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CORPORATE INFORMATION



D'ELIAS

BOARD OF DIRECTORS

Sat Pal Khattar, Chairman
Quek Chee Hoon, Group President & Chief Executive Officer
Quek Leng Chan
Kwek Leng Hai
Lum Choong Wah
Goh Yong Hong
Reggie Thein

AUDIT COMMITTEE

Reggie Thein, Chairman
Lum Choong Wah
Goh Yong Hong

NOMINATING COMMITTEE

Sat Pal Khattar, Chairman
Kwek Leng Hai
Lum Choong Wah

REMUNERATION COMMITTEE

Sat Pal Khattar, Chairman
Quek Leng Chan
Reggie Thein

COMPANY SECRETARY

Dawn Pamela Lum

REGISTERED OFFICE

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

WEBSITE

<http://www.guocoland.com.sg>

AUDITORS

KPMG
Certified Public Accountants
Partner-in-charge : Yap Chee Meng
(since FY ended June 2005)
Practising Register No : 660

REGISTRAR

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

BANKERS

Arab Bank plc
Bumiputra-Commerce Bank Berhad
Citibank N.A.
Malayan Banking Berhad
Natexis Banques Populaires
Oversea-Chinese Banking Corporation Limited
RHB Bank Berhad
The Agricultural Bank of China
The Hongkong and Shanghai Banking Corporation Limited
Southern Bank Berhad
United Overseas Bank Limited

STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

DATE OF INCORPORATION

31 March 1976

DATE OF CONVERSION TO A PUBLIC COMPANY

30 September 1978

CHAIRMAN'S STATEMENT

"The Group's key strategy is to focus its core property operations in geographical markets where there is potential for growth and where it feels it has expertise and synergies."



Mr Sat Pal Khattar,
Chairman of **GuocoLand** Limited

GROUP PERFORMANCE

Financial Highlights

The Group's strategy of allocating resources to capitalise on property cycles in its core geographical markets of Singapore, China and Malaysia has generally yielded favourable results. In the financial year 1 July 2004 to 30 June 2005 (the "Year"), the Group achieved a 40% increase in revenue of \$419.5 million as against \$300.1 million in the preceding year. Gross profits increased by 67% to \$73.6 million as against \$44.2 million in the previous year. Recognition of revenue from *Central Park*, the Group's prestigious residential development in central Shanghai contributed substantially to the Group's performance.

Profit from operations was \$107.5 million which included other operating income comprising primarily mark-to-market gains on financial assets. In the previous year the Group had a surplus of \$99.6 million, a significant portion of which was attributable to our share of profits on disposal of our 34.5% interest in Benchmark Group PLC ("Benchmark"). The Group's net profit after tax and minority interests in the Year was \$76.0 million as against \$120.0 million in the previous year. The Group derived a lower profit from associated companies following the sale of Benchmark in the United Kingdom and the Group's tax expense was higher because of the income tax charge on the Group's profit from China.

The Group derived 55% of its revenue from overseas compared to 9% in the previous year. The Group's allocation of capital in its core property markets also yielded improved margins. In line with our continued focus on active management of shareholders' wealth, shareholders' funds increased from \$972.6 million as at 30 June 2004 to \$1,083.1 million as at 30 June 2005. The new net asset value per share was \$1.67 as at 30 June 2005 compared to \$1.44 in the previous year. Net debt comprising bank borrowings net of cash and deposits decreased substantially from \$717.9 million as at 30 June 2004 to \$405.9 million as at 30 June 2005 reflecting an improvement in the gearing ratio from 0.74 to 0.37. Market capitalization has also increased to \$991.7 million as at 30 June 2005, enhancing the intrinsic value of the Company's shares.

Dividends

The Company in the past 11 years has consistently rewarded its shareholders with a good dividend. The Board is again recommending an ordinary dividend of 8% or 8 cents per ordinary share less tax for the Year. This is subject to approval of shareholders at the Annual General Meeting of the Company to be held on 27 October 2005. This dividend if approved, will be paid on 1 December 2005.

Given the Group's sound financial standing and entrepreneurial spirit, we are well-placed to further leverage on growth opportunities in our core geographical markets. Positive economic growth prospects in these countries will also help the Group succeed in these markets.

