partners, investors, amongst others, for their continued support to the Group.

QUEK LENG CHAN
26 September 2013

FINANCIAL HIGHLIGHTS

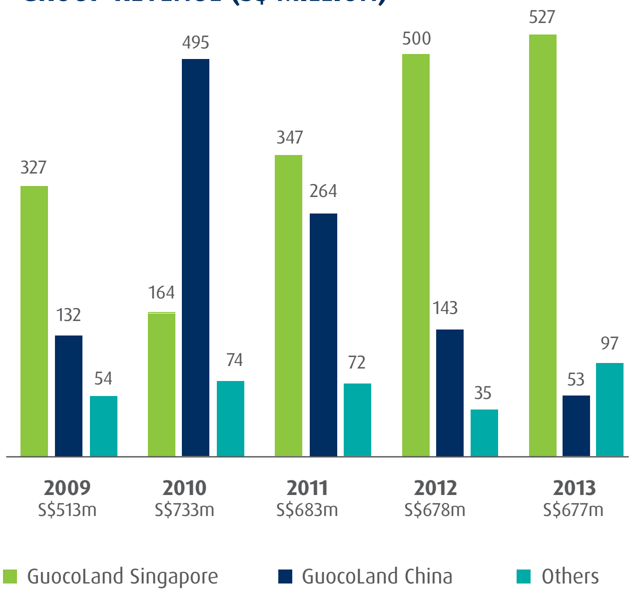
Year ended 30 June	2013 S$'000	2012 S$'000	2011 S$'000	2010 S$'000	2009 S$'000
Income Statements					
Revenue by operating segments					
GuocoLand Singapore	**526,642**	500,253	346,791	164,189	327,477
GuocoLand China	**52,896**	142,848	264,213	495,080	131,660
GuocoLand Malaysia	**70,431**	34,903	64,800	66,752	34,125
GuocoLand Vietnam	**27,455**	458	6,571	6,311	17,729
Others	**18**	34	411	430	2,021
Total revenue	**677,442**	678,496	682,786	732,762	513,012
Profit/(Loss) before tax	**98,516**	96,652	164,636	180,525	(62,478)
Profit/(Loss) attributable to equity holders of the Company	**40,490**	63,191	122,012	134,306	(70,203)
Proposed dividends in respect of ordinary shares[1]	**55,488**	55,488	88,781	66,586	41,446
Statements of Financial Position					
Property, plant and equipment	**398,849**	396,619	361,592	236,222	159,678
Investment properties	**2,056,102**	1,874,750	1,651,877	427,545	367,678
Associates and jointly-controlled entities	**492,365**	492,400	192,864	194,377	187,528
Inventories	**4,826,747**	4,972,047	4,745,426	3,946,237	4,397,094
Cash and cash equivalents	**934,340**	861,973	1,188,342	656,432	581,796
Other assets	**446,480**	161,052	236,514	254,031	166,251
Total assets	**9,154,883**	8,758,841	8,376,615	5,714,844	5,860,025
Total ordinary equity	**2,446,562**	2,396,215	2,362,168	2,013,273	1,943,682
Perpetual securities	**199,406**	-	-	-	-
	2,645,968	2,396,215	2,362,168	2,013,273	1,943,682
Non-controlling interests	**129,133**	136,185	138,224	126,944	120,818
Loans and borrowings	**5,372,335**	5,404,246	5,185,630	2,614,992	2,886,532
Other liabilities	**1,007,447**	822,195	690,593	959,635	908,993
Total equity and liabilities	**9,154,883**	8,758,841	8,376,615	5,714,844	5,860,025
Ratios					
Net asset value per share (S$)	**2.20**	2.16	2.13	2.42	2.37
Basic earnings per share (cents)[2]	**3.57**	5.69	11.98	15.13	(7.99)
Dividend per ordinary share (cents)	**5**	5	8	8	5

[1] The amount is derived after deducting dividends to be paid in respect of ordinary shares of the Company which were held by the Trust for Executives' Share Option Scheme.

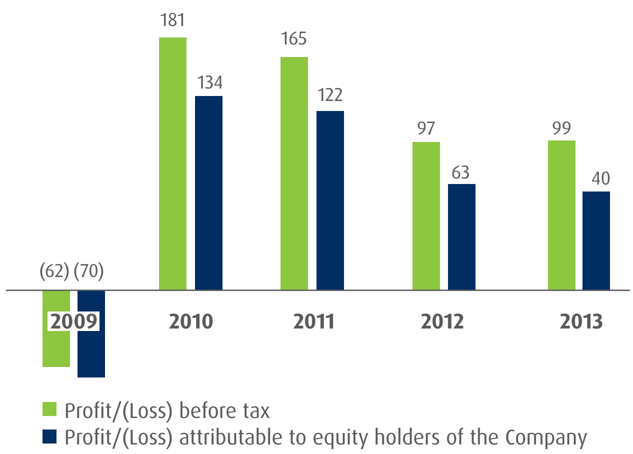
[2] Earnings is defined as profit attributable to ordinary equity holders of the Company.

FINANCIAL HIGHLIGHTS

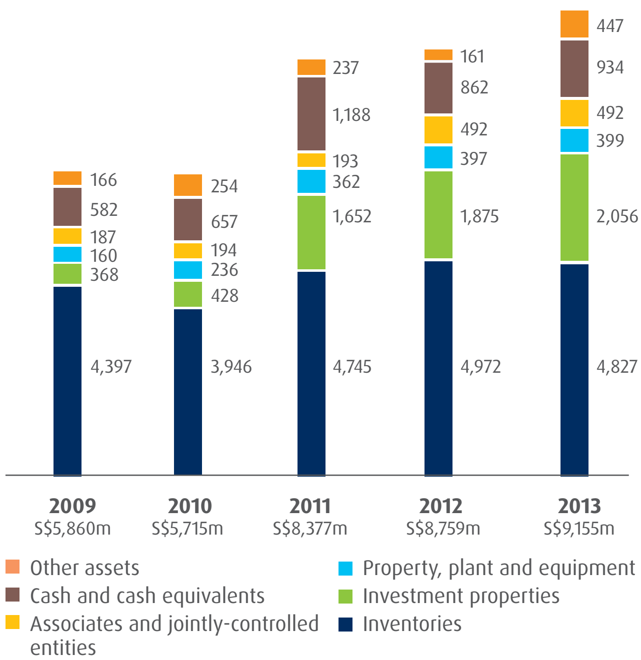
GROUP REVENUE (S$ MILLION)



GROUP PERFORMANCE (S$ MILLION)

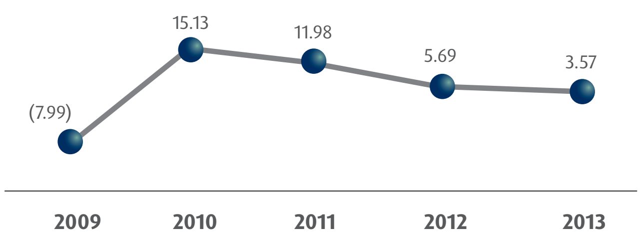


GROUP TOTAL ASSETS (S$ MILLION)

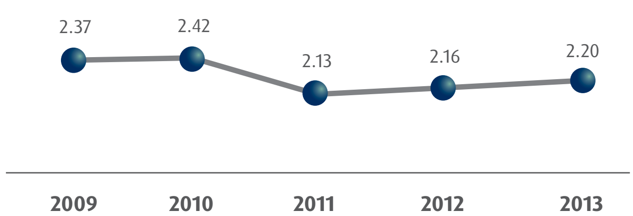


TOTAL EQUITY[1] AND NET DEBT[2] (S$ MILLION)

BASIC EARNINGS PER SHARE (CENTS)[3]



NET ASSET VALUE PER SHARE (S$)



1 Total equity is defined as total ordinary equity and perpetual securities.

2 Net debt is defined as loans and borrowings less cash and cash equivalents.

3 Earnings is defined as profit attributable to ordinary equity holders of the Company.

CORPORATE GOVERNANCE

The Company remains committed to maintaining high standards of corporate governance and endeavours to continuously keep abreast of new developments and practices in corporate governance.

The framework of the Company's corporate governance as set out in its own Code of corporate governance is substantially in line with the principles of the Singapore Code of Corporate Governance ("Code") issued by the Monetary Authority of Singapore ("MAS") in July 2005. The Company has noted the revisions to the Code issued by the MAS in May 2012 ("Code 2012"), and will adopt where appropriate.

The following sections describe the corporate governance practices adopted by the Company.

(A) BOARD MATTERS

Board's Conduct of Its Affairs
Principle 1

The Company is headed by an effective Board which oversees the business affairs of the Company. The Board carries out this oversight function by assuming responsibility for effective stewardship and corporate governance of the Company and the Group. Its role and responsibilities include inter alia setting the overall business strategy, policies and direction for the Company and the Group.

The Board also reviews and approves key strategic and financial initiatives, the business plan and budget, quarterly, interim and annual results, and major investments and divestments. The Company has in place a Corporate Policies and Procedures Handbook which sets out the framework of internal guidelines on matters which require Board approval.

The Board is also responsible for setting the Company's values and ethical standards. The Group has a strong corporate culture exemplified by Group core values which are set out and may be viewed on the Company's website http://www.guocoland.com.sg. The Group is committed in its efforts to build developments that provide quality spaces for its occupants and include environmentally sustainable features.

The Board meets at least on a quarterly basis to review inter alia the Company's quarterly results. During the last financial year, the Board held four meetings. As provided in the Company's Articles of Association, Directors may convene Board meetings by teleconferencing or videoconferencing.

All Directors are provided with relevant information on the Company's policies, procedures and practices relating to governance issues, including disclosure of interests in securities, dealings in the Company's securities, restrictions on disclosure of price sensitive information and disclosure of interests relating to the Group's businesses.

Directors are also updated regularly on key regulatory and accounting changes at Board Meetings. New directors are apprised of the business activities of the Group and its strategic directions. They are provided with the Company's Code of Corporate Governance, Board meeting reports and Guidebook on Audit Committee (for new appointees to the Audit Committee).

During the financial year, Directors attended training programmes and seminars organised by Singapore Institute of Directors (SID). Directors are also informed of training programmes and seminars organised by SGX, SID and KPMG. The Nominating Committee has reviewed the training and professional development programmes for Directors.

Board Composition and Guidance
Principle 2

Currently, the Board comprises eight well-qualified members who are business leaders and professionals with financial, banking and legal backgrounds. The Board considers its present size to be appropriate after taking into account the current nature and scope of the Group's operations. Profiles of the Directors are set out on pages 15 and 16. The majority of the Directors are non-executive and are considered independent by the Nominating Committee.

Board Committees
To assist the Board in executing its duties, the Board has delegated specific functions to the following Board committees:

1. ***Executive Committee ("EXCO")***: The EXCO is entrusted with the conduct of the Company's business and affairs, in line with the overall strategy set by the Board. The members of the EXCO are Messrs Quek Leng Chan (who is the Chairman), Quek Chee Hoon (who is

CORPORATE GOVERNANCE

the Group President and Chief Executive Officer ["CEO"]) and Kwek Leng Hai, and certain key senior Management personnel. During the last financial year, the EXCO held five meetings.

2. ***Audit Committee ("AC")****:* The members of the AC comprise Messrs Timothy Teo (who is the Chairman) and Francis Siu, and Ms Lim Suat Jien, all of whom are non-executive Directors and are considered independent. As part of the Company's corporate governance practices, the CEO participates at all AC meetings. The AC held four meetings during the last financial year.

3. ***Executives' Share Option Scheme ("ESOS") Committee****:* The ESOS Committee assists the Board in administering the ESOS. The ESOS Committee comprises Mr Timothy Teo, a non-executive Director and Mr Quek Leng Chan, an executive Director.

4. ***Nominating Committee ("NC")****:* This committee comprises three non-executive Directors, two of whom are considered to be independent. Mr Abdullah Bin Tarmugi chairs the NC. The other members are Messrs Kwek Leng Hai and Timothy Teo. This committee which meets at least annually, held two meetings in the last financial year.

5. ***Remuneration Committee ("RC")****:* This committee comprises two non-executive independent Directors (Mr Abdullah Bin Tarmugi who is the Chairman and Ms Jennie Chua, member) and an executive non-independent director, Mr Quek Leng Chan. The Board is of the view that the inclusion of an executive director in the RC is appropriate and in the best interests of the Company and its subsidiaries. The RC which meets at least annually, held one meeting in the last financial year.

Chairman and Chief Executive Officer
Principle 3

There is a clear division of responsibilities in the respective roles and functions of the Chairman and CEO as these appointments are held separately by Messrs Quek Leng Chan and Quek Chee Hoon respectively. The Chairman oversees the Group's corporate governance structure and conduct, in particular, the effective functioning of the Board and its Board committees. The Chairman also ensures that shareholders' questions and concerns are addressed at the general meetings of the Company.

The CEO leads the Management team by providing entrepreneurial leadership and strategic directions. He oversees the business operations and affairs of the Group and monitors the performance of Management against pre-agreed targets.

The Company Secretary assists the Chairman to schedule and prepare agendas for Board meetings. The CEO ensures the quality and timeliness of information flow between the Board and Management, which comprises key executive personnel of the Company.

Board Membership
Principle 4

The NC reviews and recommends all new Board appointments and also the re-appointment of Directors to the Board. The NC has put in place a process for the selection and appointment of new directors to the Board. As prescribed by the Company's Articles of Association and recommended by Code 2012, one-third of the Directors for the time being are required to retire from office and are subject to re-election by shareholders at the Company's Annual General Meeting ("AGM"). All Directors also retire from office and are subject to re-election at least once in every three years. Directors of or over 70 years of age are required to be re-appointed every year at the AGM under Section 153(6) of the Companies Act.

On an annual basis, the NC reviews the independence of the Directors, and has considered Messrs Timothy Teo, Francis Siu, Abdullah Bin Tarmugi, Ms Lim Suat Jien and Ms Jennie Chua to be independent.

The NC had noted the list of other directorships held by the Directors, and is satisfied that each of the Directors is able to devote sufficient time and attention to the affairs of the Company.

Board Performance
Principle 5

On an annual basis, the NC assesses the effectiveness and performance of the Board as a whole, Board Committees and the contributions of each Director. The assessment takes into account the performance of the Company, attendance and contributions of Directors at meetings of the Board and Board Committees and Directors' participation in the affairs of the Company, including a review of matters such as the independence of Directors,

CORPORATE GOVERNANCE

their individual skills, experience and time commitment, in particular for Directors who served on the boards of a number of other listed companies as well as overall Board size and composition. The results of the NC's assessment for the financial year ended 30 June 2013 had been communicated to and accepted by the Board.

Access to Information
Principle 6

Directors have separate and independent access to Management and the Company Secretary, whose role includes inter alia ensuring that Board procedures as well as applicable rules and regulations are complied with. The Company Secretary attends all Board and Board Committee meetings. Management keeps the Board apprised of the Company's operations and performance through regular updates and reports as well as through separate meetings and discussions. Directors may take independent professional advice at the Company's expense, if necessary.

Internally, Management presents the Board with reports of and updates on the Company's performance, financial position and prospects for review at each Board meeting.

(B) REMUNERATION MATTERS

Principles 7, 8 & 9

The RC, in consultation with the EXCO, reviews and recommends to the Board a framework of remuneration for the Board and key executives.

Non-executive Directors do not receive any salary. However, non-executive Directors receive directors' fees that are based on corporate and individual responsibilities and which are in line with industry norm. The fees for the Directors for the last financial year amounted in the aggregate to $407,167 and are subject to the approval of shareholders.

The breakdown (in percentage terms) of the remuneration of the Directors of the Company for the financial year ended 30 June 2013 is as follows:

	Fixed Salary (inclusive of Employer CPF)	Variable Bonus (inclusive of Employer CPF)	Directors' Fees	Other Benefits	Total
$750,000 and above					
Quek Chee Hoon	69.21%	29.95%	-	0.84%	100%
Below $250,000					
Quek Leng Chan	-	-	-	-	-
Kwek Leng Hai	-	-	-	-	-
Timothy Teo	-	-	100%	-	100%
Francis Siu	-	-	100%	-	100%
Abdullah Bin Tarmugi	-	-	100%	-	100%
Lim Suat Jien	-	-	100%	-	100%
Jennie Chua (appointed 5 August 2013)	-	-	-	-	-

The number of key executives who are not directors of the Company under each remuneration band is as follows:

	Group	
	2013	**2012**
Remuneration of:		
$750,000 and above	**2**	2
$500,000 to $749,999	**3**	1
$250,000 to $499,999	**6**	5
	11	8

The remuneration package comprising mainly salaries and bonuses, for the top eleven key executives who are not Directors of the Company, is disclosed in bands of $250,000. The Company believes that in view of the competitive nature of the human resource environment, it should maintain confidentiality on employee remuneration matters.

Details of the Company's Employees' Share Option Scheme are set out in the Directors' Report and Note 30 to the Financial Statements.

The Company and its principal subsidiaries do not have any employees who are the immediate family members of any of the Directors or the CEO and whose remuneration exceeded $50,000 during the last financial year.

(C) ACCOUNTABILITY AND AUDIT

Accountability
Principle 10

The Board is committed to provide shareholders with a balanced and understandable assessment of the Company's financial performance, position, and prospects via announcements of its quarterly, interim and annual financial results.

Management provides the Board with management accounts which present a balanced and understandable assessment of the Company's performance, position and prospects. Such reports enable the Directors to keep abreast of the Group's operating and financial performance and position.

Risk Management & Internal Controls
Principle 11

The Board with the assistance of the AC oversees the governance of risk and monitors the Company's risks through an Enterprise Risk Management framework which incorporates a Risk Register to capture the significant business risks and the strategy and internal controls to mitigate these risks. The Risk Register is reviewed by the AC quarterly and any issues or matters arising from the Risk Register are highlighted by the AC to the Board.

Having regard to the reviews carried out by the AC, findings raised by internal and external auditors and assurance from the Management, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls addressing financial, operational and compliance risks, were adequate as at 30 June 2013.

The Board has received assurance from the CEO and the Chief Financial Officer that the financial records of the Company have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances, and the Company's risk management and internal control systems are effective.

Audit Committee
Principle 12

The terms of reference of the AC are set out in the Company's own Code of corporate governance. In performing its functions in the last financial year, the AC undertook, inter alia, the following:-

- reviewing the Group's quarterly, interim and final financial statements prior to submission to the Board;
- reviewing the scope and results of the external audit;
- meeting with the Company's external and internal auditors, in the absence of Management;
- reviewing the independence of the Company's external auditors. The aggregate amount of fees paid to the external auditors, and a breakdown of the fees paid in total for audit and non-audit services are disclosed in Note 27(a) in the Financial Statement;
- reviewing the adequacy and effectiveness of the Company's material internal controls (including financial, operational, compliance and information technology controls, and risk management) was conducted;
- noting or reviewing interested person transactions, as recorded in the Company's Register of Interested Person Transactions;
- reviewing all non-audit services provided by the external auditors of the Company and confirming that such non-audit services do not affect the independence of the external auditors;
- reviewing the adequacy and effectiveness of the internal audit function;

CORPORATE GOVERNANCE

- making recommendations to the Board on the reappointment of the external auditors; and

- reviewing the Company's whistle-blowing policy, which sets out procedures and rules for employees to raise responsibly, in confidence, concerns about possible improprieties for investigation.

At each AC meeting, the external auditors keep the AC apprised of any changes to the accounting standards and issues which have a direct impact on the Company's Financial Statements.

The Company has complied with Rules 712, 715 and 716 of the Listing Manual issued by SGX in relation to the appointment of its external auditors.

Internal Audit
Principle 13

The Company has an internal audit team comprising qualified personnel, which assists the AC in discharging its responsibilities. To assist the Board in inter alia, identifying, assessing and managing the significant business risks faced by the Group within its operating environment, Internal Audit reviews the Group's enterprise risk management framework in particular, the Company's Risk Register on a half yearly basis to ensure the strategy / internal controls are in place to mitigate the significant business risks of the Group.

The internal mitigating controls under the risk management framework may not eliminate all risks of failure but these control mechanisms seek to provide a reasonable assurance against material misstatement or loss.

(D) SHAREHOLDER RIGHTS AND RESPONSIBILITES

Principles 14, 15 & 16

The Company ensures timely and adequate disclosure of information on matters of material impact to shareholders. Shareholders are provided with information on the Company's financial performance, position and prospects through announcements released through SGXNet and through the Company's annual reports, press releases to the SGX-ST and the Company's website at http://www.guocoland.com.sg.

Shareholders are given opportunities to participate at the Company's general meetings. The Board and Management are present at these meetings to address any questions that shareholders may have. The Company's external auditors are also present at the Company's AGM to assist the Board in addressing any queries raised by shareholders. If any shareholder is unable to attend the AGM, he or she is allowed to appoint up to two proxies to attend and vote on his or her behalf at the AGM.

The Company had implemented electronic poll voting since its 2012 AGM and will continue to use the electronic poll voting system at its forthcoming AGM in October 2013.

Due to security concerns, the Company will not be implementing absentia voting methods such as by mail, e-mail or fax.

Dealings in Securities

The Company has in its own Code of corporate governance provided guidelines to the Company's officers in relation to dealings in securities. These guidelines set out, inter alia, that officers should refrain from dealing in any securities of the Company at any time when in possession of unpublished price-sensitive information in relation to those securities, and during the Company's close period which is defined as two weeks immediately preceding the announcement of the Company's quarterly results or half yearly results and one month preceding the announcement of the annual results, as the case may be, up to and including the date of announcement of the relevant results. Officers are also reminded to refrain from dealing in the Company's securities on short-term considerations. These guidelines have been disseminated to all directors, officers and key employees of the Group.

BOARD OF DIRECTORS

MR QUEK LENG CHAN, aged 70

was appointed to the Board in 1988, and appointed as Chairman of the Company and the Board in October 2012. Mr Quek is proposed for re-appointment as Director at the Company's Annual General Meeting ("AGM") to be held on 25 October 2013. He is the Chairman of the Executive Committee and a member of the Remuneration Committee. Mr Quek is the Chairman and Chief Executive Officer of Hong Leong Company (Malaysia) Berhad ("HLCM") and he sits on the Boards of Directors of the major public listed companies of HLCM. He is also the Executive Chairman of Guoco Group Limited, the Company's intermediate holding company in Hong Kong. Mr Quek qualified as a Barrister-at-Law from Middle Temple, United Kingdom and has extensive business experience in various business sectors, including financial services, manufacturing and real estate.

Mr Quek chaired the Board and Executive Committee and attended the Remuneration Committee meetings of the Company held during the financial year ended 30 June 2013.

MR QUEK CHEE HOON, aged 60

was appointed to the Board in 1998, and was re-elected to the Board at the Company's AGM held in October 2011. He is the Group President and Chief Executive Officer of the Group. Mr Quek has 36 years' extensive experience in various investment, corporate and management activities, including property related activities and businesses. Mr Quek holds a Bachelor of Accountancy degree from the University of Singapore.

Mr Quek attended the Board and Executive Committee meetings of the Company held during the financial year ended 30 June 2013. He also participated at all the Audit Committee meetings held during the financial year ended 30 June 2013 in his capacity as the Group President and Chief Executive Officer of the Company.

MR KWEK LENG HAI, aged 60

was appointed to the Board in 1988, and is proposed for re-election as Director at the Company's AGM to be held on 25 October 2013. He is a member of the Nominating Committee. Mr Kwek is the President, CEO of Guoco Group Limited in Hong Kong. His directorships in other public listed companies include Hong Leong Bank Berhad, GuocoLeisure Limited and Lam Soon (Hong Kong) Limited. He is also a director of Bank of Chengdu Co., Ltd in China. Mr Kwek qualified as a chartered accountant of the Institute of Chartered Accountants in England and Wales and has extensive experience in financial services, manufacturing and property investment.

Mr Kwek attended all the Board, Executive Committee and Nominating Committee meetings of the Company held during the financial year ended 30 June 2013.

MR TIMOTHY TEO LAI WAH, aged 61

was appointed to the Board in November 2008, and was re-elected to the Board at the Company's AGM held in October 2012. He is Chairman of the Audit Committee and member of the Nominating Committee. Mr Teo also serves on the boards of statutory boards and charities such as St Luke Elder Care, National Library Board and The Library Fund.

Mr Teo was Director in charge of foreign exchange, money market, gold and commodities management in Government of Singapore Investment Corp, Singapore from 1998 to 2007. Prior to this, he was Director of Nuri Holdings (S) Pte Ltd, Singapore as consultant for risk management in Jakarta and Los Angeles from 1994 to 1998. Mr Teo was also with JP Morgan for 20 years in various overseas locations at senior management level (Managing Director) in Global Markets. Mr Teo holds a Masters Degree in Business Administration from Macquarie University, Sydney, Australia.

Mr Teo chaired the Audit Committee and attended all the Board and Nominating Committee meetings of the Company held during the financial year ended 30 June 2013.

MR FRANCIS SIU WAI KEUNG, aged 59

was appointed to the Board in December 2010, and is proposed for re-election as Director at the Company's AGM to be held on 25 October 2013. He is a member of the Audit Committee. Mr Siu is also an independent non-executive director of Hua Xia Bank, China and Beijing Hualian Supermarket Group Company Limited, which are listed on the Shanghai Stock Exchange and CITIC Pacific Limited, China Communications Services Corporation Limited, Hop Hing Group Holdings Limited, Shunfeng Photovoltaic International Ltd and China Huishan Dairy Holdings Co. Ltd, which are listed on the Hong Kong Stock Exchange.

BOARD OF DIRECTORS

Mr Siu was a Senior Partner of KPMG Beijing Office, and Senior Partner of Northern Region, KPMG China from 2002 to March 2010. Prior to this, he was Senior Partner of KPMG Shanghai Office and Audit Partner in Hong Kong. Mr Siu holds a Bachelor of Arts in Accounting and Economics Degree from University of Sheffield, United Kingdom and he is a Fellow Member of the Institute of Chartered Accountants in England and Wales and a Fellow of the Hong Kong Institute of Certified Public Accountants.

Mr Siu attended all the Board and Audit Committee meetings of the Company held during the financial year ended 30 June 2013.

MR ABDULLAH BIN TARMUGI, aged 69

was appointed to the Board in March 2012, and was re-elected to the Board at the Company's AGM held in October 2012. He is Chairman of the Nominating Committee and Remuneration Committee. Mr Abdullah also serves on the boards of Devotion Energy Group Limited, Goodhope Asia Holdings Ltd, The Islamic Bank of Asia, Pacific Insurance Berhad and The Leadership Practice LLP.

Mr Abdullah is a member of the Presidential Council for Minority Rights and the National University of Singapore Board of Trustees. He was the Speaker of Parliament from March 2002 to October 2011, and was the Member of Parliament for Siglap (now within the East Coast Group Representatives Constituency) from 1984 to 2011. Prior to this, he held various ministerial positions in the Ministry of Environment, Ministry of Home Affairs and Ministry of Community Development and Sports from 1993 to 2002. During the period 1970 to 1993, Mr Abdullah has held various appointments as an urban sociologist, senior statistician and planning analyst in the Ministry of National Development, a feature writer and associate news editor with The Straits Times and was the research manager of Singapore Press Holdings Ltd.

Mr Abdullah holds an Honours Degree in Social Science from the University of Singapore. He also holds a Postgraduate Diploma (Merit) in Urban Studies from the University of London under the Commonwealth Scholarship.

Mr Abdullah chaired the Nominating Committee and Remuneration Committee and attended all the Board meetings of the Company held during the financial year ended 30 June 2013.

MS LIM SUAT JIEN, aged 56

was appointed to the Board in May 2013, and is proposed for re-election as Director at the Company's AGM to be held on 25 October 2013. She is a member of the Audit Committee.

Ms Lim was the Managing Director, TV of MediaCorp Pte Ltd until April 2013. She held various positions in Mediacorp from 1990 to 2013. She joined Ministry of Community Development and Ministry of Health as Director (Corporate Services) in 1999 and 2002 respectively.

Ms Lim holds a Bachelor of Science (First Class Honours) in Zoology and a Master of Science from the University of Malaya in Kuala Lumpur.

MS JENNIE CHUA KHENG YENG, aged 69

was appointed to the Board in August 2013, and is proposed for re-election as Director at the Company's AGM to be held on 25 October 2013. She is a member of the Remuneration Committee.

Ms Chua's other directorships include being a director of GuocoLeisure Limited, CapitaMalls Asia Limited, ISS A/S & ISS World Services A/S and Sentosa Development Corporation, and Chairman of Alexandra Health, International Advisory Council for Tourism, Tourism Skills & Training Council and The Arts House. Ms Chua is Deputy Chairman of Temasek Foundation as well as a member of Singapore's Pro-Enterprise Panel and a Board Director of Ministry of Health Holdings Pte Ltd. She is the Chairman of the Advisory Committee of the Singapore Institute of Technology and also sits on the Board of Trustees of Nanyang Technological University, Singapore.

Ms Chua is a Justice of the Peace. She is Singapore's Non-Resident Ambassador to The Slovak Republic. In March 2013, Ms Chua was appointed Singapore's Non-Resident Ambassador to The United Mexican States.

Ms Chua holds a Bachelor of Science degree from the School of Hotel Administration, Cornell University, New York, USA.

EXECUTIVE MANAGEMENT TEAM

COUNTRY HEADS

MS MARGARET GOH
Singapore Country Head

Ms Margaret Goh is the Group Managing Director of GuocoLand (Singapore) Pte. Ltd. She joined the Group in September 2013. Ms Goh has more than 25 years of experience across a diverse real estate portfolio and roles, particularly in Singapore. Prior to joining GuocoLand Group, she has held key positions in CapitaLand Singapore and Malaysia, NTUC Choicehomes Co-operative Ltd, Sentosa Cove Pte. Ltd. and City Developments Ltd. She holds a Bachelor of Land Economics (First Class) from the University of Technology, Sydney.

MR TEO TONG KOOI
China Country Head

Mr Teo Tong Kooi is the Group Managing Director of GuocoLand (China) Limited ("GLC") and Legal Representative of GLC and GuocoLand Group's subsidiaries in China. He joined the Group in July 2012. Mr Teo has more than 20 years of working experience in a broad range of industries, multinationals and conglomerates in Singapore, Malaysia and China. He holds a Bachelor of Science in Marketing Management and Masters in Business Administration from Golden Gate University, USA and had attended the Stanford Executive Programme from Graduate School of Business, Stanford University.

MR TAN LEE KOON
Malaysia Country Head

Mr Tan Lee Koon is the Managing Director of GuocoLand (Malaysia) Berhad ("GLM"). He joined the Group in 2012. Mr Tan has 18 years of working experience. He has been with the Hong Leong Group since 2008, holding various positions including General Manager, Hume Roofing Products Sdn Bhd and Head of Marketing and Sales, GLM before assuming his current position as the Managing Director of GLM. Mr Tan is also a Director of GLM REIT Management Sdn Bhd, the Manager of Tower Real Estate Investment Trust which is listed on the Main Market of Bursa Malaysia. He holds a Bachelor Degree (Hons) in Business Administration from Coventry University, United Kingdom and is a charterholder of Chartered Financial Analyst (CFA).

CORPORATE OFFICE

MR TAN TECK HUAT
Chief Financial Officer

Mr Tan Teck Huat is the Chief Financial Officer. He joined the Group in October 2008. Mr Tan has 26 years of working experience in major listed companies and has held various positions in corporate development and communications, corporate finance, corporate treasury and accounting. Mr Tan holds a Master of Arts and a Bachelor of Arts in Economics (Second Upper) from the University of Cambridge.

MRS DAWN PAMELA LUM
Group Company Secretary

Mrs Dawn Pamela Lum is the General Manager, Corporate Affairs and concurrently, the Group Company Secretary. She has been with the Group since 1987. Mrs Lum has a total of 37 years of working experience and has assumed key roles in the corporate and management functions of the Company. Mrs Lum holds a Bachelor of Law (Hons) degree from the University of Singapore. She was admitted to the Rolls of the Supreme Court of Singapore as an advocate and solicitor in 1977.

COUNTRY PROFILE

SINGAPORE

In Singapore, GuocoLand is a recognised developer of eco-friendly projects. For its commitment towards environmental sustainability, it has won the Building and Construction Authority ("BCA") Green Mark Awards for projects such as Guoco Tower, Goodwood Residence, Sophia Residence, Leedon Residence, The Waterline, Elliot at the East Coast and The Quartz.

The Group, through its subsidiary, GuocoLand Property Management Pte. Ltd. is equipped with more than 24 years of experience in property-related services, providing strong in-house experience and competence to the Group's projects.

SIGNATURE DEVELOPMENTS

INTEGRATED DEVELOPMENT

TANJONG PAGAR CENTRE

The Group's first integrated mixed-use project in Singapore will be anchored by a soaring tower with floor space totalling 1.7 million square feet, comprising Guoco Tower, a 38-storey Grade A office block, six levels of premium retail and F&B space, prestigious residential homes and a luxury business hotel. Located above the Tanjong Pagar MRT station, the iconic development will stand at 290 metres, defining it as the tallest building in Singapore upon completion in 2016.

This global icon aims to position Tanjong Pagar as a premier quality business and lifestyle district in the CBD and be a benchmark for sustainable and liveable developments which will be differentiated by the richness of the historical district, park and landscape spaces.

It is designed by internationally-acclaimed architectural firm Skidmore, Owings & Merrill ("SOM"), whose impressive portfolio of works include the world's tallest buildings such as Burj Khalifa in Dubai and the upcoming One World Trade Center in New York.

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1. Artist's impression of an Aerial View of Tanjong Pagar Centre breaking the CBD skyline

2. Artist's impression of cross section featuring six levels of premium retail and F&B space seamlessly integrated with Tanjong Pagar MRT Station

COMMERCIAL PORTFOLIO

20 COLLYER QUAY

The Group's headquarters in Singapore is located at 20 Collyer Quay. GuocoLand's flagship office building, formerly known as Tung Centre, is an excellently located 24-storey office block which provides prime office space in Singapore's Central Business District. In 2013, 20 Collyer Quay was recertified with the BCA Green Mark Award for Existing Buildings and also awarded with the PUB Water Efficient Building (SILVER) Certification for Office Building Sector.

Within walking distance of the Raffles Place MRT station and facing the vibrant Marina Bay area, 20 Collyer Quay is 90.6% leased. Some of its prominent corporate tenants include Munich Management Pte. Ltd. and HL Bank.

RESIDENTIAL PORTFOLIO

LEEDON RESIDENCE

Situated on an expansive 4.9 hectare site next to the Leedon Park Good Class Bungalow enclave, Leedon Residence is one of the largest freehold residential developments in District 10. Residents will benefit from being within walking distance to the Farrer Road MRT station and the convenience of being in close proximity to popular commercial and lifestyle centres such as Holland Village, Dempsey Hill and Orchard Road. The nearby internationally renowned Singapore Botanic Garden provides a park area for residents.

Educational institutions in the vicinity include Nanyang Primary School, Raffles Girls' Primary School, Hwa Chong Institution, National Junior College and Nanyang Girls' High School. Designed by the award winning SCDA Architects Pte. Ltd., this project has also won the BCA Green Mark GoldPlus Award for its energy efficient features.

1. 20 Collyer Quay
2. Elegantly customised kitchen in Leedon Residence showsuite
3. Artist's impression of Leedon Residence

GOODWOOD RESIDENCE

Goodwood Residence sits on a prime 2.5 hectare site within the coveted Orchard-Scotts area, just minutes away from Orchard Road, Singapore's popular shopping and entertainment district. This exclusive 210 unit freehold development integrates seamlessly with the greenery of the 20 hectare Goodwood Hill, a green lung which it shares a 150 metre boundary with.

Designed by renowned consultants, WOHA Architects Pte. Ltd. and landscape specialist ICN Design International Pte. Ltd., the contemporary style of Goodwood Residence aims to integrate seamlessly with the surrounding tree conservation area.

Selected ground floor units with attached enclosed water spaces and limited treehouse cabana units perched in a natural setting amongst the trees distinguish this luxurious development from the rest. Goodwood Residence was awarded the prestigious BCA Green Mark Platinum Award for its environmentally-conscious design which promotes efficient use of energy and water.


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SOPHIA RESIDENCE

Sophia Residence is located on a prime District 9 site at the Mount Sophia area in the vicinity of Orchard Road, within the vibrant Arts and Heritage District and Civic District. The nearby Dhoby Ghaut MRT interchange station and Plaza Singapura provide convenient transportation and shopping facilities. Designed by renowned architectural firm WATG (Wimberly Allison Tong & Goo) of the United States and ICN Design International Pte. Ltd., the acclaimed landscape specialist, it will be a premier address for discerning home buyers.


3

1. Showsuite at Goodwood Residence
2. Artist's impression of Goodwood Residence seamlessly integrated with Goodwood Hill
3. Artist's impression of Sophia Residence

COUNTRY PROFILE

CHINA

GuocoLand has been active in China since 1994 and is an established property developer in China with a sizeable portfolio of properties in the major cities of Beijing, Shanghai, Nanjing and Tianjin.

The Group has two award winning large scale integrated developments in Beijing and Shanghai and several other residential developments.

SIGNATURE DEVELOPMENTS

INTEGRATED DEVELOPMENT

BEIJING GUOSON CENTRE
Beijing Guoson Centre is located along the main thoroughfare of Dongzhimen Road. It has approximately 600,000 square metres of gross floor area under development, comprising retail, twin office towers, residential and hotel components. Beijing Guoson Centre integrates a transportation hub which is in operation incorporating subway lines, a bus interchange and an express rail link to Beijing Capital International Airport in 16 minutes.

SHANGHAI GUOSON CENTRE
Shanghai Guoson Centre is strategically located at the Changfeng Ecology Commercial District. With approximately 500,000 square metres of gross floor area, this development comprises retail, office towers, Small office, Home office ("SoHo") units, hotel and service apartments. The 354 SoHo units and an office block have been sold. Hongqiao integrated transportation hub, just 10 minutes' drive away, offers connectivity via express rails to other cities including Hangzhou, Nanjing and Beijing.

RESIDENTIAL PORTFOLIO

SEASONS PARK
Seasons Park is located within the cultural, commercial and historic hub of Laochengxiang. Seasons Park is the Group's first residential development in Tianjin comprising seven high-rise blocks totaling 1,176 apartments. Amenities nearby include a supermarket, shopping centre, department store, restaurants and hotels.

CAMDEN PARK
The Group's third project in Shanghai is located on a 47,675 square metre site within the Changfeng Ecological Business District, in the Putuo District.

GuocoLand has plans for a high-end residential development with eco-friendly features. It enjoys easy accessibility to the Hongqiao integrated transportation hub that offers connectivity to Shanghai city centre and other cities including Nanjing, Beijing and Hangzhou. Residents will enjoy greater connectivity with the completion of subway lines 13 and 15.


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1. Artist's impression of Beijing Guoson Centre
2. Artist's impression of Shanghai Guoson Centre
3. Artist's impression of Seasons Park
4. Artist's impression of Camden Park

COUNTRY PROFILE

MALAYSIA

Listed on the Main Market of Bursa Malaysia Securities Berhad, GuocoLand (Malaysia) Berhad ("GLM") is a 65% subsidiary of GuocoLand. It has an established presence in Malaysia with property development and investment, and hotel & resort holdings activities. Its portfolio includes prime office and residential properties in Kuala Lumpur and Greater Kuala Lumpur.

They include the Emerald master planned township in Rawang and prime residential and commercial developments in the Klang Valley - the soon to be launched Damansara City, the flagship development project, Amandarii, Commerce One and PJ City.

SIGNATURE DEVELOPMENTS

INTEGRATED DEVELOPMENT

DAMANSARA CITY, DAMANSARA HEIGHTS

Located on a sprawling site area of 3.2 hectares in the commercial and residential hub of Damansara Heights, Damansara City is the flagship development of GLM, the Group's subsidiary in Malaysia. This freehold integrated development will comprise two landmark office towers, two luxurious residential towers, an international-class hotel and a lifestyle retail mall. Residents will enjoy ample amenities, facilities, transport services and also being in the immediate vicinity of affluent suburbs such as Bangsar and Bukit Kiara.

As part of the Malaysian government's Economic Transformation Programme ("ETP") to transform Malaysia into a high-income nation by 2020, Damansara City was announced in January 2011 as one of the 19 entry point projects to help drive rapid growth in the Greater Kuala Lumpur / Klang Valley area.

RESIDENTIAL PORTFOLIO

EMERALD, RAWANG

Surrounded by the undulating green foothills of Rawang, Selangor, the spacious 405 hectare township, Emerald comprises link, cluster, semidetached houses and bungalows. This guarded community enjoys easy access to the city and its nearby suburbs via the North-South Highway, New Klang Valley Expressway and the Guthrie Corridor Expressway. Nearby amenities include banks, a post office, hypermarkets, a fresh produce market as well as a Malayan Railways (KTM) station.

REIT

TOWER REIT

In April 2006, GLM established and listed a Real Estate Investment Trust ("REIT") known as Tower REIT on the Main Market of Bursa Malaysia Securities Berhad. Tower REIT is managed by GLM REIT Management Sdn Bhd, a wholly-owned subsidiary of GLM.

GLM has an approximately 21.7% interest in Tower REIT. As at 30 June 2013, Tower REIT's investment portfolio comprises three strategically located prime commercial buildings in Kuala Lumpur, namely Menara HLA, Menara ING and HP Towers which have a total net lettable area of about 84,000 square metres.


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1. Artist's impression of the Damansara City residential towers
2. DC residency show unit at the Damansara City Sales Gallery
3. Artist's impression of Emerald Gardens superlink homes at Emerald Rawang

COUNTRY PROFILE

VIETNAM

GuocoLand, through its subsidiary, GuocoLand Vietnam (S) Pte. Ltd., invested in Ho Chi Minh City, Vietnam with the award of an Investment Licence to build a fully-integrated development on a 17.5 hectare site in Binh Duong Province, 17 kilometres north of Ho Chi Minh City.

Artist's impression of The Canary

INTEGRATED DEVELOPMENT

THE CANARY, BINH DUONG PROVINCE

Located on a 17.5 hectare site directly across the 27-hole Song Be golf course at the gateway of the Vietnam Singapore Industrial Park in Thuan An District, The Canary will have the distinction of being the first fully-integrated development in Binh Duong Province, an attractive destination for both local and foreign investors due to its favourable economic growth rate.

Just 30 minutes from Ho Chi Minh City via Highway 13, this sizeable development will offer an integrated Work-Live-Play environment for the residents in this area with 1,051 residential apartments to be developed over 4 phases, a 108,000 square metre retail mall operated by an international retailer, an office tower and educational facilities. Construction of Phase 2 of the residential component is currently underway.

ENVIRONMENTAL SUSTAINABILITY

As a developer, we create spaces for people to live, play and work. Paying attention to sustainable development is a responsibility that we take seriously.

GuocoLand is committed in its efforts to develop processes and to include environmentally sustainable features in its property developments to reduce negative impact to the environment. We also ensure that business operations carried out are environmentally sustainable.

As a Group, initiatives have been taken to develop buildings which comply with the guidelines set by the local building authorities in which the Group operates in.

- In Singapore, our green buildings comply with the Building & Construction Authority ("BCA") – Green Mark and US Green Building Council ("USGBC") - Leadership in Energy and Environmental Design ("LEED") requirements. (For Tanjong Pagar Centre only)
- Our developments in China comply with the requirements set by the Ministry of Housing & Urban-Rural Development and the Ministry of Environmental Protection.
- In Malaysia, the integrated development of Damansara City will conform to the LEED and Green Building Index ("GBI") certifications.
- In Vietnam, our projects comply with the requirements set by the Department of Construction, the Department of Urban Planning and Architecture and the Department of Natural Resources and Environment.

Our commitment can be seen in all of our recent developments, particularly in Singapore, whereby we have consistently achieved very high Green Mark ratings. Tanjong Pagar Centre is the group's latest addition of awards.

As Singapore's tallest building, Tanjong Pagar Centre will be the new focal point of Singapore's growing Central Business District as well as an exemplifier of sustainability standards of large scale integrated developments. Guoco Tower, as well as the hotel and retail components, have been conferred the Singapore BCA (Building and Construction Authority) Green Mark (Platinum) award, the highest BCA rating in Singapore. Guoco Tower has also achieved the LEED (CS) (Leadership in Energy and Environmental Design) Platinum Precertification, an internationally renowned award recognising eco-friendly buildings in the world.

Tanjong Pagar Centre will enhance the existing 100,000 square feet city park above the Tanjong Pagar MRT station and incorporate its hallmark City Room – the civic space for the district. The roof of the City Room consists of more than 30,000 square feet of solar panels, to act as an intelligent shelter providing comfort for the event space below while converting sunlight into renewable energy.