I am pleased to deal with the Group's progress in key markets as follows:-

Singapore

All sectors of the Singapore property market showed signs of a modest recovery in 2004 and in the first half of 2005. In particular, the prices of private residential property edged up a moderate 0.9% for the whole of 2004 after falling for four consecutive years. Subsequently private home prices picked up a further 0.7% in the first quarter of 2005 and 0.4% in the ensuing quarter, indicating continuous recovery in the residential segment. According to the Urban Redevelopment Authority (URA) data, developers sold 1,250 units in the first quarter of 2005 and 2,750 units in the next quarter. This was the highest quarterly figure for about 3 years, further indicating a continuing uptrend in sales as compared to sales of 5,785 private homes in the whole of 2004 and 5,156 in 2003. The number of unsold developers' stock fell 16.6% to about 12,000 units as at end June 2005.

In view of positive sentiments in the residential market, the Group focused on replenishing its landbank through an en bloc acquisition and Government land tenders. In March 2005, the Group completed the acquisition of the *Greenacres Condominium* at West Coast Road. This is a freehold site of about 13,245 square metres in the vicinity of the National University of Singapore. This site will be developed into a 5-storey condominium of 162 homes. The Group also acquired a 99-year leasehold Government Land Sales site at suburban Buangkok Drive / Sengkang Central. When completed, this 21,985 square metre land parcel is expected to generate 625 units. The Group is focused on attractive design, planning and spatial elements for these projects which are targeted for launch in late 2005 or early 2006.

The Group has obtained Temporary Occupation Permit for *D'Elia* which is 100% sold, and for *The Gardens at Bishan* and *Bishan Point*, which are almost 100% sold. *Nathan Place* also enjoyed favourable sales and is now fully sold. As part of our commitment to quality, the Group is focused on quality buildings. *The Gardens at Bishan* achieved a high Construction Quality Assessment System

CHAIRMAN'S STATEMENT

(CONQUAS) score, the national standard for construction quality used by the Building Construction Authority to assess building projects.

In August 2005, the Government announced new plans to reinvent Singapore into a vibrant global city with an outstanding living environment for all. Singapore's skyline is set to change significantly in view of new iconic developments which will take shape in the next 5 to 10 years. In this respect, the Group's 97-unit *Leonie Studio* in the vicinity of Orchard Road will stand to benefit from the Government's key initiatives to remake and rejuvenate Orchard Road into one of the longest continuous shopping streets in the world with vibrant street life. The launch of *Leonie Studio* in July 2005 had been successful and the development is now 69% sold. In addition, the Group also has three other new freehold launches in the pipeline - the proposed 110-unit *Paterson Residence*, the 45-unit *The View @ Meyer* and the 162-unit development at the West Coast Road site. These developments promise to be exciting lifestyle boutique developments offering great location, vibrant architectural concepts and quality homes, with potential for capital appreciation.

The high offer for the Business and Financial Centre is expected to lift market sentiment, especially for office space, on the back of a generally improved outlook for the business services sector. Even as Singapore's office rentals become more competitive in the world market, data from the URA indicates that local office rentals have risen 1% in the second quarter of 2005, slower than the 2.2% increase in the first 3 months of the year. The Group's two commercial investment properties, *Tung Centre* and *Robinson Centre* both experienced good occupancy levels during the Year. *Tung Centre*, a Grade A office building in central Raffles Place is currently about 95% let, whilst that of *Robinson Centre*, is 83%.

China

China's fast growing economy accelerated to a robust 9.5% annual growth in 2004, compared with 9.1% in 2003. In the first half of 2005, China's economy continued to grow by 9.5%. The real estate sector is an important engine in the country's domestic growth as it is in most countries. The recent move to adopt a managed float of the *yuan* based on a basket of currencies and the raft of tightening measures undertaken by the central government to moderate China's economic growth, are positive measures in the medium and long-term growth of China.

Since 1994, the Group has been active in the real estate sector in China. During these 11 years, its subsidiaries in China have gained relevant expertise and experience from its developments in Shanghai and Beijing.

In Shanghai, the Group has successfully sold 99% in *Central Park*, a luxury condominium development located in the central Luwan District, close to the prime shopping haven of Huaihai Middle Road. Completion of this 262-unit high-end trendsetting modern development and handover to buyers is targeted for end 2005.