Artist's impression of the City Room and surrounding greenery at Tanjong Pagar Centre

HUMAN RESOURCE

1. *Fun and excitement at Legoland Malaysia*
2. *A night of glamour & mystique at Staff Get-Together 2013*
3. *Finishers at the J.P. Morgan Corporate Challenge 2013*
4. *Balancing the body and mind at Yoga exercise class*
5. *Pedaling hard for REDAS Dragon Boat Race 2013*

GuocoLand is committed to creating a conducive work environment that encourages employee engagement and involvement in the business. Our human resource management strives to foster continuous improvement, teamwork and results in a competitive business environment, with emphasis on learning and development, workplace safety and employee engagement.

LEARNING AND DEVELOPMENT

The Group provides opportunities for staff to improve their levels of skills and knowledge to increase the quality of workplace productivity and staff satisfaction. Our employees are encouraged to enrol in seminars, workshops and skills programmes to extend their expertise and perform to their fullest potential.

Staff attended seminars and training programmes covering areas on Audit, Accounting, Taxation, Information Technology, Project Management and Human Resources. Certification courses for staff included Masters of Science in Surveying, Green Mark Manager and Project Management Professional.

WORKPLACE HEALTH & SAFETY

Since 2009, the Group has embarked on Workplace Health Promotion programmes to raise awareness amongst our employees on the importance of adopting an active and healthy lifestyle. For our efforts, we were conferred the Bronze Award by the Health Promotion Board as a national recognition of the Company's dedication to put employees' wellness as a corporate priority. GuocoLand staff took part in exercise classes which covered Zumba, Yoga, Cardio Remix and also attended talks and workshops, which range from targeted Weight Management Programmes comprising cooking with soya beans, making low fat dips, healthier selections at hawker centre & supermarket, to health issues including an overview on cancer, active aging, understanding stroke, lower back pains & managing stress the whole brain way.

EMPLOYEE ENGAGEMENT

GuocoLand actively engages its employees through social and recreational interaction and employee bonding activities. These programmes included the annual health screening exercise and JP Morgan Corporate Challenge 2013. Staff also took part in the 3rd REDAS bowling competition and Dragon Boat Race 2013. Day trips were organised for staff and their families to LegoLand, Desaru & JB Thistle Hotel. Other bonding activities included the annual GuocoLand Group & Affiliated Companies Bowling Tournament and a Masquerade themed Staff Get-Together Dinner.

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DIRECTORS' REPORT

For the year ended 30 June 2013

We are pleased to present this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 June 2013.

DIRECTORS

The directors in office at the date of this report are as follows:-

Quek Leng Chan
Quek Chee Hoon
Kwek Leng Hai
Timothy Teo
Francis Siu
Abdullah Bin Tarmugi
Lim Suat Jien (appointed on 15 May 2013)
Jennie Chua (appointed on 5 August 2013)

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:-

	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	As at 1 July 2012	As at 30 June 2013	As at 1 July 2012	As at 30 June 2013
The Company	Fully Paid Ordinary Shares			
Quek Leng Chan	13,333,333	13,333,333	817,911,030	817,911,030
Quek Chee Hoon	22,064,798	22,064,798	-	-
Kwek Leng Hai	35,290,914	35,290,914	-	-
Timothy Teo	33,333	33,333	-	-
	Perpetual Securities*			
Quek Leng Chan	-	-	-	65,000,000
Intermediate Holding Company				
Guoco Group Limited	Ordinary Shares of US$0.50 each fully paid			
Quek Leng Chan	1,056,325	1,056,325	235,948,529	244,415,930
Kwek Leng Hai	3,800,775	3,800,775	-	-
Ultimate Holding Company				
Hong Leong Company (Malaysia) Berhad	Ordinary Shares of RM1.00 each fully paid			
Quek Leng Chan	390,000	390,000	13,069,100	13,069,100
Kwek Leng Hai	420,500	420,500	-	-

* Please refer to Note 19 to the Financial Statements.

DIRECTORS' REPORT

For the year ended 30 June 2013

DIRECTORS' INTERESTS (cont'd)

	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	As at 1 July 2012	As at 30 June 2013	As at 1 July 2012	As at 30 June 2013
Subsidiary				
GuocoLand (Malaysia) Berhad	Ordinary Shares of RM0.50 each fully paid			
Quek Leng Chan	19,506,780	19,506,780	456,055,616	456,055,616
Quek Chee Hoon	-	-	1,000,000	-
Kwek Leng Hai	226,800	226,800	-	-

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
		Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
		As at 1 July 2012	As at 30 June 2013	As at 1 July 2012	As at 30 June 2013
Interests of Quek Leng Chan in Related Corporations					
Hong Leong Financial Group Berhad	RM1.00	4,989,600	4,989,600	824,437,300	824,437,300
Hong Leong Capital Berhad	RM1.00	-	-	195,263,227	200,805,058
Hong Leong Bank Berhad	RM1.00	-	-	1,163,983,985	1,160,619,285
Hong Leong Assurance Berhad	RM1.00	-	-	140,000,000	140,000,000
Hong Leong Industries Berhad	RM0.50	-	-	245,386,603	245,386,603
Hong Leong MSIG Takaful Berhad	RM1.00	-	-	65,000,000	65,000,000
Hong Leong Yamaha Motor Sdn Bhd	RM1.00	-	-	17,352,872	17,352,872
	RM1.00	-	-	6,941 (Redeemable Preference Shares)	6,941 (Redeemable Preference Shares)
Guocera Tile Industries (Meru) Sdn Bhd	RM1.00	-	-	19,600,000	19,600,000
Hong Leong Maruken Sdn Bhd (In members' voluntary liquidation)	RM1.00	-	-	1,750,000	1,750,000

DIRECTORS' REPORT

For the year ended 30 June 2013

DIRECTORS' INTERESTS (cont'd)

		Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
		As at 1 July 2012	As at 30 June 2013	As at 1 July 2012	As at 30 June 2013
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Century Touch Sdn Bhd (In members' voluntary liquidation)	RM1.00	-	-	6,545,001	6,545,001
Varinet Sdn Bhd (In members' voluntary liquidation)	RM1.00	-	-	10,560,627	10,560,627
RZA Logistics Sdn Bhd (In members' voluntary liquidation)	RM1.00	-	-	7,934,247	7,934,247
Guocera Tile Industries (Vietnam) Co., Ltd	♦	-	-	5,286,500	-
Malaysian Pacific Industries Berhad	RM0.50	-	-	109,964,207	107,501,107
Carter Realty Sdn Bhd	RM1.00	-	-	7	7
Carsem (M) Sdn Bhd	RM1.00	-	-	84,000,000	84,000,000
	RM100.00	-	-	22,400 (Redeemable Preference Shares)	22,400 (Redeemable Preference Shares)
Narra Industries Berhad	RM1.00	8,150,200	8,150,200	38,314,000	38,314,000
Southern Steel Berhad	RM1.00	-	-	301,541,202	301,541,202
Southern Pipe Industry (Malaysia) Sdn Bhd	RM1.00	-	-	54,383,093	118,822,953
	RM1.00	-	-	100,000 (Redeemable Convertible Cumulative Preference Shares)	50,000 (Redeemable Convertible Cumulative Preference Shares)
Belmeth Pte. Ltd.	∞	-	-	40,000,000	40,000,000
Guston Pte. Ltd.	∞	-	-	8,000,000	8,000,000

DIRECTORS' REPORT

For the year ended 30 June 2013

DIRECTORS' INTERESTS (cont'd)

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
		Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
		As at 1 July 2012	As at 30 June 2013	As at 1 July 2012	As at 30 June 2013
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Perfect Eagle Pte. Ltd.	∞	-	-	24,000,000	24,000,000
First Garden Development Pte. Ltd.	∞	-	-	63,000,000	63,000,000
Sanctuary Land Pte. Ltd.	∞	-	-	90,000	90,000
Beijing Minghua Property Development Co., Ltd (In members' voluntary liquidation)	^	-	-	150,000,000	150,000,000
Nanjing Mahui Property Development Co., Ltd	^	-	-	271,499,800	271,499,800
Nanjing Xinhaoning Property Development Co., Ltd	#	-	-	11,800,800	98,010,000
Nanjing Xinhaoxuan Property Development Co., Ltd	#	-	-	11,800,800	11,800,800
Shanghai Xinhaojia Property Development Co., Ltd	^	-	-	3,150,000,000	3,150,000,000
Shanghai Xinhaozhong Property Development Co., Ltd	#	-	-	19,600,000	19,600,000
Beijing Cheng Jian Dong Hua Real Estate Development Company Limited	^	-	-	50,000,000	50,000,000
Lam Soon (Hong Kong) Limited	HK$1.00	-	-	140,008,659	140,008,659
Kwok Wah Hong Flour Company Limited	HK$100.00	-	-	9,800	9,800
Guangzhou Lam Soon Food Products Limited	Ω	-	-	6,570,000	6,570,000
Guoman Hotel & Resort Holdings Sdn Bhd	RM1.00	-	-	277,000,000	277,000,000

DIRECTORS' REPORT

For the year ended 30 June 2013

DIRECTORS' INTERESTS (cont'd)

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
		Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
		As at 1 July 2012	As at 30 June 2013	As at 1 July 2012	As at 30 June 2013
Interests of Quek Leng Chan in Related Corporations (cont'd)					
JB Parade Sdn Bhd	RM1.00	-	-	28,000,000	28,000,000
	RM0.01	-	-	68,594,000 (Redeemable Preference Shares)	68,594,000 (Redeemable Preference Shares)
GuocoLeisure Limited	US$0.20	735,000	735,000	910,261,434	911,676,434
The Rank Group Plc	GBP13 8/9p	-	-	291,046,540	291,046,540
Park House Hotel Limited (In members' voluntary liquidation)	GBP10p	-	-	2,883,440	-~
Interests of Kwek Leng Hai In Related Corporations					
Hong Leong Bank Berhad	RM1.00	4,750,000	4,750,000	-	-
Lam Soon (Hong Kong) Limited	HK$1.00	2,300,000	2,300,000	-	-
Hong Leong Industries Berhad	RM0.50	190,000	190,000	-	-
Hong Leong Financial Group Berhad	RM1.00	2,316,800	2,316,800	-	-
Hong Leong Capital Berhad	RM1.00	1,000,000	-	-	-
Malaysian Pacific Industries Berhad	RM0.50	71,250	71,250	-	-

∞ Concept of par value was abolished with effect from 30 January 2006 pursuant to the Singapore Companies (Amendment) Act, 2005.
^ Capital contribution in RMB.
# Capital contribution in US$.
Ω Capital contribution in HK$.
♦ Capital contribution in VND.
~ Dissolved during the financial year

DIRECTORS' REPORT

For the year ended 30 June 2013

DIRECTORS' INTERESTS (cont'd)

By virtue of Section 7 of the Act, Mr Quek Leng Chan is deemed to have an interest in all of Hong Leong Company (Malaysia) Berhad's direct and indirect interests in its subsidiaries and associates, at the beginning and at the end of the financial year.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

There were no changes in any of the above-mentioned directors' interests in the Company and its related corporations between the end of the financial year and 21 July 2013.

Except as disclosed under "Share Options" of this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Transactions entered into by the Company and/or its related corporations with connected or related parties in which certain of the directors are deemed to have an interest comprised deposits, lease of properties and payments for professional, financial and management services. All such transactions were carried out in the normal course of business of the Group and on commercial terms.

Except as disclosed in this report and in Notes 27, 30 and 32 to the Financial Statements, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

DIRECTORS' REPORT

For the year ended 30 June 2013

SHARE OPTIONS

The GuocoLand Limited Executives' Share Option Scheme ("ESOS")

a. The ESOS was approved by shareholders of the Company on 17 October 2008 and further approved by shareholders of Guoco Group Limited (an intermediate holding company of the Company) on 21 November 2008 ("ESOS 2008"), to replace the Company's former ESOS ("ESOS 2004"), which was due to expire in December 2008. The terms of the ESOS 2008 are substantially similar to those of the ESOS 2004.

b. Under the ESOS 2008, options may be granted over newly issued and/or existing issued ordinary shares of the Company ("Shares"). The ESOS 2008 is administered by a Committee of Directors comprising Mr Quek Leng Chan and Mr Timothy Teo who are non-participants. The ESOS 2008 options were granted to selected key executives of the Company ("Participants").

c. During the financial year, 6,148,475 options lapsed in respect of options granted in September 2009 under the ESOS 2008. No options were exercised or granted. Further, no new Shares were issued pursuant to the ESOS 2008.

d. The aggregate number of options (including options adjusted pursuant to the Company's Rights Issue 2007 and Rights Issue 2010) granted to Participants since the commencement of the ESOS to the end of the financial year is as follows:-

Participants	Aggregate options granted since the commencement of the ESOS to end of financial year	Aggregate options exercised since the commencement of the ESOS to end of financial year	Aggregate options lapsed since the commencement of the ESOS to end of financial year	Aggregate options outstanding as at end of financial year
Executive Director				
Quek Chee Hoon	21,569,073	(7,398,300)	(14,170,773)	-
Directors of Subsidiaries				
Trina Loh*	6,108,732	(1,138,200)	(4,970,532)	-
Dawn Pamela Lum	4,072,355	(1,138,200)	(2,934,155)	-
Tan Teck Huat	2,138,600	-	(2,138,600)	-
Other Executives	33,801,658	(11,105,600)	(22,696,058)	-
Total	**67,690,418**	**(20,780,300)**	**(46,910,118)**	**-**

* will cease to be a director of subsidiaries of GuocoLand Limited with effect from 31 August 2013

DIRECTORS' REPORT

For the year ended 30 June 2013

SHARE OPTIONS (cont'd)

The GuocoLand Limited Executives' Share Option Scheme ("ESOS") (cont'd)

e. Other statutory information regarding the above options is as follows:-

   (i) In relation to ESOS 2008, the exercise price per Share is the 5-day weighted average market price on Singapore Exchange Securities Trading Limited immediately prior to the date of grant of the option.

   (ii) An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for employees who have been employed for less than one year) and (b) the first anniversary of the date of grant (for all other employees), and to end on a date not later than 10 years after the date of grant.

   (iii) The persons to whom the options have been granted do not have the right to participate, by virtue of the option, in a share issue of any other company, except in the share scheme(s) of companies within the Group.

f. Since the commencement of the ESOS, no options have been granted to controlling shareholders of the Company and their associates or parent group employees and no options have been granted at a discount.

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

DIRECTORS' REPORT

For the year ended 30 June 2013

AUDIT COMMITTEE

The members of the Audit Committee during the year and at the date of this report are as follows:-

Timothy Teo, Chairman
Francis Siu
Lim Suat Jien (appointed on 15 May 2013)

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held four meetings since the last directors' report. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:-

- assistance provided by the Company's officers to the internal and external auditors;
- quarterly financial statements and annual financial statements of the Group and of the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

QUEK LENG CHAN
Director

QUEK CHEE HOON
Director

Singapore
29 August 2013

STATEMENT BY DIRECTORS

For the year ended 30 June 2013

In our opinion:-

a. the financial statements set out on pages 41 to 109 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2013 and of the results, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Act and Singapore Financial Reporting Standards; and

b. at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

QUEK LENG CHAN
Director

QUEK CHEE HOON
Director

Singapore
29 August 2013

INDEPENDENT AUDITORS' REPORT

Members of the Company
GuocoLand Limited

Report on the financial statements

We have audited the accompanying financial statements of GuocoLand Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Company as at 30 June 2013, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 41 to 109.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2013 and the results, changes in equity and cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
29 August 2013

STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

		The Group		The Company	
		2013	**2012**	**2013**	**2012**
	Note	**$'000**	**$'000**	**$'000**	**$'000**
Non-current assets					
Property, plant and equipment	4	**398,849**	396,619	**-**	-
Investment properties	5	**2,056,102**	1,874,750	**-**	-
Subsidiaries	6	**-**	-	**2,527,676**	2,454,958
Associates and jointly-controlled entities	7	**492,365**	492,400	**-**	7,982
Amounts due from non-controlling interests	8	**1,931**	1,874	**-**	-
Other investments	9	**1,582**	35,760	**-**	-
Deferred tax assets	10	**62,310**	42,480	**-**	-
		3,013,139	2,843,883	**2,527,676**	2,462,940
Current assets					
Inventories	11	**4,826,747**	4,972,047	**-**	-
Trade and other receivables	13	**380,657**	80,938	**9,006**	2,289
Cash and cash equivalents	16	**934,340**	861,973	**7,138**	1,036
		6,141,744	5,914,958	**16,144**	3,325
Total assets		**9,154,883**	**8,758,841**	**2,543,820**	**2,466,265**
Equity					
Share capital	17	**1,926,053**	1,926,053	**1,926,053**	1,926,053
Reserves	18	**520,509**	470,162	**91,374**	95,371
Equity attributable to ordinary equity holders of the Company		**2,446,562**	2,396,215	**2,017,427**	2,021,424
Perpetual securities	19	**199,406**	-	**-**	-
		2,645,968	2,396,215	**2,017,427**	2,021,424
Non-controlling interests		**129,133**	136,185	**-**	-
Total equity		**2,775,101**	2,532,400	**2,017,427**	2,021,424
Non-current liabilities					
Amounts due to non-controlling interests	8	**131,356**	118,412	**-**	-
Amounts due to subsidiaries	6	**-**	-	**464,591**	269,276
Loans and borrowings	20	**3,868,331**	3,615,455	**-**	-
Deferred tax liabilities	10	**58,522**	60,255	**-**	-
		4,058,209	3,794,122	**464,591**	269,276
Current liabilities					
Trade and other payables	21	**736,345**	611,343	**738**	1,065
Derivatives		**11,135**	10,427	**-**	-
Loans and borrowings	20	**1,504,004**	1,788,791	**60,000**	174,500
Current tax liabilities		**70,089**	21,758	**1,064**	-
		2,321,573	2,432,319	**61,802**	175,565
Total liabilities		**6,379,782**	6,226,441	**526,393**	444,841
Total equity and liabilities		**9,154,883**	**8,758,841**	**2,543,820**	**2,466,265**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2013

	Note	The Group 2013 $'000	The Group 2012 $'000
Revenue	23	**677,442**	678,496
Cost of sales		**(533,433)**	(475,312)
Gross profit		**144,009**	203,184
Other income	24	**96,507**	15,015
Administrative expenses		**(61,521)**	(61,076)
Other expenses	25	**(9,933)**	(13,140)
Finance costs	26	**(87,553)**	(56,478)
Share of profit of associates and jointly-controlled entities (net of tax)		**17,007**	9,147
Profit before tax	27	**98,516**	96,652
Tax expense	28	**(55,046)**	(32,196)
Profit for the year		**43,470**	**64,456**
Profit attributable to:			
Equity holders of the Company		**40,490**	63,191
Non-controlling interests		**2,980**	1,265
Profit for the year		**43,470**	**64,456**
Earnings per share (cents)	29		
Basic		**3.57**	5.69
Diluted		**3.57**	5.69

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2013

	The Group	
	2013	**2012**
	$'000	**$'000**
Profit for the year	**43,470**	64,456
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:-		
Translation differences relating to financial statements of foreign subsidiaries and associates	**60,858**	82,344
Translation reserve of associates reclassified to profit or loss upon disposal	**3,103**	-
Net change in fair value of available-for-sale securities	**5,536**	(5,675)
Net change in fair value of available-for-sale securities reclassified to profit or loss upon disposal	**1,050**	-
Other comprehensive income for the year, net of tax	**70,547**	76,669
Total comprehensive income for the year, net of tax	**114,017**	141,125
Attributable to:		
Equity holders of the Company	**109,862**	142,015
Non-controlling interests	**4,155**	(890)
Total comprehensive income for the year, net of tax	**114,017**	141,125

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2013

	←Attributable to ordinary equity holders of the Company→							
	Share Capital $'000	Other Reserves $'000	Accumulated Profits $'000	Total Ordinary Equity $'000	Perpetual Securities $'000	Total $'000	Non-Controlling Interests $'000	Total Equity $'000
At 1 July 2012	**1,926,053**	**(228,591)**	**698,753**	**2,396,215**	**-**	**2,396,215**	**136,185**	**2,532,400**
Profit for the year	-	-	40,490	40,490	-	40,490	2,980	43,470
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries and associates	-	61,801	-	61,801	-	61,801	(943)	60,858
Translation reserve of associates reclassified to profit or loss upon disposal	-	3,103	-	3,103	-	3,103	-	3,103
Net change in fair value of available-for-sale securities	-	3,755	-	3,755	-	3,755	1,781	5,536
Net change in fair value of available-for-sale securities reclassified to profit or loss upon disposal	-	713	-	713	-	713	337	1,050
Total other comprehensive income, net of tax	-	69,372	-	69,372	-	69,372	1,175	70,547
Total comprehensive income for the year, net of tax	**-**	**69,372**	**40,490**	**109,862**	**-**	**109,862**	**4,155**	**114,017**
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Issue of perpetual securities (note 19)	-	-	-	-	198,505	198,505	-	198,505
Accrued distribution for perpetual securities (note 19)	-	-	(901)	(901)	901	-	-	-
Writeback of share-based payments (net)	-	(3,126)	-	(3,126)	-	(3,126)	(104)	(3,230)
Dividends (note 31)	-	-	(55,488)	(55,488)	-	(55,488)	(11,556)	(67,044)
Capital contributions from non-controlling interests of a subsidiary	-	-	-	-	-	-	453	453
Total transactions with equity holders	**-**	**(3,126)**	**(56,389)**	**(59,515)**	**199,406**	**139,891**	**(11,207)**	**128,684**
At 30 June 2013	**1,926,053**	**(162,345)**	**682,854**	**2,446,562**	**199,406**	**2,645,968**	**129,133**	**2,775,101**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2013

	←Attributable to ordinary equity holders of the Company→							
	Share Capital	Other Reserves	Accumulated Profits	Total Ordinary Equity	Perpetual Securities	Total	Non-Controlling Interests	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At 1 July 2011	**1,926,053**	**(252,153)**	**688,268**	**2,362,168**	**-**	**2,362,168**	**138,224**	**2,500,392**
Profit for the year	-	-	63,191	63,191	-	63,191	1,265	64,456
Other comprehensive income								
Translation differences relating to financial statements of foreign subsidiaries and associates	-	82,683	-	82,683	-	82,683	(339)	82,344
Net change in fair value of available-for-sale securities	-	(3,859)	-	(3,859)	-	(3,859)	(1,816)	(5,675)
Total other comprehensive income, net of tax	-	78,824	-	78,824	-	78,824	(2,155)	76,669
Total comprehensive income for the year, net of tax	**-**	**78,824**	**63,191**	**142,015**	**-**	**142,015**	**(890)**	**141,125**
Transactions with equity holders, recorded directly in equity								
Contributions by and distributions to equity holders								
Writeback of share-based payments (net)	-	(10,693)	-	(10,693)	-	(10,693)	161	(10,532)
Redemption of convertible bonds	-	(36,075)	36,075	-	-	-	-	-
Dividends (note 31)	-	-	(88,781)	(88,781)	-	(88,781)	(1,310)	(90,091)
Changes in ownership interests in subsidiaries								
Acquisition of subsidiaries under common control (note 33)	-	(8,494)	-	(8,494)	-	(8,494)	-	(8,494)
Total transactions with equity holders	**-**	**(55,262)**	**(52,706)**	**(107,968)**	**-**	**(107,968)**	**(1,149)**	**(109,117)**
At 30 June 2012	**1,926,053**	**(228,591)**	**698,753**	**2,396,215**	**-**	**2,396,215**	**136,185**	**2,532,400**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2013

	Note	The Group 2013 $'000	The Group 2012 $'000
Cash flows from operating activities			
Profit before tax		**98,516**	96,652
Adjustments for:-			
Amortisation of transaction costs on convertible bonds		**-**	434
Amortisation of transaction costs on loans and borrowings		**4,265**	-
Depreciation of property, plant and equipment		**8,922**	9,042
Dividend income from equity securities		**(730)**	(1,529)
(Gain)/Loss on disposal of property, plant and equipment		**(61)**	242
Net fair value gain from investment properties		**(32,323)**	(3,924)
Net fair value loss on derivative financial instruments		**708**	2,555
Finance costs		**87,553**	56,478
Interest income		**(5,722)**	(4,841)
Allowance for doubtful receivables		**2**	82
Allowance/(Writeback of allowance) for foreseeable losses on development properties		**2,378**	(9,546)
Gain on disposal of equity securities		**(901)**	-
Gain on disposal of interests in associates		**(3,887)**	-
Gain on disposal of investment properties		**(77)**	-
Share of profit of associates and jointly-controlled entities (net of tax)		**(17,007)**	(9,147)
Writeback of share-based payments		**(3,230)**	(10,532)
		138,406	125,966
Changes in:-			
Inventories		**(1,957)**	(211,128)
Trade and other receivables		**(3,213)**	151,844
Trade and other payables		**44,142**	81,153
Balances with holding companies and related corporations		**320**	1,527
Cash generated from operating activities		**177,698**	149,362
Tax paid		**(27,404)**	(78,095)
Net cash from operating activities		**150,294**	71,267
Cash flows from investing activities			
Acquisitions of jointly-controlled entity		**-**	(301,832)
Acquisitions of subsidiaries, net of cash acquired	33	**-**	(11,359)
Additions to equity securities		**(965)**	(37,643)
Additions to investment properties		**(74,995)**	(39,353)
Additions to property, plant and equipment		**(8,859)**	(8,123)
Balance with associates and jointly-controlled entities		**(854)**	(7,313)
Dividends received from associates and jointly-controlled entities		**15,639**	10,212
Dividends received from equity securities		**730**	1,529
Proceeds from disposal of equity securities		**42,759**	-
Proceeds from disposal of interests in associates		**6,394**	-
Proceeds from disposal of investment properties		**14,918**	-
Proceeds from disposal of property, plant and equipment		**97**	110
Net cash from investing activities		**(5,136)**	(393,772)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2013

	Note	The Group 2013 $'000	The Group 2012 $'000
Cash flows from financing activities			
Contributions from non-controlling interests of a subsidiary		**453**	-
Dividends paid		**(55,488)**	(88,781)
Dividends paid to non-controlling interests		**(11,556)**	(1,310)
Fixed deposits pledged		**(19,860)**	-
Interest paid		**(175,969)**	(149,459)
Interest received		**10,510**	5,030
Proceeds from issuance of perpetual securities		**198,505**	-
Proceeds from loans and borrowings		**1,134,815**	1,479,388
Proceeds from loans from non-controlling interests of subsidiaries		**7,954**	18,978
Redemption of convertible bonds		**-**	(386,633)
Repayment of loans and borrowings		**(1,177,144)**	(1,113,595)
Net cash from financing activities		**(87,780)**	(236,382)
Net increase/(decrease) in cash and cash equivalents		**57,378**	(558,887)
Cash and cash equivalents at beginning of the year		**291,238**	827,213
Exchange differences on translation of balances held in foreign currencies		**4,509**	22,912
Cash and cash equivalents at end of the year	16	**353,125**	291,238

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 29 August 2013.

1. DOMICILE AND ACTIVITIES

GuocoLand Limited (the "Company") is incorporated in Singapore. The address of the Company's registered office is 20 Collyer Quay #20-01 Singapore 049319.

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are those relating to:-

- investment holding;
- property development and investment;
- hotel operations; and
- provision of management, property management, marketing and maintenance services.

The immediate holding company is GuocoLand Assets Pte. Ltd., incorporated in the Republic of Singapore. The intermediate holding company is Guoco Group Limited, incorporated in Bermuda. The ultimate holding company is Hong Leong Company (Malaysia) Berhad, incorporated in Malaysia.

The financial statements of the Group as at and for the year ended 30 June 2013 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interests in associates and jointly-controlled entities.

2. BASIS OF PREPARATION

a. Statement of Compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

b. Basis of Measurement

The financial statements have been prepared on the historical cost basis except as otherwise described below.

c. Functional and Presentation Currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

d. Use of Estimates and Judgements

The preparation of financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:-

Note 10 – recognition of deferred tax assets
Note 36 – contingent liabilities

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

2. BASIS OF PREPARATION (cont'd)

d. Use of Estimates and Judgements (cont'd)

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:-

Note 5	–	valuation of investment properties
Note 12	–	estimation of the percentage of completion relating to revenue recognised on development properties and allowance for foreseeable losses on development properties

e. Changes in Accounting Policies

Deferred tax on investment properties measured at fair value
From 1 July 2012, the Group adopted the Amendments to FRS 12 *Deferred Tax: Recovery of Underlying Assets* (the "Amendments"). Specifically, for investment properties measured at fair value under FRS 40 *Investment Property,* the Amendments provide an exception that the measurement of deferred tax assets and liabilities is based on a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale. The presumption is rebutted on a property-by-property basis if the investment property in question is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. The Group has rebutted the presumption in the amended FRS 12 in respect of its investment properties in the PRC. As a result, the Group continues to measure deferred tax on its investment properties in the PRC using the tax rate that would apply as a result of recovering their value through use. There is no impact on the Group's financial statements on adoption of the Amendments.

Presentation of other items of other comprehensive income
From 1 July 2012, as a result of the amendments to FRS 1 *Presentation of Financial Statements*, the Group has modified the presentation of items of other comprehensive income in its consolidated statement of comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be. Comparative information has also been re-presented accordingly. The adoption of the amendment to FRS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

Except as explained in Note 2e, the accounting policies set out below have been applied consistently by the Group to all periods presented in these financial statements and have been applied consistently by entities in the Group.

a. Basis of Consolidation

(i) *Business combinations*
Business combinations are accounted for using the acquisition method in accordance with FRS 103 *Business Combinations* as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

a. Basis of Consolidation (cont'd)

(i) *Business combinations (cont'd)*
When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition-date fair value or, when applicable, on the basis specified in another standard.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(ii) *Acquisitions of non-controlling interests*
Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(iii) *Subsidiaries*
Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

(iv) *Acquisitions from entities under common control*
Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

a. Basis of Consolidation (cont'd)

(v) *Loss of control*
Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(vi) *Investments in associates and jointly-controlled entities (equity-accounted investees)*
Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in associates and jointly-controlled entities are accounted for using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term investment interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(vii) *Transactions eliminated on consolidation*
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(viii) *Subsidiaries, associates and jointly-controlled entities in the separate financial statements*
Investments in subsidiaries, associates and jointly-controlled entities are stated in the Company's statement of financial position at cost less accumulated impairment losses.

(ix) *Trust for Executives' Share Option Scheme*
The Company and a subsidiary have each established a separate trust for their respective Executives' Share Option Schemes. The Company and its subsidiary have *de facto* control of the assets and liabilities of their respective trusts and accordingly, these assets and liabilities are recognised in their respective financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

b. Foreign Currency

(i) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that reporting date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for the following differences which are recognised in other comprehensive income arising on the retranslation of:-

- available-for-sale equity instruments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedge is effective.

(ii) *Foreign operations*

The assets and liabilities of foreign operations, excluding goodwill and fair value adjustments arising on acquisitions, are translated to Singapore dollars at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the exchange rates at the end of the reporting period.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or jointly-controlled entity that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in other comprehensive income, and are presented in the translation reserve in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c. Property, Plant and Equipment

(i) *Recognition and measurement*
Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:-

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

(ii) *Subsequent costs*
The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) *Depreciation*
Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Assets under construction are stated at cost and are not depreciated. Depreciation will commence when the development is completed.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c. Property, Plant and Equipment (cont'd)

(iii) *Depreciation (cont'd)*
The estimated useful lives for the current and comparative years are as follows:-

Freehold buildings	50 years
Leasehold land and buildings	Shorter of remaining lease period and no more than 50 years
Furniture and fittings and other equipment	2 – 20 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

d. Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Property that is being constructed for future use as investment property is accounted for at fair value. Where the fair value for such a property cannot be determined reliably, it is measured at cost less impairment losses until its fair value becomes reliably measurable or construction is completed (whichever is earlier).

e. Financial Instruments

(i) *Non-derivative financial assets*
The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

e. Financial Instruments (cont'd)

(i) *Non-derivative financial assets (cont'd)*

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial assets into the following categories:-

- loans and receivables; and
- available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the statement of cash flows, pledged deposits are excluded whilst bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or are not classified in any of the above categories of financial assets. Available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see Note 3g) and foreign currency differences on available-for-sale debt instruments are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss. Available-for-sale financial assets comprise equity securities.

(ii) *Non-derivative financial liabilities*

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Other financial liabilities comprise loans and borrowings, bank overdrafts and trade and other payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

e. Financial Instruments (cont'd)

(iii) *Share Capital*
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs is presented as a deduction from equity. Where treasury shares are subsequently reissued, sold or cancelled, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(iv) *Perpetual Securities*
The perpetual securities do not have a maturity date and coupon payment is optional at the discretion of the Group. As the Group does not have a contractual obligation to repay the principal nor make any distributions, perpetual securities are classified as equity.

Any distributions made are treated as dividends and directly debited from equity. Incremental costs directly attributable to the issue of the perpetual securities are deducted against the proceeds from the issue.

(v) *Derivative financial instruments*
The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes in its fair value are recognised immediately in profit or loss.

(vi) *Intra-group financial guarantees in separate financial statements*
Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with terms of a debt instrument. Financial guarantees are accounted for as insurance contracts. A provision is recognised based on the Group's or the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the reporting period.

The provision is assessed by reviewing individual claims and tested for adequacy by comparing the amount recognised and the amount that would be required to settle the guarantee contract.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

f. Inventories

(i) *Development properties for sale*

Development properties are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure, capitalised borrowing costs and other costs directly attributable to the development activities. Cost includes an appropriate share of development overheads allocated based on normal capacity.

Borrowing costs that are directly attributable to the acquisition and development of the development property are capitalised as part of development property during the period of development.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Properties under development, the sales of which are recognised using the percentage of completion method

The aggregated costs incurred together with attributable profits and net of progress billings are presented as development properties in the statement of financial position. If progress billings exceed costs incurred plus recognised profits, the balance is presented as part of trade and other payables.

Other properties under development

The aggregated costs incurred are presented as development properties while progress billings are presented separately as part of trade and other payables in the statement of financial position.

(ii) *Others*

Other inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

g. Impairment

(i) *Non-derivative financial assets*

A financial asset not carried at fair value through profit or loss is assessed at each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Group, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

g. Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

Loans and receivables
The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Available-for-sale financial assets
Impairment losses on available-for-sale investment securities are recognised by reclassifying losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in cumulative impairment provisions attributable to application of the effective interest method are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed. The amount of the reversal is recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

(ii) *Non-financial assets*
The carrying amounts of the Group's non-financial assets, other than investment properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the assets or CGU.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

g. Impairment (cont'd)

(ii) *Non-financial assets (cont'd)*

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h. Employee Benefits

(i) *Short-term employee benefits*
Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) *Defined contribution plans*
A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as employee benefit expense in profit or loss in the period during which related services are rendered by employee.

(iii) *Share-based payments transactions*
The grant date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as employee benefits expense in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

i. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

j. Revenue Recognition

(i) *Sale of development properties*
Revenue from sales of properties under development is recognised by reference to the stage of completion using the percentage of completion method when the Group determines that (a) control and the significant risks and rewards of ownership of the work-in-progress transfer to the buyer in its current state as construction progresses, (b) the sales price is fixed and collectible, (c) the percentage of completion can be measured reliably, (d) there is no significant uncertainty as to the ability of the Group to complete the development, and (e) costs incurred or to be incurred can be measured reliably.

In all other instances, revenue from sales of development properties is only recognised upon the transfer of control and significant risks and rewards of ownership of the property to the buyer. This generally coincides with the point in time when the development unit is delivered to the buyer. No revenue is recognised when there is significant uncertainty as to the collectability of the consideration due or the possible return of units sold.

The percentage of completion is measured by reference to the work performed, based on the ratio of construction costs incurred to date to the estimated total construction costs. Profits are recognised only in respect of finalised sales contracts to the extent that such profits relate to the progress of the construction work.

(ii) *Hotel income*
Revenue for hotel operations is recognised on an accrual basis upon rendering of the relevant services.

(iii) *Rental income*
Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease. Rental income from subleased property is recognised as other income.

(iv) *Management fee income*
Management fee income is recognised in the profit or loss when services are rendered.

(v) *Dividends*
Dividend income is recognised on the date that the Group's right to receive payment is established.

(vi) *Interest income*
Interest income is recognised on an accrual basis using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

k. Lease Payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

l. Finance Costs

Borrowing costs are recognised using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

m. Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in the profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:-

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting or taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and jointly-controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

m. Tax (cont'd)

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

n. Earnings Per Share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary equity holders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

o. Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer (the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and investment properties.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land $'000	Freehold land & buildings $'000	Leasehold land & buildings $'000	Furniture, fittings and other equipment $'000	Motor vehicles $'000	Total $'000
The Group						
Cost						
At 1 July 2011	925	46,743	304,554	28,525	3,947	384,694
Additions	-	1,335	7,961	2,861	229	12,386
Transfer from investment properties/development properties	-	6,438	22,664	-	-	29,102
Disposals	-	-	-	(322)	(55)	(377)
Written off	-	-	-	(1,201)	-	(1,201)
Translation differences	(14)	(638)	3,163	513	(2)	3,022
At 30 June 2012	911	53,878	338,342	30,376	4,119	427,626
At 1 July 2012	**911**	**53,878**	**338,342**	**30,376**	**4,119**	**427,626**
Additions	**-**	**1,693**	**10,960**	**932**	**144**	**13,729**
Transfer to development properties	**-**	**-**	**(5,147)**	**-**	**-**	**(5,147)**
Disposals	**-**	**-**	**-**	**(47)**	**(383)**	**(430)**
Written off	**-**	**-**	**-**	**(235)**	**-**	**(235)**
Translation differences	**(6)**	**(598)**	**3,187**	**417**	**14**	**3,014**
At 30 June 2013	**905**	**54,973**	**347,342**	**31,443**	**3,894**	**438,557**
Accumulated Depreciation						
At 1 July 2011	-	2,203	8,093	10,527	2,279	23,102
Depreciation charge for the year	-	529	3,667	4,271	603	9,070
Disposals	-	-	-	(198)	(23)	(221)
Written off	-	-	-	(1,005)	-	(1,005)
Translation differences	-	(40)	(5)	105	1	61
At 30 June 2012	-	2,692	11,755	13,700	2,860	31,007
At 1 July 2012	**-**	**2,692**	**11,755**	**13,700**	**2,860**	**31,007**
Depreciation charge for the year	**-**	**519**	**3,947**	**4,039**	**422**	**8,927**
Disposals	**-**	**-**	**-**	**(41)**	**(383)**	**(424)**
Written off	**-**	**-**	**-**	**(205)**	**-**	**(205)**
Translation differences	**-**	**(24)**	**190**	**230**	**7**	**403**
At 30 June 2013	**-**	**3,187**	**15,892**	**17,723**	**2,906**	**39,708**
Carrying Amount						
At 1 July 2011	925	44,540	296,461	17,998	1,668	361,592
At 30 June 2012	911	51,186	326,587	16,676	1,259	396,619
At 30 June 2013	**905**	**51,786**	**331,450**	**13,720**	**988**	**398,849**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

a. The Group's property, plant and equipment with a carrying amount of $271.2 million (2012: $279.2 million) have been mortgaged to secure loan facilities granted to the Group (see note 20).

b. The depreciation charge for the Group is recognised in the following items:-

	2013	**2012**
	$'000	**$'000**
Capitalised as cost of development properties	**5**	28
Cost of sales	**190**	185
Administrative expenses	**8,732**	8,857
	8,927	9,070

c. During the financial year, interest expense capitalised as cost of property, plant and equipment amounted to $4.4 million (2012: $4.3 million) (see note 26).

d. Freehold land and buildings include land and buildings under construction of $19.2 million (2012: $17.8 million).

e. Leasehold land and buildings include land and buildings under construction of $181.3 million (2012: $189.2 million).

5. INVESTMENT PROPERTIES

		The Group	
		2013	**2012**
	Note	**$'000**	**$'000**
At 1 July		**1,874,750**	1,651,877
Additions		**110,943**	68,479
Disposals		**(14,841)**	-
Changes in fair values	24	**32,323**	3,924
Transfer from development properties		**49,331**	155,190
Transfer to property, plant and equipment	4	**-**	(6,438)
Translation differences		**3,596**	1,718
At 30 June		**2,056,102**	1,874,750
Comprising:-			
Completed investment properties		**534,011**	511,642
Investment properties under development		**1,522,091**	1,363,108
		2,056,102	1,874,750

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

5. INVESTMENT PROPERTIES (cont'd)

Investment properties comprise commercial properties, reversionary interests in freehold land, freehold land under development and leasehold land under development.

a. Investment properties are stated at fair value based on independent valuations, except as disclosed in note b below. The valuers have considered valuation techniques including the direct comparison method, discounted cash flow method and residual land value method in determining the open market values.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The discounted cash flow method involves discounting the future net cash flow of the investment property to its present value by using an appropriate discount rate to reflect the rate of return required by a typical investor for an investment of its type. The residual land value method involves the deduction of the estimated development costs and the developer's profit from the gross development value to arrive at the residual value of the land.

Independent valuations were carried out by the following valuers on the dates stated below:-

Valuer	**Valuation Date**	**Valuation Date**
CB Richard Ellis	January 2013, June 2013	April 2012, June 2012
Burgess Rawson	-	June 2012
Savills	June 2013	June 2012

b. Included in investment properties under development was a property in Malaysia with a carrying amount of $88.0 million (2012: $66.3 million) that is stated at cost. This property under development in Malaysia comprises commercial buildings and is part of a mixed development project on a piece of freehold land. The project is still at its early stage of development and fair value cannot be reliably determined due to the significant risks arising from the development process, including but not limited to construction and letting risks.

c. The Group's investment properties with a carrying value of $1,522.1 million (2012: $1,377.9 million) have been mortgaged to secure loan facilities granted to the Group (see note 20).

d. During the financial year, interest expense capitalised as cost of investment properties amounted to $37.2 million (2012: $29.1 million) (see note 26).

e. The commercial properties of the Group are held mainly for use by tenants under operating lease. Minimum lease payments receivable under non-cancellable operating leases of investment properties and not recognised in the financial statements are as follows:-

	The Group	
	2013	**2012**
	$'000	**$'000**
Within 1 year	**8,820**	12,086
Between 1 and 5 years	**11,700**	13,003
After 5 years	**3,206**	5,659
	23,726	30,748

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

6. SUBSIDIARIES

		The Company	
		2013	2012
		$'000	$'000
a.	Unquoted shares, at cost	**545,737**	545,737
	Less: Impairment loss	**(216,456)**	(216,456)
		329,281	329,281
	Amounts due from subsidiaries	**2,223,866**	2,148,807
	Less: Allowance for doubtful receivables	**(25,471)**	(23,130)
		2,198,395	2,125,677
		2,527,676	2,454,958
	Non-current amounts due to subsidiaries	**(464,591)**	(269,276)

The amounts due from subsidiaries consist of $2,010.9 million (2012: $1,956.7 million) interest-free loans and $213.0 million (2012: $192.1 million) interest bearing loans.

The amounts due from/to subsidiaries are unsecured and settlement is neither planned nor likely to occur in the foreseeable future. As the amounts form part of the Company's net investments in the subsidiaries, they are stated at cost.

The interest rates per annum at the reporting date are as follows:-

	2013	2012
	%	%
Amounts due from subsidiaries	**4.0**	4.0

The above interest rates reprice monthly.