In Beijing, the Group has a 99.04% interest in a site of approximately 36,501 square metres, located in the Feng Sheng area within the prime Xicheng District, west of Tiananmen Square. Construction permits to develop the site into a 814-unit residential development called *West End Point* are expected soon. *West End Point* is designed with a full array of facilities and amenities. This distinctive development is scheduled for launch in late 2005 or early 2006. Also within the Xicheng District, the Group has a 75% stake in *Corporate Square*, a prime office building in downtown Financial Street of 95,757 square metres which is 73% sold.

Having established development operations in Shanghai and Beijing, the Group's strategy is to expand its China operations in other major cities where there is a fast-growing middle class and a strong demand for good quality housing. In line with this strategy, the Group made its first inroad into Nanjing, a major city in the thriving Yangtze River delta and part of the prosperous Jiangsu province. With a population of about 6 million, Nanjing is the second largest commercial centre in eastern China and is a 3 hours' drive to Shanghai. In July 2005, the Group successfully tendered for a site in Gujiaying, which is slated primarily for residential development with some retail area. The Group has a 99% interest in this approximately 296,002 square metre site which is located in the urban Xuanwu District, just opposite the scenic Purple Mountains. The development is targeted for the mid and higher-end market and the Group intends to construct more than 2,000 residential units in this resort-style development.

To date, the Group has made good progress in establishing the foundation for its property business in China. The Group will balance growth with operational excellence through, *inter alia*, its China-based management to ensure that risk management

practices and corporate governance structures are aligned with those in Singapore.

Malaysia

After a 4-year high growth of 7.1% in 2004, Malaysia's economy is expected to grow between 5% and 6% in 2005. The Malaysian economy expanded 4.1% in the second quarter of 2005. A softer global economy and escalating oil prices may dampen export growth but the near term Malaysian outlook is favourable.

The Company is now a major shareholder of GuocoLand (Malaysia) Berhad (formerly known as Hong Leong Properties Berhad) ("GLM"), a company listed on Bursa Malaysia Securities Berhad ("Bursa Securities"). During the Year, the Group made ongoing market purchases of shares in this Malaysian real estate associate and now has a 44.07% stake in GLM. The principal activities of the GLM group comprise the development and investment of residential and commercial properties, and the operation of hotels, mostly in Malaysia. GLM has approximately 12,178 acres of landbank for residential and township development located primarily in Klang Valley, Sepang and Malacca.

GLM has tapped on the new favourable real estate investment trust (REIT) legislation and framework which has been established in Malaysia. In August 2005, GLM announced plans to enter the REIT market with the proposed sale of 2 of its commercial properties in Kuala Lumpur to a REIT to be established by GLM ("GLM REIT"). The proposed disposal of *HP Towers*, which is within the Bukit Damansara area, and the 32-storey *Menara HLA*, which is located near the Kuala Lumpur City Centre, will enable GLM to realise its investments in these two buildings, generating liquidity which will be reallocated to its core business of residential development. GLM REIT intends to offer units in the REIT to the public under a listing on the Main Board of Bursa Securities.

The Group's entry into Malaysia is through its substantial interest in GLM which has established property operations in the Peninsula. The Group is working with the management team of GLM to identify areas of future growth and to optimise value from GLM's substantial asset base and through new acquisitions.

STRATEGY GOING FORWARD

The Group's key strategy is to focus its core property operations in geographical markets where there is potential for growth

and where it feels it has expertise and synergies. The Group has established experienced embedded management teams in core property markets in Singapore, China and Malaysia. These teams have both the cross-border and local experience required to pursue a sustainable growth strategy and to build up the Group's commitment to its role as a quality developer. The Group sees positive prospects in these markets and will also evaluate other real estate opportunities such as property fund management to augment earnings. We will also look at other markets where the Group sees opportunities for growth.

In an effort to position the Company as a premier property group in our core markets and with Asian economies on track for growth, as well as the new revival of foreign investment in emerging markets in Asia, the Group will be proactive in evaluating potential investment opportunities in such selected markets.