The impairment loss on investments in subsidiaries and allowance for doubtful receivables are made mainly in respect of subsidiaries which have completed or substantially completed their respective developments. The investments in and amounts due from these subsidiaries are written down to their respective recoverable amounts, determined using the fair value less costs to sell approach. The fair values of the subsidiaries have been determined taking into consideration the fair values of the underlying properties held by the subsidiaries, where applicable. During the year, an additional allowance for doubtful receivables of $2.3 million (2012: Nil) was recognised in the Company's profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

6. SUBSIDIARIES (cont'd)

b. The details of significant subsidiaries in the Group are as follows:-

		Country of Incorporation	Effective Equity Interest held by the Group	
			2013	**2012**
			%	**%**
(i)	**Directly held by the Company**			
	GLL IHT Pte. Ltd.	Singapore	**100.00**	100.00
	GuocoLand (Singapore) Pte. Ltd.	Singapore	**100.00**	100.00
	GuocoLand (China) Limited	Bermuda	**100.00**	100.00
	GuoSon Assets China Limited	Hong Kong	**100.00**	100.00
	GLL (Malaysia) Pte. Ltd.	Singapore	**100.00**	100.00
	GuocoLand Vietnam (S) Pte. Ltd.	Singapore	**100.00**	100.00
(ii)	**Directly held by GuocoLand (Singapore) Pte. Ltd.**			
	Belmeth Pte. Ltd.	Singapore	**80.00**	80.00
	Elliot Development Pte. Ltd.	Singapore	**100.00**	100.00
	GLL Land Pte. Ltd.	Singapore	**100.00**	100.00
	Goodwood Residence Development Pte. Ltd.	Singapore	**100.00**	100.00
	GuocoLand Property Management Pte. Ltd.	Singapore	**100.00**	100.00
	Guston Pte. Ltd.	Singapore	**80.00**	80.00
	Leedon Residence Development Pte. Ltd.	Singapore	**100.00**	100.00
	Perfect Eagle Pte. Ltd.	Singapore	**80.00**	80.00
	Sophia Residence Development Pte. Ltd.	Singapore	**100.00**	100.00
	Waterline Development Pte. Ltd.	Singapore	**100.00**	100.00
(iii)	**Directly and indirectly held by GuocoLand (China) Limited**			
	Beijing Jiang Sheng Property Development Co., Ltd	The People's Republic of China	**100.00**	100.00
	Beijing Cheng Jian Dong Hua Real Estate Development Company Limited	The People's Republic of China	**90.00**	90.00
	Guo Xiang Property Co., Limited	Hong Kong	**100.00**	100.00
	Nanjing Xinhaoning Property Development Co., Ltd	The People's Republic of China	**99.00**	99.00
	Nanjing Xinhaoxuan Property Development Co., Ltd	The People's Republic of China	**99.00**	99.00
(iv)	**Directly and indirectly held by GuoSon Assets China Limited**			
	GuoSon Investment Company Limited	The People's Republic of China	**100.00**	100.00
	Nanjing Mahui Property Development Co., Ltd	The People's Republic of China	**94.93**	94.93
	Shanghai Xinhaolong Property Development Co., Ltd	The People's Republic of China	**100.00**	100.00
	Tianjin Zhong Xin Ming Shi Real Estate Development Co., Ltd	The People's Republic of China	**100.00**	100.00

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

6. SUBSIDIARIES (cont'd)

b. The details of significant subsidiaries in the Group are as follows:- (cont'd)

	Country of Incorporation	Effective Equity Interest held by the Group	
		2013	**2012**
		%	**%**
(v) **Directly and indirectly held by GLL (Malaysia) Pte. Ltd.**			
@ Ace Acres Sdn Bhd	Malaysia	**67.94**	67.94
@ Damansara City Sdn Bhd	Malaysia	**67.94**	67.94
@ DC Hotel Sdn Bhd (formerly known as Famous Moments Sdn Bhd)	Malaysia	**67.94**	67.94
@ DC Offices Sdn Bhd (formerly known as Hikmat Gembira Sdn Bhd)	Malaysia	**67.94**	67.94
@ DC Parking Sdn Bhd (formerly known as Intelligent Circle Sdn Bhd)	Malaysia	**67.94**	67.94
@ DC Tower Sdn Bhd (formerly known as Tegas Jejaka Sdn Bhd)	Malaysia	**67.94**	67.94
@ DC Tower Square Sdn Bhd (formerly known as Impressive Genesis Sdn Bhd)	Malaysia	**67.94**	67.94
@ GuocoLand (Malaysia) Berhad	Malaysia	**67.94**	67.94
▲ Hong Leong Real Estate Management Sdn Bhd	Malaysia	**67.94**	67.94
@ JB Parade Sdn Bhd	Malaysia	**54.29**	54.29
▲ PD Resort Sdn Bhd	Malaysia	**77.56**	77.56
▲ Positive Vision Labuan Limited	Malaysia	**67.94**	67.94
▲ Titan Debut Sdn Bhd	Malaysia	**67.94**	67.94
▲ Wonderful Space Sdn Bhd	Malaysia	**67.94**	67.94
(vi) **Directly held by GuocoLand Vietnam (S) Pte. Ltd.**			
GuocoLand Binh Duong Property Co., Ltd	Vietnam	**100.00**	100.00

KPMG LLP is the auditors of all significant Singapore incorporated subsidiaries. Other member firms of KPMG International are auditors of significant foreign-incorporated subsidiaries except for the following:-

@ Audited by Ernst & Young, Malaysia.
▲ Audited by Ling Kam Hoong & Co.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

7. ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES

	The Group		The Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Investments in associates				
- quoted	**44,243**	41,087	**-**	-
- unquoted	**567**	373	**-**	5,497
Investments in jointly-controlled entities	**447,555**	441,763	**-**	-
	492,365	483,223	**-**	5,497
Amounts due from associates	**-**	9,177	**-**	9,247
Less: Allowance for doubtful receivables	**-**	-	**-**	(6,762)
	-	9,177	**-**	2,485
	492,365	492,400	**-**	7,982

As at 30 June 2012, the amounts due from associates, which include a foreign currency loan of $6.7 million, are unsecured, interest-free and settlement is neither planned nor likely to occur in the foreseeable future. As these amounts form part of the Company's net investments in associates, they are stated at cost.

The market value of quoted equity shares in associates is $38.7 million (2012: $34.4 million).

During the year, the Group received dividends of $15.6 million (2012: $10.2 million) from its investments in associates and jointly-controlled entities. In addition, the Group disposed of its investments in two associates for a total consideration of $15.0 million. The net gain on disposal of $3.9 million has been recognised in other income (see note 24).

The details of significant associates and jointly-controlled entities are as follows:-

Name of Associates/Jointly-Controlled Entities	Country of Incorporation	Effective Equity Interest held by the Group	
		2013	2012
		%	%
Associates			
*§Tower Real Estate Investment Trust	Malaysia	**14.72**	14.72
Jointly-Controlled Entities			
*Shanghai Xinhaojia Property Development Co., Ltd	The People's Republic of China	**50.00**	50.00
@Continental Estates Sdn Bhd	Malaysia	**33.97**	33.97
@Vintage Heights Sdn Bhd	Malaysia	**32.18**	32.18

* Audited by other member firms of KPMG International.
@ Audited by Ernst & Young, Malaysia.
§ Considered to be an associate as the Group has significant influence over the financial and operating policy decisions of the investee, through its subsidiary, GuocoLand (Malaysia) Berhad.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

7. ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES (cont'd)

The financial information of the associates (without adjusting for the Group's share of its interests) and the Group's share of its interests in the jointly-controlled entities are as follows:-

	Associates		Jointly-Controlled Entities	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Assets and liabilities				
Non-current assets			**140,695**	151,716
Current assets			**370,081**	355,602
Total assets	**258,023**	296,335	**510,776**	507,318
Non-current liabilities			**(28,003)**	(30,943)
Current liabilities			**(35,216)**	(34,612)
Total liabilities	**(52,930)**	(87,732)	**(63,219)**	(65,555)
Results				
Revenue	**22,131**	21,747	**44,787**	10,342
Expenses			**(34,007)**	(4,808)
Profit after tax and non-controlling interests	**29,045**	12,974	**10,780**	5,534

At the reporting date, the associates and jointly-controlled entities do not have any commitments and contingent liabilities.

8. AMOUNTS DUE FROM/TO NON-CONTROLLING INTERESTS

The amounts due from non-controlling interests are unsecured, interest-free and settlement is neither planned nor likely to occur in the foreseeable future. As these amounts from part of the non-controlling interests' net investments in certain subsidiaries, they are stated at cost.

The amounts due to non-controlling interests are unsecured, bear interest at 4.0% (2012: 4.0%) per annum and are repayable at the discretion of the Boards of the borrowing subsidiaries. The amounts are subordinated to external bank loans.

9. OTHER INVESTMENTS

	The Group	
	2013	2012
	$'000	$'000
Available-for-sale financial assets		
- Equity securities	**1,582**	35,760

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

10. DEFERRED TAX

a. Deferred Tax Assets and Liabilities

The movements in deferred tax assets and liabilities during the financial year are as follows:-

The Group	At 1 July 2012 $'000	Recognised in profit or loss $'000	Recognised in equity $'000	Translation differences $'000	At 30 June 2013 $'000
Deferred tax liabilities					
Property, plant and equipment	**866**	**22**	**-**	**(1)**	**887**
Investment properties	**2,816**	**7,840**	**-**	**1**	**10,657**
Development properties	**56,573**	**(10,912)**	**718**	**599**	**46,978**
Total	**60,255**	**(3,050)**	**718**	**599**	**58,522**
Deferred tax assets					
Unutilised tax losses	**2,399**	**743**	**-**	**49**	**3,191**
Development properties	**40,081**	**17,830**	**-**	**1,208**	**59,119**
Total	**42,480**	**18,573**	**-**	**1,257**	**62,310**

The Group	At 1 July 2011 $'000	Recognised in profit or loss $'000	Recognised in equity $'000	Translation differences $'000	At 30 June 2012 $'000
Deferred tax liabilities					
Property, plant and equipment	876	(12)	-	2	866
Investment properties	2,818	-	-	(2)	2,816
Development properties	43,864	10,203	1,817	689	56,573
Total	47,558	10,191	1,817	689	60,255
Deferred tax assets					
Unutilised tax losses	4,494	(2,073)	-	(22)	2,399
Development properties	13,398	26,006	-	677	40,081
Total	17,892	23,933	-	655	42,480

Tax assets and liabilities are recognised based on estimates made. There may be situations where certain positions may not be fully sustained upon review by tax authorities or new information may become available which impacts the judgement or estimates made.

As at 30 June 2013, the temporary differences relating to the undistributed profits of subsidiaries amounted to $255.3 million (2012: $256.3 million). Deferred tax liabilities of $19.3 million (2012: $20.0 million) have not been recognised in respect of the tax that would be payable on the distribution of these accumulated profits as the Group controls the dividend policy of these subsidiaries and it has been determined that it is probable that the profits will not be distributed in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

10. DEFERRED TAX (cont'd)

b. Unrecognised Deferred Tax Assets

Deferred tax assets have not been recognised in respect of the following items:-

	The Group	
	2013	2012
	$'000	$'000
Deductible temporary differences	**3,359**	4,081
Tax losses	**264,839**	227,676
Unutilised capital allowances	**71,888**	76,682
	340,086	308,439

Deferred tax assets have not been recognised in respect of these items because it is not certain as to when the Group can utilise the benefits therefrom. The unutilised tax losses and capital allowances are available for set-off against future profits subject to tax conditions prevailing in the respective countries of the subsidiaries and agreement by the respective tax authorities.

11. INVENTORIES

		The Group	
		2013	2012
	Note	$'000	$'000
Development properties	12	**4,826,132**	4,971,403
Consumable stocks		**615**	644
		4,826,747	4,972,047

During the financial year, cost of development properties and allowance for foreseeable losses on the development properties included in cost of sales in profit or loss amounted to $473.4 million (2012: $432.1 million) and $2.4 million (2012: writeback of allowance for foreseeable losses $9.5 million) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

12. DEVELOPMENT PROPERTIES

	The Group	
	2013	**2012**
	$'000	**$'000**
a. Properties under development, sold units for which revenue is recognised using percentage of completion method		
Cost incurred and attributable profits	**1,593,926**	1,278,782
Progress billings	**(405,558)**	(486,040)
	1,188,368	792,742
Other properties under development		
Cost incurred	**3,034,115**	3,934,611
Allowance for foreseeable losses	**(10,587)**	(13,584)
	3,023,528	3,921,027
	4,211,896	4,713,769
b. Completed development properties, at cost	**614,236**	257,634
Total development properties	**4,826,132**	4,971,403

The following were capitalised as cost of development properties during the financial year:-

		The Group	
		2013	**2012**
	Note	**$'000**	**$'000**
Interest expense	26	**65,372**	84,702
Interest income		**(151)**	(4,958)
Depreciation of property, plant and equipment	4	**5**	28

Certain development properties with a carrying amount of $2,447.6 million (2012: $2,722.9 million) are under legal mortgages with banks (see note 20).

The Group adopts the percentage of completion method of revenue recognition for residential projects under the progressive payment scheme in Singapore. The stage of completion is measured in accordance with the accounting policy stated in note 3j. Significant assumptions are required in determining the stage of completion and the total estimated development costs.

The Group recognises an allowance for foreseeable losses on development properties taking into consideration the selling prices of comparable properties, timing of sale launches, location of property, expected net selling prices and development expenditure. Market conditions may, however, change which may affect the future selling prices on the remaining unsold residential units of the development properties and accordingly, the carrying value of development properties for sale may have to be written down in future periods.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

13. TRADE AND OTHER RECEIVABLES

		The Group		The Company	
		2013	**2012**	**2013**	**2012**
	Note	**$'000**	**$'000**	**$'000**	**$'000**
Trade receivables	14	**210,812**	33,079	**-**	-
Accrued receivables	a	**116,848**	-	**-**	-
Other receivables, deposits and prepayments	15	**38,141**	34,725	**9,006**	2,289
Amounts due from:-	b				
Associates		**4**	3	**-**	-
Jointly-controlled entities		**14,358**	12,585	**-**	-
Related corporations		**222**	280	**-**	-
Non-controlling interests		**268**	262	**-**	-
Related parties		**4**	4	**-**	-
		380,657	80,938	**9,006**	2,289

a. Accrued receivables relate to the remaining sales consideration not yet billed on completed development properties for sales.

b. The amounts due from associates, jointly-controlled entities, related corporations, non-controlling interests and related parties are unsecured, interest-free and repayable on demand. No allowance for doubtful receivables is recognised on these amounts.

14. TRADE RECEIVABLES

The maximum exposure to credit risk for trade receivables at the reporting date by operating segments is:-

	The Group	
	2013	**2012**
	$'000	**$'000**
GuocoLand Singapore	**197,643**	26,510
GuocoLand China	**1,541**	1,395
GuocoLand Malaysia	**11,082**	4,546
GuocoLand Vietnam	**546**	628
	210,812	33,079

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

14. TRADE RECEIVABLES (cont'd)

The ageing of trade receivables at the reporting date is:-

	Gross 2013 $'000	Allowance for doubtful receivables 2013 $'000	Gross 2012 $'000	Allowance for doubtful receivables 2012 $'000
The Group				
Not past due	**207,020**	**-**	28,667	-
Past due 1 – 30 days	**398**	**-**	2,437	-
Past due 31 – 90 days	**1,042**	**-**	657	-
Past due more than 90 days	**2,644**	**(292)**	1,610	(292)
	211,104	**(292)**	33,371	(292)

Based on historical default rates, the Group believes that no additional allowance for doubtful receivables is necessary in respect of unimpaired trade receivables that are past due.

The movement in allowance for doubtful receivables during the financial year is as follows:-

	The Group 2013 $'000	The Group 2012 $'000
At 1 July	**292**	84
Allowance made during the financial year	**2**	188
Translation differences	**(2)**	20
At 30 June	**292**	292

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group 2013 $'000	The Group 2012 $'000	The Company 2013 $'000	The Company 2012 $'000
Deposits	**14,028**	14,371	**-**	-
Interest receivable	**410**	5,167	**-**	-
Prepayments	**4,914**	3,172	**-**	-
Tax recoverable	**4,869**	6,575	**-**	2,283
Balance consideration for disposal of associates	**9,000**	-	**9,000**	-
Others	**4,920**	5,440	**6**	6
	38,141	34,725	**9,006**	2,289

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (cont'd)

The movement in allowance for doubtful receivables in respect of other receivables during the financial year is as follows:-

	The Group	
	2013	**2012**
	$'000	**$'000**
At 1 July	**873**	1,560
Allowance written back during the financial year	**-**	(106)
Allowance utilised during the financial year	**-**	(570)
Translation differences	**(7)**	(11)
At 30 June	**866**	873

16. CASH AND CASH EQUIVALENTS

		The Group		The Company	
		2013	**2012**	**2013**	**2012**
	Note	**$'000**	**$'000**	**$'000**	**$'000**
Short-term deposits with banks		**771,371**	726,808	**178**	178
Cash and bank balances		**162,969**	135,165	**6,960**	858
Cash and cash equivalents		**934,340**	861,973	**7,138**	1,036
Bank overdrafts	20	**(731)**	(6,341)		
Cash collaterals	d	**(580,484)**	(564,394)		
Cash and cash equivalents in the statement of cash flows		**353,125**	291,238		

Included in the Group's cash and cash equivalents are:-

a. Amounts held under the China Housing Developers Restricted Funds Agreement (the "Agreement") totalling $32.2 million (2012: $46.3 million), the use of which is subject to restrictions imposed by the Agreement;

b. Amounts held under the Singapore Housing Developers (Project Account) Rules (the "Rules") totalling $142.2 million (2012: $59.3 million), the use of which is subject to restrictions imposed by the Rules;

c. Amounts held in Malaysia pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 totalling $0.9 million (2012: $2.0 million), the use of which is restricted from other operations; and

d. Cash collaterals comprised deposits of $580.5 million (2012: $564.4 million) pledged with financial institutions in China for bank loans.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

17. SHARE CAPITAL

	The Company	
	2013	2012
	No. of shares	No. of shares
Issued and fully paid ordinary shares, with no par value		
At 1 July and 30 June	**1,183,373,276**	1,183,373,276

a. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

b. As at 30 June 2013, the Trust for GuocoLand Limited Executives' Share Option Scheme (the "ESOS") held an aggregate of 73,604,933 (2012: 73,604,933) shares in the Company which had been acquired from the market for the purpose of satisfying outstanding share options granted or to be granted to participants under the ESOS (see note 30).

Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital, which the Group defines as total equity, excluding non-controlling interests, and the level of dividends to ordinary shareholders.

The Group also monitors the net debt to equity ratio, which is defined as net borrowings divided by total equity, excluding non-controlling interests. The Group's net debt to equity ratio at the reporting date was as follows:-

	The Group	
	2013	2012
	$'000	$'000
Total loans and borrowings	**5,372,335**	5,404,246
Cash and cash equivalents	**(934,340)**	(861,973)
Net debt	**4,437,995**	4,542,273
Total equity	**2,645,968**	2,396,215
Net debt to equity ratio at 30 June	**1.68**	1.90

The Group seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

In addition, from time to time, the Group may purchase shares in the Company from the market. Share purchase allows the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity. The shares which are purchased may be held as treasury shares which the Company or the Trust may transfer to participants for the purposes of or pursuant to the ESOS. The use of treasury shares in lieu of issuing new shares would also mitigate the dilution impact on existing shareholders.

Under the Housing Developers (Control and Licensing) Act, in order to qualify for a housing developer's licence, certain subsidiaries of the Company are required to maintain a minimum paid-up capital of $1,000,000. These entities complied with the requirement throughout the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

17. SHARE CAPITAL (cont'd)

Other than as disclosed above, the Company and its subsidiaries are not subject to externally imposed capital requirements.

The Group has operations in the PRC. The conversion of the Chinese Renminbi is subject to the rules and regulations of foreign exchange control promulgated by the government.

There were no changes in the Group's approach to capital management during the financial year.

18. RESERVES

	Note	The Group 2013 $'000	The Group 2012 $'000	The Company 2013 $'000	The Company 2012 $'000
Reserve for own shares	a	**(157,034)**	(157,034)	**(157,034)**	(157,034)
Share option reserve	b	**120**	5,115	**-**	4,775
Capital reserve	c	**(4,930)**	(6,799)	**(5,013)**	(6,882)
Translation reserve	d	**(651)**	(65,555)	**-**	-
Revaluation reserve	e	**8,341**	8,341	**-**	-
Fair value reserve	f	**303**	(4,165)	**-**	-
Merger reserve	g	**(8,494)**	(8,494)	**-**	-
Other reserves		**(162,345)**	(228,591)	**(162,047)**	(159,141)
Accumulated profits		**682,854**	698,753	**253,421**	254,512
		520,509	470,162	**91,374**	95,371

a. Reserve for Own Shares

This comprises the purchase consideration for issued shares of the Company acquired by the Trust for GuocoLand Limited Executives' Share Option Scheme (the "ESOS") for the purpose of satisfying outstanding share options granted or to be granted to participants under the ESOS (see note 30).

b. Share Option Reserve

The share option reserve comprises the cumulative value of employee services received for the issue of share options.

c. Capital Reserve

This comprises the gain or loss recognised when a participant exercises the share options granted under the ESOS.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

18. RESERVES (cont'd)

d. Translation Reserve

This comprises the foreign exchange differences arising from the translation of the financial statements of foreign entities whose functional currencies are different from the functional currency of the Company, and exchange differences on monetary items which form part of the Group's net investment in foreign operations, provided certain conditions are met.

e. Revaluation Reserve

This comprises the increase in fair value of property, plant and equipment and development properties from previously held interests in associates.

f. Fair Value Reserve

This comprises the cumulative net changes in fair value of available-for-sale investments until the investments are derecognised or impaired.

g. Merger Reserve

The merger reserve of the Group arose as a result of business combinations involving entities under common control accounted for by applying the merger method of accounting.

19. PERPETUAL SECURITIES

On 27 May 2013, the Group issued senior perpetual securities (the "Perpetual Securities") with an aggregate principal amount of $200 million. Transaction costs incurred amounting to $1.5 million were recognised in equity as a deduction from the proceeds.

The Perpetual Securities bear distributions at a rate of 4.7% per annum for the period from 27 May 2013 to 26 May 2016. The distribution rate will be reset on 27 May 2016 in accordance with the relevant terms and conditions of the Perpetual Securities. Distributions are cumulative and payable semi-annually at the option of the Group.

The Perpetual Securities do not have a fixed maturity date. They are redeemable at the option of the Group on or after 27 May 2016 at their principal amount together with any unpaid distributions.

As at 30 June 2013, distribution payment of $0.9 million (2012: Nil) was accrued for the relevant period relating to the semi-annual period 27 May 2013 to 26 November 2013 as the Group had not elected to defer the payment.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

20. LOANS AND BORROWINGS

	Note	The Group 2013 $'000	The Group 2012 $'000	The Company 2013 $'000	The Company 2012 $'000
Non-Current Liabilities					
Secured bank loans		**2,179,163**	2,123,538	**-**	-
Unsecured bank loans		**345,828**	173,604	**-**	-
Unsecured medium-term notes		**1,343,340**	1,318,313	**-**	-
		3,868,331	3,615,455	**-**	-
Current Liabilities					
Secured bank overdrafts		**731**	1,631	**-**	-
Unsecured bank overdrafts		**-**	4,710	**-**	-
	16	**731**	6,341	**-**	-
Secured bank loans		**617,077**	680,732	**-**	-
Unsecured bank loans		**681,345**	911,268	**60,000**	174,500
Unsecured loans from intermediate holding company	32d	**-**	120,489	**-**	-
Unsecured medium-term notes		**204,851**	69,961	**-**	-
		1,504,004	1,788,791	**60,000**	174,500
Total loans and borrowings		**5,372,335**	5,404,246	**60,000**	174,500

Maturity of loans and borrowings:-

	The Group 2013 $'000	The Group 2012 $'000	The Company 2013 $'000	The Company 2012 $'000
Within 1 year	**1,504,004**	1,788,791	**60,000**	174,500
After 1 year but within 5 years	**3,603,293**	3,455,077	**-**	-
After 5 years	**265,038**	160,378	**-**	-
Total loans and borrowings	**5,372,335**	5,404,246	**60,000**	174,500

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

20. LOANS AND BORROWINGS (cont'd)

The secured loans and borrowings are secured on the following assets:-

		The Group	
		2013	**2012**
	Note	**$'000**	**$'000**
Property, plant and equipment	4	**271,199**	279,214
Investment properties	5	**1,522,091**	1,377,949
Development properties	12	**2,447,628**	2,722,868
		4,240,918	4,380,031

At the reporting date, the Group's bank loans and loans from intermediate holding company bore interest ranging from 1.2% to 7.6% (2012: 1.1% to 7.7%) per annum and Nil (2012: 2.2%) per annum respectively. At the reporting date, the Company's bank loans bore interest at 1.8% (2012: 1.1% to 1.9%) per annum.

Medium-Term Notes
The unsecured fixed rate medium-term notes are issued by a subsidiary with a tenor of between 1 to 7 years. The interest rates per annum at the reporting date ranges from 4.0% to 5.0% (2012: 3.0% to 5.0%).

21. TRADE AND OTHER PAYABLES

		The Group		The Company	
		2013	**2012**	**2013**	**2012**
	Note	**$'000**	**$'000**	**$'000**	**$'000**
Trade payables and accrued operating expenses		**256,124**	203,340	**-**	-
Progress billings		**244,357**	211,057	**-**	-
Amounts due to:-					
Intermediate holding company		**5,223**	4,824	**-**	-
Associates		**48**	49	**-**	-
Jointly-controlled entities		**383**	387	**-**	-
Related corporations		**791**	920	**-**	-
Non-controlling interests		**238**	1,185	**-**	-
Other payables	22	**229,181**	189,581	**738**	1,065
		736,345	611,343	**738**	1,065

The amounts due to intermediate holding company, associates, jointly-controlled entities, related corporations and non-controlling interests are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

22. OTHER PAYABLES

	The Group		The Company	
	2013	2012	2013	2012
	$'000	$'000	$'000	$'000
Deposits received	**27,758**	29,042	**-**	-
Interest payable	**39,628**	26,801	**6**	388
Rental deposits	**3,284**	3,889	**-**	-
Real estate tax payable	**123,648**	107,666	**-**	-
Employee benefits payable	**4,098**	4,017	**-**	-
Others	**30,765**	18,166	**732**	677
	229,181	189,581	**738**	1,065

Included in other payables is an amount of $5.6 million (2012: Nil) relating to the Group's costs of meeting its obligations under contractual agreements in China. At the reporting date, there might be further costs to the Group in meeting its contractual obligations in China for which the Group is currently unable to make a reliable estimate.

23. REVENUE

	The Group	
	2013	2012
	$'000	$'000
Sale of development properties:-		
Percentage of completion method	**515,044**	488,683
Others	**105,903**	136,430
Hotel operations	**34,830**	30,598
Rental and related income from investment properties	**17,003**	18,828
Management fee income from:-		
Related corporations	**36**	34
Others	**4,626**	3,923
	677,442	678,496

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

24. OTHER INCOME

	Note	The Group 2013 $'000	The Group 2012 $'000
Dividend income from equity securities		**730**	1,529
Interest income from:-			
Fixed deposits with banks		**5,681**	4,748
Others		**41**	93
Fair value gain from investment properties	5	**32,323**	3,924
Gain on disposal of property, plant and equipment		**61**	-
Gain on disposal of equity securities		**901**	-
Gain on disposal of interests in associates		**3,887**	-
Net foreign exchange gain		**3,255**	-
Rental income		**3,645**	2,570
Income from forfeiture of deposit		**41,856**	-
Others		**4,127**	2,151
		96,507	15,015

25. OTHER EXPENSES

	The Group 2013 $'000	The Group 2012 $'000
Fair value loss on derivative financial instruments	**708**	2,555
Loss on disposal of property, plant and equipment	**-**	242
Net foreign exchange loss	**-**	4,088
Others	**9,225**	6,255
	9,933	13,140

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

26. FINANCE COSTS

	Note	The Group 2013 $'000	The Group 2012 $'000
Interest expense:-			
Intermediate holding company		**3,423**	1,281
Financial institutions		**127,334**	120,914
Medium-term notes		**63,773**	40,381
Convertible bonds:-			
Interest expense		**-**	6,081
Amortisation of bond discount		**-**	5,912
		-	11,993
		194,530	174,569
Less: Interest expense capitalised in:-			
Property, plant and equipment	4	**(4,368)**	(4,263)
Investment properties	5	**(37,237)**	(29,126)
Development properties	12	**(65,372)**	(84,702)
		(106,977)	(118,091)
		87,553	56,478

27. PROFIT BEFORE TAX

a. The following items have been included in arriving at profit before tax:-

	Note	The Group 2013 $'000	The Group 2012 $'000
Allowance for doubtful receivables		**2**	82
Depreciation of property, plant and equipment	4	**8,922**	9,042
Direct operating expenses of investment properties		**6,301**	8,467
Management fees paid and payable to:-			
Intermediate holding company	32b	**5,134**	4,731
Related corporation		**338**	251
Operating lease expenses		**3,440**	3,285
Gain on disposal of investment properties		**77**	-
Allowance/(Writeback of allowance) for foreseeable losses on development properties		**2,378**	(9,546)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

27. PROFIT BEFORE TAX (cont'd)

a. The following items have been included in arriving at profit before tax:- (cont'd)

	The Group 2013 $'000	The Group 2012 $'000
Auditors' remuneration:-		
Auditors of the Company	**406**	344
Other auditors	**503**	414
	909	758
Non-audit fees:-		
Auditors of the Company	**13**	8
Other auditors	**135**	14
	148	22
Staff costs:-		
Wages, salaries and benefits	**46,428**	44,882
Contributions to defined contribution plans	**2,423**	1,908
Writeback of share-based payments (net)*	**(3,230)**	(10,532)
Liability for short-term accumulating compensated absences	**(91)**	48
	45,530	36,306

* Included $2.8 million (2012: $11.5 million) of share-based payments written back during the financial year which relates to the lapse of non-vested share options granted to key management personnel (see note 30).

b. Key Management Personnel Remuneration

The key management personnel remuneration included as part of staff costs is as follows:-

	The Group 2013 $'000	The Group 2012 $'000
Wages, salaries and benefits	**8,936**	7,346
Contributions to defined contribution plans	**177**	246
Share-based payments	**-**	829
	9,113	8,421

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

28. TAX EXPENSE

	The Group	
	2013	**2012**
	$'000	**$'000**
Current tax		
Current year	**49,015**	43,089
(Over)/Under provision in respect of prior years	**(2,927)**	2,055
	46,088	45,144
Deferred tax		
Movements in temporary differences	**(26,011)**	(14,301)
Under provision in respect of prior years	**4,388**	559
	(21,623)	(13,742)
Foreign withholding tax	**30,581**	794
	55,046	32,196

A reconciliation of the effective tax rate is as follows:-

	2013	2012
Profit before tax	**98,516**	96,652
Less: Share of profit of associates and jointly-controlled entities	**(17,007)**	(9,147)
Profit before share of profit of associates, jointly-controlled entities and tax	**81,509**	87,505
Tax calculated using the Singapore tax rate of 17% (2012: 17%)	**13,857**	14,876
Effect of different tax rates in foreign jurisdictions	**3,801**	2,317
Effect of unrecognised tax losses and other deductible temporary differences	**3,092**	6,759
Expenses not deductible for tax purpose	**6,782**	5,929
Foreign withholding tax	**30,581**	794
Income not subject to tax	**(5,033)**	(1,622)
Under provision in respect of prior years	**1,461**	2,614
Others	**505**	529
	55,046	32,196

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

29. EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

The calculation of basic earnings per share ("EPS") at 30 June 2013 was based on the profit attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of the Company in issue, after adjusting for the shares acquired by the Trust during the financial year.

Diluted EPS is calculated on the same basis as that of EPS except that the Group's profit and the weighted average number of ordinary shares have been adjusted for the dilution effects of all dilutive potential ordinary shares.

Profit attributable to ordinary equity holders of the Company used in the computation of basic and diluted EPS is calculated as follows:-

	The Group	
	2013	**2012**
	$'000	**$'000**
Profit attributable to equity holders of the Company	**40,490**	63,191
Less: Profit attributable to perpetual securities holders	**(901)**	-
Profit attributable to ordinary equity holders of the Company	**39,589**	63,191
	'000	**'000**
Issued ordinary shares at 30 June	**1,183,373**	1,183,373
Effect of own shares held by the Trust	**(73,605)**	(73,605)
Weighted average number of ordinary shares used in the computation of basic and diluted EPS	**1,109,768**	1,109,768

As at 30 June 2013, there was no share option outstanding. As at 30 June 2012, 6,148,000 share options were excluded from the diluted weighted average number of ordinary shares computation as their effect would have been anti-dilutive. The average market value of the Company's shares for purpose of calculating the dilutive effect of share options was based on quoted market prices for the period during which the share options were outstanding.

30. EMPLOYEE BENEFITS

a. The Company

GuocoLand Limited Executives' Share Option Scheme ("ESOS")

The ESOS was approved by shareholders of the Company on 17 October 2008 and further approved by shareholders of Guoco Group Limited (an intermediate holding company of the Company) on 21 November 2008 ("ESOS 2008"), to replace the Company's former ESOS ("ESOS 2004"), which was due to expire in December 2008. The terms of the ESOS 2008 are substantially similar to those of the ESOS 2004.

Under the ESOS 2008, options may be granted over newly issued and/or existing issued ordinary shares of the Company ("Shares"). The ESOS 2008 is administered by a Committee of Directors comprising Mr Quek Leng Chan and Mr Timothy Teo who are non-participants. The ESOS 2008 options were granted to selected key executives of the Company ("Participants").

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

30. EMPLOYEE BENEFITS (cont'd)

a. The Company (cont'd)

GuocoLand Limited Executives' Share Option Scheme ("ESOS") (cont'd)

During the financial year, 6,148,475 options lapsed in respect of options granted in September 2009 under the ESOS 2008. No options were exercised or granted. Further, no new Shares were issued pursuant to the ESOS 2008.

The aggregate number of options (including options adjusted pursuant to the Company's Rights Issue 2007 and Rights Issue 2010) granted to Participants since the commencement of the ESOS to the end of the financial year is as follows:-

Participants	Aggregate options granted since the commencement of the ESOS to end of financial year	Aggregate options exercised since the commencement of the ESOS to end of financial year	Aggregate options lapsed since the commencement of the ESOS to end of financial year	Aggregate options outstanding as at end of financial year
Executive Director				
Quek Chee Hoon	21,569,073	(7,398,300)	(14,170,773)	-
Directors of Subsidiaries				
Trina Loh*	6,108,732	(1,138,200)	(4,970,532)	-
Dawn Pamela Lum	4,072,355	(1,138,200)	(2,934,155)	-
Tan Teck Huat	2,138,600	-	(2,138,600)	-
Other Executives	33,801,658	(11,105,600)	(22,696,058)	-
Total	**67,690,418**	**(20,780,300)**	**(46,910,118)**	**-**

* will cease to be a director of subsidiaries of GuocoLand Limited with effect from 31 August 2013.

Other statutory information regarding the above options is as follows:-

(i) In relation to ESOS 2008, the exercise price per Share is the 5-day weighted average market price on Singapore Exchange Securities Trading Limited immediately prior to the date of grant of the option.

(ii) An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for employees who have been employed for less than one year) and (b) the first anniversary of the date of grant (for all other employees), and to end on a date not later than 10 years after the date of grant.

(iii) The persons to whom the options have been granted do not have the right to participate, by virtue of the option, in a share issue of any other company, except in the share scheme(s) of companies within the Group.

Since the commencement of the ESOS, no options have been granted to controlling shareholders of the Company and their associates or parent group employees and no options have been granted at a discount.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

30. EMPLOYEE BENEFITS (cont'd)

a. The Company (cont'd)

GuocoLand Limited Executives' Share Option Scheme ("ESOS") (cont'd)

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

The movement in the options during the financial year is as follows:-

	The Group	
	2013	**2012**
At 1 July	**6,148,475**	33,615,318
Lapsed	**(6,148,475)**	(27,466,843)
At 30 June	**-**	6,148,475

During the financial year, 6,148,475 (2012: 27,466,843) options lapsed, as certain conditions were not met and due to the resignation of certain Participants.

Measurement of Fair Value of Options

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The expected volatility is based on 1-year historical volatility.

Date of grant of options	**28 September 2009**
Fair value of share options and assumptions	
Fair value at grant date	\$0.69 to \$0.72
Share price at grant date	\$2.28
Exercise price	\$2.29
Adjusted exercise price	\$2.142
Expected volatility	42.2% to 49.8%
Expected option life	3.2 years to 5.2 years
Expected dividend yield	2.2%
Risk-free interest rate	0.6% to 1.3%

The fair values of the share options are not affected by the revised number of options and adjusted exercise price arising from the Company's Rights Issue 2010.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

30. EMPLOYEE BENEFITS (cont'd)

a. The Company (cont'd)

Shares held by Trust

In October 2004, the Company established a Trust in respect of the ESOS. Pursuant to a trust deed between the Company and the Trust, the Trust had acquired Shares from the market for the purpose of satisfying options granted or to be granted to participants under the ESOS. Subject to financial, performance and other targets being met by these participants, Shares held under the Trust may be transferred to them upon exercise of their share options. As at 30 June 2013, the Company had granted a loan amounting to $130.5 million (2012: $134.4 million) to the Trust and the Trust held an aggregate of 73,604,933 (2012: 73,604,933) Shares.

b. GuocoLand (Malaysia) Berhad ("GLM")

GLM Executive Share Option Scheme ("ESOS")

The GLM Executive Share Option Scheme was approved by shareholders of GLM on 11 October 2011 and further approved by the shareholders of Guoco Group Limited ("GGL") on 25 November 2011("Approval Date") to replace GLM's former ESOS expiring in year 2016 ("New ESOS").

The New ESOS would provide an opportunity for eligible executives who had contributed to the growth and development of GLM Group to participate in the equity of GLM.

The main features of the New ESOS are, *inter alia*, as follows:-

(i) Eligible executives are those executives of GLM Group who have been confirmed in service on the date of offer or directors (executive or non-executive) of GLM Group. The Board of Directors of GLM may from time to time at its discretion select and identify suitable eligible executives to be offered options.

(ii) The aggregate number of shares to be issued under the New ESOS and any other ESOS established by GLM shall not exceed 15% of the issued and paid-up ordinary share capital of GLM at any one time ("Maximum Aggregate"). The Maximum Aggregate shall be subjected to the provision that the total number of new shares of GLM which may be issued upon exercise of options to be granted under the New ESOS must not in aggregate exceed 10% of the issued and paid-up ordinary share capital of GLM as at the Approval Date unless approval shall have been obtained from the shareholders of GGL.

(iii) The maximum entitlement of any eligible executive in any 12-month period that would enable such eligible executive becoming entitled to subscribe for new shares of GLM shall not exceed 1% in nominal value of the issued and paid-up ordinary share capital of GLM unless approval shall have been obtained from the shareholders of GGL.

(iv) The New ESOS shall be in force for a period of 10 years from 21 March 2012.

(v) The option price shall not be at a discount of more than 10% (or such discount as the relevant authorities shall permit) from the 5-day weighted average market price of the shares of GLM preceding the date of offer and shall in no event be less than the par value of the shares of GLM.

(vi) The option granted to an option holder under the New ESOS is exercisable by the option holder only during his employment or directorship with the GLM Group and within the option exercise period subject to any maximum limit as may be determined by the Board under the Bye-Laws of the New ESOS.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

30. EMPLOYEE BENEFITS (cont'd)

b. GuocoLand (Malaysia) Berhad ("GLM") (cont'd)

GLM Executive Share Option Scheme ("ESOS") (cont'd)

(vii) The exercise of the options may, at the absolute discretion of the Board of Directors of GLM, be satisfied by way of issuance of new shares, transfer of existing shares purchased by a trust established by GLM for the ESOS; or a combination of both new shares and existing shares.

No option under the New ESOS has been granted as at end of the financial year.

Value Creation Incentive Plan

In 2012, GLM established a Value Creation Incentive Plan ("VCIP") for selected key executives of GLM Group to incentivise them towards achieving long term performance targets through the grant of options over GLM shares, which options will be satisfied through the transfer of existing GLM shares held by the GLM ESOS Trust. Pursuant to the VCIP, GLM has granted options ("VCIP Options") over 27,500,000 GLM ordinary shares at an exercise price of RM0.87 per share to eligible key executives of GLM Group ("VCIP Options Holders"), inclusive of the VCIP Options over 10,000,000 GLM ordinary shares granted to the Managing Director of GLM.

The VCIP Options granted are subject to the achievement of prescribed financial and performance targets/criteria by the VCIP Options Holders over a stipulated performance period. No VCIP Options has been vested during the financial year. 23,000,000 VCIP Options granted have lapsed and 4,500,000 are outstanding at the end of the financial year.

The GLM Board shall have the discretion to determine the aggregate allocation of options to directors and senior management pursuant to the New ESOS and the VCIP, but in any case, it shall not exceed the Maximum Aggregate. There have been no VCIP Options granted to director and senior management of GLM Group during the financial year.

Measurement of Fair Value of Options

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Fair value of share options and assumptions

Fair value at grant date	RM0.17 to RM0.42
Share price at grant date	RM0.83
Exercise price	RM0.87
Expected volatility	42.8%
Expected option life	1.5 years to 6.5 years
Expected dividend yield	2.3% to 3.1%
Risk-free interest rate	3.0% to 3.3%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

31. DIVIDENDS

	The Company	
	2013	2012
	$'000	$'000
Paid by the Company to ordinary equity holders of the Company		
Final one-tier ordinary dividend paid of 5 cents (2012: 8 cents) per ordinary share in respect of the previous financial year*	**55,488**	88,781
Paid by subsidiaries to non-controlling interests	**11,556**	1,310

After the reporting date, the Directors proposed a final one-tier dividend of 5 cents (2012: 5 cents) per ordinary share amounting to $55.5 million (2012: $55.5 million). The dividends have not been provided for.

* Dividend payments in respect of 73,604,933 (2012: 73,604,933) ordinary shares of the Company which were held by the Trust for Executives' Share Option Scheme were eliminated on consolidation.

32. RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or *vice versa*, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or entities.

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant related party transactions between the Group and related parties during the financial year:-

a. Rental income of $2,239,000 was received for the financial year ended 30 June 2013 (2012: $1,770,000) and will continue to be receivable by an investment holding subsidiary of the Group pursuant to lease agreements entered into by this subsidiary with companies in which two of the directors has an interest.

b. On 4 July 2011, the Company signed a renewal of the Management Agreement with Guoco Group Limited ("GGL") in relation to the provision of services to the Company and its subsidiaries ("GLL Group") for a further period of 3 years to 30 June 2014, on the same terms and conditions as the previous Agreement which expired on 30 June 2011. The payment of the annual fee will be based on the equivalent of 3% of the profit before tax of its subsidiaries. The aggregate fees payable by the GLL Group in each financial year to GGL shall in any event not exceed 2% of the audited consolidated net tangible assets of the Company for the relevant financial year. Two directors of the Company are also directors and shareholders of GGL.

c. On 30 April 2009, the Company signed an agreement with GGL relating to the use of trademarks and logos pursuant to which licence fees of $37,000 have been paid by the Company for the financial year ended 30 June 2013 (2012: $38,000). Two directors of the Company are also directors and shareholders of GGL.

d. On 12 January 2012, the Company announced that GGL had extended an unsecured term loan facility of US$100 million ("Loan") to GuocoLand (China) Limited, the Company's wholly owned subsidiary. During the year, the Loan was fully repaid. For the financial year ended 30 June 2013, interest paid to GGL in respect of the Loan was $3,423,000 (2012: $1,281,000).

e. On 27 May 2013, the Group has issued Perpetual Securities (see note 19) with a principal amount of $65 million to a subsidiary of GGL. As at 30 June 2013, the Group has accrued $293,000 (2012: Nil) of distributions for the Perpetual Securities distributions to the subsidiary of GGL. Two directors of the Company are also directors and shareholders of GGL.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

33. NOTES TO THE STATEMENT OF CASH FLOWS

During the previous financial year, GuocoLand (Malaysia) Berhad, a subsidiary of the Group, acquired the entire equity interest in PJ City Development Sdn Bhd ("PJ City") and PJ Corporate Park Sdn Bhd ("PJ Corp") at cash consideration of $11.4 million (net of cash acquired) from GuoLine Asset Sdn Bhd and MPI Holdings Sdn Bhd respectively, being companies owned by the ultimate holding company. As PJ City and PJ Corp were under common control before and after the acquisition, the Group applied the merger method of accounting. Accordingly, the consolidated financial statements have been accounted for as if the merger had occurred from the date when these entities were under common control.

The following summarises the consideration transferred, and recognised amounts of assets acquired and liabilities assumed at the acquisition date:-

	2012 $'000
Cash and cash equivalents	872
Inventories	15,444
Trade and other payables	(12,579)
Net assets acquired	3,737
Merger reserve	8,494
Cash consideration paid	12,231
Less: Cash and cash equivalents in subsidiaries acquired	(872)
Net cash outflow on acquisition of subsidiaries	11,359

34. FINANCIAL INSTRUMENTS

a. Financial Risk Management Objectives and Policies

The Group operates and generates a substantial part of its business from Singapore, China, Malaysia and Vietnam. The Group's activities expose it to market risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group's overall risk management program seeks to minimise the adverse effects caused by the unpredictability of financial markets on the financial performance of the Group.

Risk management is carried out by the Treasury Department of the Group under policies approved by the Executive Committee. The Executive Committee provides principles and guidelines for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments and investing excess liquidity.

Derivative financial instruments are used to reduce exposure to fluctuations in foreign exchange rates or interest rates. While these are subject to the risks of market rates changing subsequent to the execution of the derivative financial instruments, such changes are generally offset by opposite effects on the exposure being hedged.

The Group's accounting policies in relation to the derivative financial instruments are set out in note 3e.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

b. Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Foreign Currency Risk

The Group has overseas investments in China, Malaysia and Vietnam. Currency exposure to the Group's overseas investments is managed primarily at the Group level. Hedging strategies are included in the monthly reporting to the Executive Committee of the Company.

The Group generally hedges its foreign exchange exposure using forward exchange contracts with external parties. The contracts used in its hedging program have terms of 12 months or less. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

As at the reporting date, the Group had entered into forward exchange contracts with a notional amount of $509,612,000 (2012: $392,839,000), to hedge the Group's foreign exchange exposure. At reporting date, the Company had not entered into any forward exchange contracts. The fair value of the forward exchange contracts of the Group as at 30 June 2013 was a liability of $4,480,000 (2012: liability of $413,000).

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency and exposure arising from intercompany balances which are considered to be in the nature of interest in subsidiaries are excluded.

	US Dollar $'000	Chinese Renminbi $'000
The Group		
2013		
Trade and other receivables	**245**	**-**
Cash and cash equivalents	**583,837**	**20,540**
Loans and borrowings	**(62,915)**	**-**
Trade and other payables	**(7)**	**(2,054)**
Net statement of financial position exposure	**521,160**	**18,486**
Forward exchange contracts	**(509,612)**	**-**
Net exposure	**11,548**	**18,486**
2012		
Trade and other receivables	4,880	-
Cash and cash equivalents	593,705	-
Loans and borrowings	(166,147)	-
Trade and other payables	(456)	(1,994)
Net statement of financial position exposure	431,982	(1,994)
Forward exchange contracts	(290,441)	-
Net exposure	141,541	(1,994)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

b. Market Risk (cont'd)

(i) **Foreign Currency Risk (cont'd)**

The Company
The Company does not have significant exposure to foreign currency risk.

Sensitivity Analysis
A strengthening of the following foreign currencies against the functional currencies at the reporting date would increase or (decrease) the profit or loss by the amounts shown below. There is no impact on the other components of equity. This analysis assumes that all other variables, in particular interest rates, remain constant and does not take into account the associated tax effects and share of non-controlling interests.

Functional Currencies	Foreign Currencies	Rate of Increase in Foreign Currencies	Profit Before Tax $'000
The Group			
2013			
SGD	**USD**	**3.24%**	**82**
RMB	**USD**	**1.28%**	**113**
MYR	**USD**	**3.62%**	**4**
USD	**RMB**	**1.28%**	**(26)**
2012			
SGD	USD	4.93%	5,936
RMB	USD	3.11%	430
MYR	USD	5.91%	425
USD	RMB	3.11%	(62)

A weakening of the above foreign currencies against the functional currencies would have an equal but opposite effect.

(ii) **Interest Rate Risk**

The Group's policy is to minimise adverse effects on the financial performance of the Group as a result of changes in market interest rates. The Treasury Department evaluates, recommends and carries out hedge strategies that have been approved by the Executive Committee. The management of interest rate risk is reported and reviewed by the Executive Committee on a monthly basis. To obtain the most favourable overall finance cost, the Group may use interest rate swaps to hedge its interest rate exposure. Apart from cash and cash equivalents, the Group has no other significant interest-bearing assets.

At the reporting date, the Group had interest rate swap contracts with a notional amount of $240,000,000 (2012: $240,000,000) to hedge the Group's interest rate exposure. The fair value of interest rate swaps at the reporting date was a liability of $6,655,000 (2012: a liability of $10,014,000).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

b. Market Risk (cont'd)

(ii) **Interest Rate Risk (cont'd)**

Exposure to interest rate risk
At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:-

	The Group Nominal amount		The Company Nominal amount	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Fixed rate instruments				
Financial assets	**771,371**	726,808	**213,123**	192,313
Financial liabilities	**(1,786,356)**	(1,613,412)	**(395,245)**	(214,983)
Interest rate swaps	**(240,000)**	(240,000)	**-**	-
	(1,254,985)	(1,126,604)	**(182,122)**	(22,670)
Variable rate instruments				
Financial liabilities	**(3,727,204)**	(3,917,409)	**(60,000)**	(174,500)
Interest rate swaps	**240,000**	240,000	**-**	-
	(3,487,204)	(3,677,409)	**(60,000)**	(174,500)

Fair value sensitivity analysis for fixed rate instruments
The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments
An increase in the interest rates from 5 to 25 (2012: 10 to 56) basis points at the reporting date would decrease the Group's profit before income tax and accumulated profits by $5,092,000 (2012: $6,405,000). The impact on the Group's profit and accumulated profits is estimated as an annualised impact on interest expense or income of such a change in interest rates. There is no impact on the other components of equity. This analysis assumes that all other variables, in particular foreign currency rates, remain constant and does not take into account the effects of qualifying borrowing costs allowed for capitalisation, the associated tax effects and share of non-controlling interests. A decrease in the interest rates would have an equal but opposite effect.

(iii) **Equity Price Risk**

Equity price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices of equity instruments. The Group is exposed to equity price risk arising from its investment in quoted equity instruments. The Group has available-for-sale equity securities, which are mainly listed in Malaysia (2012: Hong Kong, United States, Australia and Switzerland).

The Company does not have significant exposure to equity price risk.

Sensitivity Analysis
An 11% (2012: 10% to 15%) increase in the equity prices at the reporting date would increase the Group's equity by $174,000 (2012: $4,467,000); and an equal change in the opposite direction would have decreased the Group's equity by $174,000 (2012: $4,467,000). This analysis assumes that all other variables remain the same.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

c. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

The carrying amount of financial assets in the statement of financial position represents the Group and the Company's respective maximum exposure to credit risk, before taking into account any collateral held. The Group and the Company do not hold any collateral in respect of its financial assets.

Trade and other receivables
The Group's exposure to credit risk is minimal as customers fund their purchases of residential housing units with mortgaged home loans from independent financial institutions. For trade receivables from tenants of the Group's commercial buildings, the Group has guidelines governing the process of granting credit.

Investments
The Group limits its exposure to credit risk on investments in securities by dealing exclusively with high credit rating counterparties.

Derivatives
The derivatives are entered into with creditworthy local and international financial institutions.

Cash and cash equivalents
Cash is placed with regulated financial institutions. Transactions involving derivative financial instruments are allowed only with counterparties that are of high credit quality. It is the Group's policy to enter into financial instruments with a diversity of creditworthy local and international financial institutions.

Guarantees
The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries. The maximum exposure of the Company in respect of the intra-group financial guarantees is set out in note 36. At reporting date, the Company does not consider it probable that a claim will be made against the Company under the intra-group financial guarantees.

d. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk by actively managing its debt portfolio and operating cash flows to ensure that all refinancing, repayments and funding requirements of the Group's operations are met. The Group maintains a sufficient level of cash and cash equivalents to meet the Group's working capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

d. Liquidity Risk (cont'd)

The following are the contractual undiscounted cash outflows of financial liabilities, including interest payments:-

			Cash flows		
	Carrying amount $'000	Contractual Cash flows $'000	Within 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
The Group					
2013					
Non-derivative financial liabilities					
Trade and other payables*	**(491,988)**	**(491,988)**	**(426,141)**	**(64,926)**	**(921)**
Loans and borrowings	**(5,372,335)**	**(5,807,918)**	**(1,667,636)**	**(3,855,793)**	**(284,489)**
	(5,864,323)	**(6,299,906)**	**(2,093,777)**	**(3,920,719)**	**(285,410)**
Derivative financial instruments					
Forward exchange contracts (net)	**(4,480)**	**(4,480)**	**(4,480)**	**-**	**-**
Interest rate swaps (net)	**(6,655)**	**(7,682)**	**(3,956)**	**(3,726)**	**-**
	(11,135)	**(12,162)**	**(8,436)**	**(3,726)**	**-**
	(5,875,458)	**(6,312,068)**	**(2,102,213)**	**(3,924,445)**	**(285,410)**
2012					
Non-derivative financial liabilities					
Trade and other payables*	(400,286)	(400,286)	(330,081)	(70,016)	(189)
Loans and borrowings	(5,404,246)	(5,876,207)	(1,936,332)	(3,768,584)	(171,291)
	(5,804,532)	(6,276,493)	(2,266,413)	(3,838,600)	(171,480)
Derivative financial instruments					
Forward exchange contracts (net)	(413)	(413)	(413)	-	-
Interest rate swaps (net)	(10,014)	(10,571)	(3,614)	(6,957)	-
	(10,427)	(10,984)	(4,027)	(6,957)	-
	(5,814,959)	(6,287,477)	(2,270,440)	(3,845,557)	(171,480)

* Excludes progress billings.

The amounts due to non-controlling interests have not been included in the above table as the repayment is at the discretion of the Boards of the borrowing subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

d. Liquidity Risk (cont'd)

The following are the contractual undiscounted cash outflows of financial liabilities, including interest payments:- (cont'd)

	Carrying amount $'000	Contractual Cash flows $'000	Cash flows: Within 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
The Company					
2013					
Non-derivative financial liabilities					
Trade and other payables	**(738)**	**(738)**	**(738)**	**-**	**-**
Loans and borrowings	**(60,000)**	**(60,085)**	**(60,085)**	**-**	**-**
	(60,738)	**(60,823)**	**(60,823)**	**-**	**-**
2012					
Non-derivative financial liabilities					
Trade and other payables	(1,065)	(1,065)	(1,065)	-	-
Loans and borrowings	(174,500)	(175,253)	(175,253)	-	-
	(175,565)	(176,318)	(176,318)	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

e. Accounting Classifications and Fair Values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:-

	Note	Fair value through profit & loss	Loans and receivables	Available-for-sale	Other financial liabilities	Total carrying amount	Fair value
		$'000	$'000	$'000	$'000	$'000	$'000
The Group							
2013							
Other investments	9	**-**	**-**	**1,582**	**-**	**1,582**	**1,582**
Trade and other receivables#	13	**-**	**375,743**	**-**	**-**	**375,743**	**375,743**
Cash and cash equivalents	16	**-**	**934,340**	**-**	**-**	**934,340**	**934,340**
		-	**1,310,083**	**1,582**	**-**	**1,311,665**	**1,311,665**
Loans and borrowings	20	**-**	**-**	**-**	**5,372,335**	**5,372,335**	**5,411,589**
Trade and other payables*	21	**-**	**-**	**-**	**491,988**	**491,988**	**491,988**
Derivative financial liabilities		**11,135**	**-**	**-**	**-**	**11,135**	**11,135**
		11,135	**-**	**-**	**5,864,323**	**5,875,458**	**5,914,712**
2012							
Other investments	9	-	-	35,760	-	35,760	35,760
Trade and other receivables#	13	-	77,766	-	-	77,766	77,766
Cash and cash equivalents	16	-	861,973	-	-	861,973	861,973
		-	939,739	35,760	-	975,499	975,499
Loans and borrowings	20	-	-	-	5,404,246	5,404,246	5,457,074
Trade and other payables*	21	-	-	-	400,286	400,286	400,286
Derivative financial liabilities		10,427	-	-	-	10,427	10,427
		10,427	-	-	5,804,532	5,814,959	5,867,787

Excludes prepayments.

* Excludes progress billings.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

e. Accounting Classifications and Fair Values (cont'd)

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statements of financial position, are as follows:- (cont'd)

	Note	Fair value through profit & loss	Loans and receivables	Available-for-sale	Other financial liabilities	Total carrying amount	Fair value
		$'000	$'000	$'000	$'000	$'000	$'000
The Company							
2013							
Trade and other receivables	13	**-**	**9,006**	**-**	**-**	**9,006**	**9,006**
Cash and cash equivalents	16	**-**	**7,138**	**-**	**-**	**7,138**	**7,138**
		-	**16,144**	**-**	**-**	**16,144**	**16,144**
Loans and borrowings	20	**-**	**-**	**-**	**60,000**	**60,000**	**60,016**
Trade and other payables	21	**-**	**-**	**-**	**738**	**738**	**738**
		-	**-**	**-**	**60,738**	**60,738**	**60,754**
2012							
Trade and other receivables	13	-	2,289	-	-	2,289	2,289
Cash and cash equivalents	16	-	1,036	-	-	1,036	1,036
		-	3,325	-	-	3,325	3,325
Loans and borrowings	20	-	-	-	174,500	174,500	174,891
Trade and other payables	21	-	-	-	1,065	1,065	1,065
		-	-	-	175,565	175,565	175,956

Interest rates used for determining fair values

The interest rates used to discount estimated cash flows, when applicable, are based on Bloomberg at the reporting date, and were as follows:-

	2013	2012
Loans and borrowings	**1.0% - 7.6%**	1.1% - 7.6%

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

34. FINANCIAL INSTRUMENTS (cont'd)

e. Accounting Classifications and Fair Values (cont'd)

Estimates of fair value

Derivative financial instruments
The fair value of derivatives financial instruments is based on their market prices or brokers' quotes.

Loans and borrowings
The fair value of loans and borrowings is estimated using discounted cash flow analysis on the loan principal, including the interest due on the loans, based on current incremental lending rates for similar instruments at the reporting date.

Other financial assets and liabilities
The carrying amounts of cash and cash equivalents, trade and other receivables and trade and other payables approximate their fair values due to the relatively short-term maturity of these financial assets and liabilities.

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method as at 30 June 2013. The different levels have been defined as follows:-

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

The Group	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2013				
Available-for-sale securities	**1,582**	**-**	**-**	**1,582**
Derivative financial instruments	**-**	**(11,135)**	**-**	**(11,135)**
	1,582	**(11,135)**	**-**	**(9,553)**
2012				
Available-for-sale securities	35,760	-	-	35,760
Derivative financial instruments	-	(10,427)	-	(10,427)
	35,760	(10,427)	-	25,333

There were no transfers between the levels during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

35. COMMITMENTS

a. The future minimum lease rentals payable under non-cancellable operating leases as at reporting date are as follows:-

	The Group	
	2013	**2012**
	$'000	**$'000**
Within 1 year	**2,546**	2,175
Between 1 and 5 years	**2,836**	1,236
	5,382	3,411

The leases relate to offices and office equipment and are generally for one to five years, with options to renew.

b. The commitment in respect of capital expenditure contracted but not provided for in the financial statements by the Group was $1,905 million (2012: $1,914 million).

36. CONTINGENT LIABILITIES

The significant contingent liabilities of the Group and the Company are as follows:-

a. In November 2007, GuocoLand (China) Limited ("GLC"), a wholly owned subsidiary of the Company, completed its acquisition of a 100% interest in Hainan Jing Hao Asset Limited ("Hainan Co"), which in turn held a 90% stake in Beijing Cheng Jian Dong Hua Real Estate Development Company Limited ("DZM Project Co"), the company undertaking the Dongzhimen project in Beijing ("DZM Project"). An aggregate of RMB3.22 billion of the purchase consideration of RMB5.8 billion had been paid to the vendors of the DZM Project, Beijing Beida Jade Bird Company Limited ("BBJB") and its related corporations (collectively, the "DZM Vendors"). The balance RMB2.58 billion had been withheld, pending resolution of disputes described below and, in respect of a loan of RMB2 billion made by Agricultural Bank of China ("ABC") to Beijing Dong Hua Guang Chang Zhi Ye Co Ltd ("Zhiye"), a related corporation of BBJB, and guaranteed by BBJB, DZM Project Co and Hainan Co. The loan of RMB2 billion with interest ("ABC Loan") had, in April 2011, been acquired from ABC by GuoSon Investment Company Limited ("GICL"), a wholly-owned subsidiary of the Company, together with all rights attaching thereto including enforcement rights against the borrower and guarantors, for a sum of RMB3.048 billion. GICL's acquisition of the ABC Loan had been sanctioned by The Beijing Second Intermediate People's Court. PRC lawyers have advised that GLC has a good case to treat the sum paid by GICL to ABC as a set-off against any outstanding balance of the purchase consideration for the DZM Project.

(i) <u>Alleged claims by Shenzhen Development Bank ("SDB")</u>

SDB had claimed that a loan of RMB1.5 billion was granted by SDB to certain borrowers (the "Alleged Loans"). Amongst the security allegedly obtained by SDB is a guarantee by Zhiye. SDB filed an earlier suit against Zhiye and DZM Project Co in The People's High Court of Beijing ("Beijing Court") but this was dismissed in December 2007. An appeal has been filed by SDB against Zhiye and DZM Project Co in respect of this dismissal ("SDB appeal").

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

36. CONTINGENT LIABILITIES (cont'd)

(i) Alleged claims by Shenzhen Development Bank ("SDB") (cont'd)

SDB has also initiated another suit directly against DZM Project Co in connection with the recovery of its loan and interest under the Zhiye guarantee ("second SDB suit"). It made an interim application to the Beijing Court to restrict dealing in DZM Project Co's assets in the aggregate sum of its claims. GLC's PRC lawyers have advised that the interim application by SDB granted by the Beijing Court only restricts dealing in the assets of DZM Project Co pending final resolution of the SDB actions. The interim application will be expunged in the event the PRC courts dismiss the SDB actions.

Based on the information available to GLC, DZM Project Co is neither a guarantor nor borrower of the Alleged Loans granted by SDB to the third party borrowers which were unrelated to DZM Project Co. GLC has also been advised by its PRC lawyers that both the SDB appeal and second SDB suit have no merits.

Before the hearing of the SDB appeal and the second SDB suit, SDB and BBJB purportedly entered into a settlement agreement in May 2008 for DZM Project Co to pay, *inter alia*, RMB1 billion of the Alleged Loans to SDB. In November 2008, this settlement agreement was purportedly mediated through the Supreme People's Court of The People's Republic of China ("Supreme Court") and was stated to have effect as a judgement upon signing by the relevant parties ("Alleged Civil Mediation Agreement"). GLC did not have conduct of the aforesaid proceedings and is not aware of whether the Alleged Civil Mediation Agreement has been signed by the parties, and has been advised by its PRC lawyers that the Alleged Civil Mediation Agreement is void and unenforceable. GLC has submitted an application for the rehearing of the Alleged Civil Mediation Agreement, which is pending before the Supreme Court.

(ii) Hainan Co and DZM Project Co

In early 2008, GLC had received a notice issued by the Industrial and Commercial Administrative Bureau of Hainan Province purporting to revert registration of the shares in Hainan Co to its original shareholders, who are two of the DZM Vendors, allegedly on the ground, *inter alia*, that GLC had not paid the requisite consideration for Hainan Co.

GLC has challenged the basis for this notice as the full consideration for the transfer of Hainan Co to GLC has been paid to the DZM Vendors. GLC has taken legal advice on these matters and would strongly defend and protect its 90% interest in the DZM Project.

In March 2008, GLC filed a suit against the Industrial and Commercial Administration Bureau of Hainan Province on its reversion of the registration in Hainan Co to the original shareholders. In October 2008, GLC was notified that an administrative judgement by the Hainan Haikou Intermediate People's Court has ruled against GLC. GLC has since appealed to the Hainan High Court against such judgement. The case has been heard by the Hainan High Court and is pending judgement.

GLC group has also sought to protect its 90% interest in the DZM Project and is pursuing separate legal actions in Beijing which are now before the Beijing Intermediate Court, seeking, *inter alia*, for an order as rightful owner that the 90% interest in DZM Project Co be transferred to GLC or its nominee as, amongst other arguments, the development costs of the DZM Project have been funded by the Group. Pending judgement of the aforesaid legal actions, the Beijing Intermediate Court has granted GLC group's application for an asset preservation order in respect of the 90% shareholding in DZM Project Co held by Hainan Co.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

36. CONTINGENT LIABILITIES (cont'd)

b. The Company has issued financial guarantees of $2,663 million (2012: $2,111 million) to financial institutions in connection with banking facilities granted to a subsidiary and the issue of perpetual securities by a subsidiary. The periods in which the financial guarantees expire are as follows:-

	The Company	
	2013	**2012**
	$'000	**$'000**
Within 1 year	**776,915**	622,732
Between 1 and 5 years	**1,561,000**	1,488,415
After 5 years	**125,000**	-
No fixed maturity	**200,000**	-
	2,662,915	2,111,147

At the reporting date, the Company does not consider that it is probable that a claim will be made against the Company under the financial guarantee contracts. Accordingly, the Company does not expect any net cash outflows resulting from the financial guarantee contracts.

37. OPERATING SEGMENTS

Management has determined the operating segments based on the reports reviewed by the Group's Executive Officer ("CEO") that are used to make strategic decisions.

The Group's reportable operating segments are as follows:-

a. GuocoLand Singapore – development of residential properties and property investment (holding properties for rental income) in Singapore.

b. GuocoLand China – development of residential, commercial and integrated properties and management and operation of hotels in China.

c. GuocoLand Malaysia – development of residential, commercial and integrated properties, management and operations of hotels in Malaysia.

d. GuocoLand Vietnam – development of residential, commercial and integrated properties in Vietnam.

Other operations include mainly the Group's Corporate Office and Treasury operation. None of the other operations meets any of the quantitative thresholds for determining reportable segments in 2013 and 2012.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit after income tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Geographically, management reviews the performance of the businesses in Singapore, China, Malaysia, Vietnam and other Asia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Non-current assets are based on the geographical location of the assets.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

37. OPERATING SEGMENTS (cont'd)

	GuocoLand Singapore $'000	GuocoLand China $'000	GuocoLand Malaysia $'000	GuocoLand Vietnam $'000	Sub-Total $'000	Others $'000	Total $'000
2013							
Revenue							
External revenue	526,642	52,896	70,431	27,455	677,424	18	677,442
Results							
Profit/(loss) from operating activities	159,613	(10,020)	1,565	18,231	169,389	(6,049)	163,340
Share of profit/(loss) of associates and jointly-controlled entities (net of tax)	(5)	(137)	17,211	-	17,069	(62)	17,007
Interest income	11	4,543	539	591	5,684	38	5,722
Finance costs	-	(35,301)	(11,740)	-	(47,041)	(40,512)	(87,553)
Profit/(loss) before tax	159,619	(40,915)	7,575	18,822	145,101	(46,585)	98,516
Tax (expense)/credit	(30,615)	(21,471)	904	(4,721)	(55,903)	857	(55,046)
Profit/(loss) for the year	129,004	(62,386)	8,479	14,101	89,198	(45,728)	43,470
Segment assets	4,355,240	3,892,571	812,442	60,463	9,120,716	34,167	9,154,883
Segment liabilities	2,256,127	1,097,957	460,556	10,974	3,825,614	2,554,168	6,379,782
Other segment items:							
Associates and jointly-controlled entities	168	312,581	179,216	-	491,965	400	492,365
Depreciation	(190)	(5,844)	(2,545)	(33)	(8,612)	(310)	(8,922)
Fair value gain from investment properties	5,834	31,489	(5,100)	-	32,223	100	32,323
Allowance for foreseeable losses on development properties	-	-	(2,378)	-	(2,378)	-	(2,378)
Capital expenditure	98,845	514	25,044	4	124,407	265	124,672

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

37. OPERATING SEGMENTS (cont'd)

	GuocoLand Singapore $'000	GuocoLand China $'000	GuocoLand Malaysia $'000	GuocoLand Vietnam $'000	Sub-Total $'000	Others $'000	Total $'000
2012							
Revenue							
External revenue	500,253	142,848	34,903	458	678,462	34	678,496
Results							
Profit/(loss) from operating activities	158,206	(10,391)	6,291	(1,124)	152,982	(13,840)	139,142
Share of profit/(loss) of associates and jointly-controlled entities (net of tax)	(101)	(530)	9,818	-	9,187	(40)	9,147
Interest income	8	3,178	1,302	227	4,715	126	4,841
Finance costs	-	(13,035)	(12,316)	-	(25,351)	(31,127)	(56,478)
Profit/(loss) before tax	158,113	(20,778)	5,095	(897)	141,533	(44,881)	96,652
Tax (expense)/credit	(27,344)	(3,056)	924	255	(29,221)	(2,975)	(32,196)
Profit/(loss) for the year	130,769	(23,834)	6,019	(642)	112,312	(47,856)	64,456
Segment assets	4,179,638	3,665,981	826,746	35,248	8,707,613	51,228	8,758,841
Segment liabilities	2,356,633	1,061,818	483,261	9,482	3,911,194	2,315,247	6,226,441
Other segment items:							
Associates and jointly-controlled entities	1,502	303,588	179,262	-	484,352	8,048	492,400
Depreciation	(185)	(5,514)	(2,642)	(85)	(8,426)	(616)	(9,042)
Fair value gain from investment properties	2,203	-	1,121	-	3,324	600	3,924
Writeback of allowance for foreseeable losses on development properties	-	-	9,546	-	9,546	-	9,546
Capital expenditure	65,885	449	14,195	136	80,665	200	80,865

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

37. OPERATING SEGMENTS (cont'd)

Geographical information

	External Revenue $'000	Non-Current Assets# $'000
2013		
Singapore	**526,660**	**2,004,914**
China	**52,896**	**556,014**
Malaysia	**70,431**	**388,212**
Vietnam and others	**27,455**	**107**
	677,442	**2,949,247**
2012		
Singapore	500,287	1,874,195
China	142,848	496,173
Malaysia	34,903	387,087
Vietnam and others	458	8,188
	678,496	2,765,643

Excludes other investments and deferred tax assets.

Major customers

There are no customers contributing more than 10 percent to the revenue of the Group.

38. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2012, and have not been applied in preparing these financial statements. Those new standards, amendments to standards and interpretations are set out below.

Applicable for the Group's financial statements for the financial year ending 30 June 2014

- Amendments to FRS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
- FRS 19 Employee Benefits (revised 2011)
- FRS 113 Fair Value Measurement

Applicable for the Group's financial statements for the financial year ending 30 June 2015

- FRS 110 Consolidated Financial Statements
- FRS 111 Joint Arrangements
- FRS 112 Disclosure of interests in Other Entities
- FRS 28 Investments in Associates and Joint Ventures (revised 2011)

The Group has not considered the impact of accounting standards issued after the reporting date. The Group is presently assessing the impact of the adoption of these standards (including their consequential amendments).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2013

39. SUBSEQUENT EVENT

On 2 August 2013, the Group entered into a sale and purchase agreement for the sale of all its interest in a subsidiary ("Sale") which has a project located in Nanjing, China, for a total consideration of RMB1,200 million ($246 million). The Sale is expected to be completed by 30 August 2013. Upon completion, the Group is expected to recognise a net gain of approximately $81 million.

OTHER INFORMATION

1. DEVELOPMENT PROPERTIES

The details of the major development properties held by the Group are as follows:-

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Singapore						
Goodwood Residence Situated at Bukit Timah Road	Residential	TOP obtained in 06/2013	N/A	24,845	39,752	100.00
Sophia Residence Situated at 32 Adis Road	Residential	Superstructure and architectural works in progress	04/2014	15,435	32,413	100.00
Leedon Residence Situated at Leedon Heights	Residential	Substructure and superstructure works in progress	11/2014	48,525	77,640	100.00
Tanjong Pagar Centre Situated at Peck Seah Street / Choon Guan Street	Residential/ Commercial#/ Office#/ Hotel▲	Substructure works in progress	06/2016	15,023	157,738	80.00
Malaysia						
Changkat Kia Peng Situated at Lot 241 Seksyen 63, Bandar Kuala Lumpur	Residential	Planning	*	3,030	3,030	67.94
Commerce One, Bedford Business Park Situated at Old Klang Road, Mukim of Petaling Jaya, Kuala Lumpur	Commercial	Phase 2: Building works in progress	12/2013	2,565	39,636	67.94
Bukit Rahman Putra Situated at Mukim of Sg. Buloh, Selangor Darul Ehsan	Residential	Phase 6B: Main building works completed	12/2013	26,993	23,411	67.94
		Phases 5B, 6C, 6D, 8D, CL5 & CL11: Planning	*	93,195	65,341	67.94

OTHER INFORMATION

1. DEVELOPMENT PROPERTIES (cont'd)

The details of the major development properties held by the Group are as follows:- (cont'd)

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Malaysia (cont'd)						
Site situated at Lot 3059, Mukim of Hulu Kelang, District of Gombak, Selangor Darul Ehsan	Residential	Planning	*	30,351	30,351	67.94
Damansara City Situated at Damansara Town Centre, Kuala Lumpur	Residential/ Commercial#/ Office#/ Hotel▲	Building works in progress	12/2016	32,450	214,794	67.94
Site situated at Geran No. 20438, Lot 36, Bandar Batu Ferringhi, Pulau Pinang	Residential	Planning	*	18,534	18,534	67.94
Amandarii Situated at Seksyen 9, Tempat Sungai Kantan, Kajang Daerah Hulu Langat, Selangor Darul Ehsan	Residential	Building works in progress	09/2013	35,450	16,591	67.94
The OVAL Situated at Seksyen 63, Jalan Binjai, Kuala Lumpur	Residential	TOP obtained in 09/2009	N/A	7,080	54,474	67.94
Site situated at Geran No. 18795-18799, 18803-18805, 18831, Lot 7585-7589, 7597-7599, 7600 Mukim Petaling and District of Kuala Lumpur	Residential	Planning	*	184,687	184,687	67.94
PJ City Corporate Hub Situated at Lot 13508, Seksyen 32, Bandar Petaling Jaya, Daerah Petaling	Industrial	Building works in progress	03/2014	31,404	18,486	67.94
Site situated at 13507, Seksyen 32, Bandar Petaling Jaya, Daerah Petaling	Commercial	Planning	*	12,974	12,974	67.94

OTHER INFORMATION

1. DEVELOPMENT PROPERTIES (cont'd)

The details of the major development properties held by the Group are as follows:- (cont'd)

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
The People's Republic of China						
Gujiaying Site situated in Xuanwu District, Nanjing	Residential/ Commercial	Planning	*	296,002	504,420	99.00
Ascot Park Situated in Qixia District, Nanjing	Commercial	Phase 2: Planning	*	19,273	19,273	94.93
Shanghai Guoson Centre Situated in Putuo District, Shanghai	Commercial#	Phase 1: TOP obtained in 07/2010	N/A	67,335	155,618	100.00
	Hotel▲	TOP obtained in 06/2010	N/A			
	Serviced Apartment	TOP obtained in 03/2013	N/A			
	Commercial/ Office	Phase 2: Construction works in progress	12/2016	76,510	214,330	100.00
Seasons Park Situated in Nankai District, Tianjin	Residential	Construction works in progress	09/2013	25,866	209,661	100.00
Beijing Guoson Centre Situated in Dong Cheng District, Beijing	Residential/ Commercial/ Office/ Hotel	Construction works under review	N/A	106,000	595,812	90.00
Vietnam						
The Canary Situated in Thuan An District, Binh Duong Province	Residential/ Commercial	Phase 2: Construction works in progress	10/2013	101,532	173,000	100.00
		Phases 3 & 4: Planning	*			

* Not available as these developments have not commenced construction or have not been launched yet.
\# The carrying value is included in Investment Properties.
▲ The carrying value is included in Property, Plant and Equipment.
N/A: Not applicable.

OTHER INFORMATION

2. INVESTMENT PROPERTIES

The details of the investment properties held by the Group are as follows:-

Property	Description	Tenure of Land
Singapore		
20 Collyer Quay Singapore 049319	24-storey office building	999-year lease with effect from 5.11.1862
Lots 99951A, 99952K and 99953N Part of 61 Robinson Road Singapore 068893	Reversionary interests in freehold land	#
Tanjong Pagar Centre Situated at Peck Seah Street/ Choon Guan Street Singapore	Land under development	99-year lease with effect from 21.02.2011
Malaysia		
Menara Pandan C & D Persiaran MPAJ Jalan Pandan Utama Pandan Indah 55100 Kuala Lumpur	Two blocks of 10-storey office tower building	99-year lease with effect from 25.03.2002
Damansara City Lot 58303 Damansara Heights Jalan Damanlela 50490 Kuala Lumpur	Land under development	Freehold
The People's Republic of China		
Shanghai Guoson Centre No. 452 Daduhe Road Shanghai	4-storey commercial building (excluding one level of basement)	50-year land use rights with effect from 11.12.2005

The Group disposed of its interests in a 98-year lease (with effect from 19 March 1998) in the freehold land to a third party. Accordingly, the Group recognised its reversionary interests in the freehold land.

SHAREHOLDING STATISTICS

As at 12 September 2013

ISSUED AND FULLY PAID-UP CAPITAL : 1,183,373,276 ORDINARY SHARES
VOTING RIGHTS : 1 VOTE PER SHARE

Size of Shareholdings	No. of Shareholders	No. of Ordinary Shares	% of Ordinary Shares
1 - 999	511	128,438	0.01
1,000 - 10,000	2,635	10,345,020	0.88
10,001 - 1,000,000	691	31,873,221	2.69
1,000,001 & Above	17	1,141,026,597	96.42
TOTAL	3,854	1,183,373,276	100.00

TWENTY LARGEST SHAREHOLDERS registered with The Central Depository (Pte) Limited

Name of Shareholders	No. of Ordinary Shares	% of Ordinary Shares
GUOCOLAND ASSETS PTE. LTD.	772,032,426	65.24
UOB KAY HIAN PTE LTD	95,422,953	8.06
CITIBANK NOMINEES S'PORE PTE LTD	53,647,654	4.53
HSBC (SINGAPORE) NOMINEES PTE LTD	50,902,426	4.30
DBSN SERVICES PTE LTD	40,144,704	3.39
HL BANK NOMINEES (S) PTE LTD	38,744,254	3.27
KWEK LENG HAI	35,290,914	2.98
CIMB SECURITIES (S'PORE) PTE LTD	19,197,539	1.62
DBS NOMINEES PTE LTD	13,468,801	1.14
LIM & TAN SECURITIES PTE LTD	5,056,190	0.43
UNITED OVERSEAS BANK NOMINEES PTE LTD	5,053,206	0.43
RAFFLES NOMINEES (PTE) LTD	3,545,676	0.30
BANK OF SPORE NOMINEES PTE LTD	3,428,997	0.29
MORGAN STANLEY ASIA (S'PORE) SECURITIES PTE LTD	1,623,241	0.14
PHILLIP SECURITIES PTE LTD	1,166,988	0.10
DB NOMINEES (S) PTE LTD	1,153,128	0.10
ANG JWEE HERNG	1,147,500	0.10
OCBC NOMINEES SINGAPORE PTE LTD	932,286	0.08
TAN KAH BOH ROBERT	753,000	0.06
TAN SIN MUI	745,000	0.06
TOTAL	1,143,456,883	96.62

SHAREHOLDING IN THE HANDS OF THE PUBLIC AS AT 12 SEPTEMBER 2013

The percentage of shareholding in the hands of the public was approximately 18.53% of the total number of the issued and fully paid-up ordinary shares of the Company. Accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

SHAREHOLDING STATISTICS

As at 12 September 2013

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 12 SEPTEMBER 2013

	Substantial Shareholders	Direct Interest No. of Shares	Deemed Interest No. of Shares
1.	GuocoLand Assets Pte. Ltd.	772,032,426	-
2.	Fairbury Pte Ltd[#]	73,604,933	-
3.	Guoco Group Limited	-	772,032,426[1]
4.	GuoLine Overseas Limited	-	772,032,426[1]
5.	GuoLine Capital Assets Limited	-	772,032,426[1]
6.	Hong Leong Company (Malaysia) Berhad	-	772,032,426[1]
7.	HL Holdings Sdn Bhd	-	804,093,744[2]
8.	Hong Leong Investment Holdings Pte Ltd	-	804,093,744[2]
9.	Quek Leng Chan	13,333,333	817,911,030[3]

\# Trust established in respect of GuocoLand Limited Executives' Share Option Scheme.

1 deemed interest arising through GuocoLand Assets Pte. Ltd. by virtue of the operation of Section 7 of the Companies Act, Cap 50.

2 deemed interest arising through GuocoLand Assets Pte. Ltd. and a company in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Cap 50.

3 deemed interest arising through GuocoLand Assets Pte. Ltd. and companies in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Cap 50.

INTERESTED PERSON TRANSACTIONS

In addition to the transactions set out in Notes 27, 30, and 32 to the Accounts, the aggregate value of Interested Person Transactions (excluding transactions less than S$100,000) entered into during the financial year is as follows:-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Hong Leong Group Malaysia	S$ 11,218,754	N.A.

GuocoLand Limited

Company Registration Number: 197600660W
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 37th Annual General Meeting ("**AGM**") of GuocoLand Limited (the "**Company**") will be held at Orchard Ballroom 1, Level 3, Orchard Hotel Singapore, 442 Orchard Road, Singapore 238879 on Friday, 25 October 2013 at 2.30 pm for the following purposes:-

As Ordinary Business

1. To lay before the Meeting the Directors' Report and Audited Accounts of the Company for the financial year ended 30 June 2013.

2. To declare a First and Final Tax-Exempt (One-Tier) Dividend of 5 cents per ordinary share for the financial year ended 30 June 2013. — Resolution 1

3. To approve Directors' fees of S$407,167 for the financial year ended 30 June 2013. — Resolution 2

4. To re-elect the following Directors retiring in accordance with the Company's Articles of Association:-

   Mr Kwek Leng Hai; — Resolution 3
   (Mr Kwek will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee.)

   Mr Francis Siu; — Resolution 4

   (Mr Siu will, upon re-election as a Director of the Company, remain as a member of the Audit Committee. Mr Siu is considered as an Independent Director by the Nominating Committee.)

   Ms Lim Suat Jien – who was appointed during the year; and — Resolution 5

   (Ms Lim will, upon re-election as a Director of the Company, remain as a member of the Audit Committee. Ms Lim is considered as an Independent Director by the Nominating Committee.)

   Ms Jennie Chua – who was appointed during the year. — Resolution 6

   (Ms Chua will, upon re-election as a Director of the Company, remain as a member of the Remuneration Committee. Ms Chua is considered as an Independent Director by the Nominating Committee.)

5. To re-appoint Mr Quek Leng Chan, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next AGM of the Company. — Resolution 7

   (Mr Quek will, upon re-appointment as a Director of the Company, remain as Chairman of the Company until 1 November 2013. He will remain as Chairman of the Executive Committee and a member of the Remuneration Committee and ESOS Committee.)

6. To re-appoint Messrs KPMG LLP as auditors of the Company and to authorise the Directors to fix their remuneration. — Resolution 8

NOTICE OF ANNUAL GENERAL MEETING

As Special Business

7. To consider and if thought fit, to pass the following Ordinary Resolutions:

7.1 Authority to Issue Shares — Resolution 9

That pursuant to Section 161 of the Companies Act, Chapter 50 (the "**Companies Act**"), authority be and is hereby given to the Directors of the Company to:

(a) (i) allot and issue shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise); and/or

(ii) make or grant offers, agreements or options that may or would require Shares to be issued during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares (collectively, "**Instruments**"),

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed ten per cent. (10%) of the total number of issued Shares excluding treasury shares of the Company (as calculated in accordance with sub-paragraph (2) below), and provided further that where shareholders of the Company with registered addresses in Singapore are not given the opportunity to participate in the same on a *pro rata* basis, then the aggregate number of Shares to be issued under such circumstances (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed ten per cent. (10%) of the total number of issued Shares excluding treasury shares of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares excluding treasury shares of the Company shall be calculated based on the total number of issued Shares excluding treasury shares of the Company at the time of the passing of this Resolution, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) any subsequent bonus issue, consolidation or subdivision of Shares;

and, in relation to an Instrument, the number of shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument; and

(3) unless varied or revoked by the Company in a general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

7.2 Renewal of Share Purchase Mandate — Resolution 10

(a) That for the purposes of Section 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"); and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:

(i) the date on which the next AGM of the Company is held; or

(ii) the date by which the next AGM of the Company is required by law to be held;

(c) in this Resolution:

"**Prescribed Limit**" means ten per cent. (10%) of the Shares as at the date of the passing of this Resolution; and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

NOTICE OF ANNUAL GENERAL MEETING

(i) in the case of a Market Purchase, five per cent. (5%) above the average of the closing market prices of the Shares over the 5 market days, on which transactions in the Shares were recorded, before the day on which the market purchase was made by the Company, and deemed to be adjusted for any corporate action that occurs after the relevant 5 market days; and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, twenty per cent. (20%) above the average of the closing market prices of the Shares over the 5 market days on which transactions in the Shares were recorded before the day on which the Company makes an announcement of an offer under an Off-Market Purchase scheme; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

8. To transact any other business of an AGM of which due notice shall have been given.

By Order of the Board

Dawn Pamela Lum
Group Company Secretary

9 October 2013
Singapore

Notes:

A member of the Company entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote instead of him/her. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 20 Collyer Quay #20-01, Singapore 049319 not less than 48 hours before the time set for holding the Meeting.

Notes to Special Business:

Resolution 9 is to empower the Directors to allot and issue shares in the capital of the Company and/or Instruments (as defined above). The aggregate number of shares to be issued pursuant to Resolution 9 (including shares to be issued in pursuance of Instruments made or granted) shall not exceed ten per cent. (10%) of the total number of issued shares excluding treasury shares of the Company, with a sub-limit of ten per cent. (10%) for shares issued other than on a *pro rata* basis (including shares to be issued in pursuance of instruments made or granted pursuant to Resolution 9) to shareholders with registered addresses in Singapore. For the purpose of determining the aggregate number of shares that may be issued, the percentage of the total number of issued shares excluding treasury shares of the Company will be calculated based on the total number of issued shares excluding treasury shares of the Company at the time of the passing of Resolution 9, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities; (ii) new shares arising from exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of Resolution 9; and (iii) any subsequent bonus issue, consolidation or subdivision of shares. The authority conferred by Resolution 9 will continue in force until the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier, unless previously varied or revoked by the Company in a general meeting.

Resolution 10 is to renew the Share Purchase Mandate as described in the Circular to shareholders dated 9 October 2013 (the "Circular") which will, unless varied or revoked by the Company in a general meeting, continue in force until the next AGM of the Company is held or is required by law to be held, whichever is earlier. This ordinary resolution, if passed will authorise the Directors of the Company to make purchases or otherwise acquire issued ordinary shares in the capital of the Company pursuant to and in accordance with the guidelines as set out in the Circular.

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GuocoLand Limited

Company Registration Number: 197600660W
(Incorporated in the Republic of Singapore)

IMPORTANT

1. For CPF Investors who have used their CPF monies to buy shares of GuocoLand Limited, this Annual Report is forwarded to them at the request of their nominee banks, being nominee banks approved by CPF ("CPF Approved Nominees") and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the AGM as OBSERVERS have to submit their requests through their respective CPF Approved Nominee so that their CPF Approved Nominee may register with the Company Secretary of GuocoLand Limited.

PROXY FORM - ANNUAL GENERAL MEETING

*I/We ______________________________ NRIC No ______________

of ____

being *a member/members of GuocoLand Limited (the "Company"), hereby appoint

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings (%)

*and/or

or, failing *him/her, the Chairman of the 37th Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held on Friday, 25 October 2013 at 2.30 pm and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific indication as to voting is given, the *proxy/proxies may vote or abstain from voting at *his/her discretion, as *he/she will on any other matter arising at the AGM. If no person is named in the space above, the Chairman of the Meeting shall be *my/our *proxy/proxies to vote, for or against the Resolutions to be proposed at the AGM, as indicated below, for *me/us and on *my/our behalf at the AGM and at any adjournment thereof.

Please indicate with a tick (√) in the spaces provided whether you wish your vote(s) to be cast "For" or "Against" the Resolutions as set out in the Notice of the AGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.

AS ORDINARY BUSINESS			
No.	Resolution	For	Against
1	To declare a First and Final Tax-Exempt (One-Tier) Dividend		
2	To approve Directors' fees		
3	To re-elect Mr Kwek Leng Hai as a Director		
4	To re-elect Mr Francis Siu as a Director		
5	To re-elect Ms Lim Suat Jien as a Director		
6	To re-elect Ms Jennie Chua as a Director		
7	To re-appoint Mr Quek Leng Chan as a Director		
8	To re-appoint Messrs KPMG LLP as auditors of the Company and to authorise the Directors to fix their remuneration		
AS SPECIAL BUSINESS			
No.	Resolution	For	Against
9	To authorise the Directors to issue shares in the Company		
10	To approve the Renewal of Share Purchase Mandate		

Signed this ____________ day of ________________ 2013

Total Number of Ordinary Shares Held	

____

Signature(s) of member(s) / common seal*

***delete as appropriate**

FOLD HERE

AFFIX
STAMP
HERE

Company Secretary
GuocoLand Limited
20 Collyer Quay
#20-01
Singapore 049319

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NOTES TO PROXY FORM

1. Please insert in the box at the bottom right hand corner on the reverse of this form, the number of shares held by you. If you have shares entered against your name in the Depository Register maintained by The Central Depository (Pte) Limited ("CDP") in respect of shares in your Securities Account with CDP, you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the ordinary shares in the capital of the Company registered in your name(s).
2. A member entitled to attend and vote at a Meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him.
3. The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at 20 Collyer Quay #20-01 Singapore 049319 not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. Where a member appoints two proxies, the percentage of the shareholding represented by each such appointee should be specified. If no percentage is specified, the first named appointee shall be deemed to represent 100% of the shareholding and any second named appointee shall be deemed to be an alternate to the first named.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50. A copy of the said resolution, certified as true by an authorised officer of the Corporation, shall be affixed to the instrument of proxy.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

GuocoLand Limited (Reg. No. 197600660W)
20 Collyer Quay #20-01 Singapore 049319
Tel: 65-6535 6455 Fax: 65-6532 6196

www.guocoland.com.sg