In our home market Singapore, the multiple growth drivers of services, high-technology manufacturing and the biomedical science sectors have resulted in an economic upswing, which underscores a reasonably firm recovery in the residential property market. In addition, other factors driving growth include the Government's foresight and long-range policies to position Singapore as an international cosmopolitan city and hub for the world, with fresh, innovative and exciting iconic developments as well as an open society to anchor foreign talent. There will be opportunities for property developers with good financial capacity to undertake exciting, scalable landmark property development projects. The Group will work to pursue these opportunities to build size, resilience and our branding as a premier property company in Singapore and in the region. We will be participating in the tender for the Integrated Resort at Marina Bay and are working on concepts and designs that will add flavour and breathe new life and vibrancy into the New Downtown as well as position Singapore as a magnet for travellers from around the world.

IN APPRECIATION

I would like to again extend my appreciation to the Board of Directors, Management and staff for their invaluable contributions, steadfast commitment and dedication throughout the Year. I am also grateful to our bankers, shareholders, customers and friends who have firmly supported us during the Year.

Sat Pal Khattar

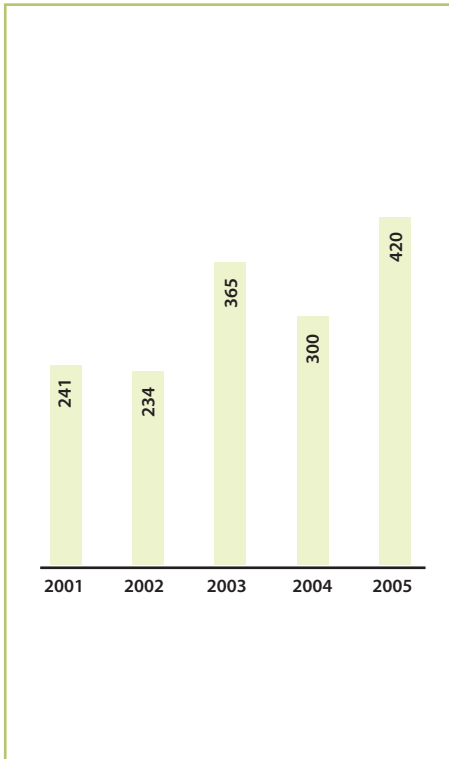
15 September 2005

FINANCIAL HIGHLIGHTS

Year ended 30 June	2005 S\$'000	2004 S\$'000	2003 S\$'000	2002 S\$'000	2001 S\$'000
Profit & Loss Accounts					
Revenue by business segments					
Property development	400,069	283,221	338,111	192,327	175,559
Property investment	9,444	13,353	16,465	18,324	16,482
Equity investment	9,935	527	4,641	11,355	23,617
Insurance	-	-	-	13,305	13,442
Other operations	93	2,960	5,637	(1,181)	12,343
Total	419,541	300,061	364,854	234,130	241,443
Profit/(Loss) before taxation	103,804	116,005	117,100	(171,616)	(3,843)
Profit/(Loss) after taxation and minority interests	75,954	120,015	94,205	(179,925)	(24,194)
Dividends (Ordinary)	42,595	42,594	38,141	15,863	13,919
Balance Sheets					
Investment properties	308,000	308,000	318,000	353,000	446,600
Development properties	958,800	878,650	1,024,262	838,159	1,176,913
Interests in associated companies	223,646	147,947	366,920	547,766	666,237
Investments and other assets	633,670	790,202	394,101	597,927	712,060
Total assets	2,124,116	2,124,799	2,103,283	2,336,852	3,001,810
Bank borrowings	(809,845)	(980,612)	(1,055,697)	(1,404,022)	(1,742,476)
Other liabilities	(187,251)	(129,753)	(125,082)	(156,669)	(210,638)
Total liabilities	(997,096)	(1,110,365)	(1,180,779)	(1,560,691)	(1,953,114)
Minority interests	(43,943)	(41,852)	(39,882)	(26,394)	(42,074)
Net Assets	1,083,077	972,582	882,622	749,767	1,006,622
Share capital	665,540	675,524	516,137	369,162	369,126
Reserves	417,537	297,058	366,485	380,605	637,496
Shareholders' Equity	1,083,077	972,582	882,622	749,767	1,006,622
Ratios					
Net tangible assets per share (S\$)	1.67	1.54	1.53	1.92	2.62
Net asset value per share (S\$)	1.67	1.44	1.52	1.92	2.62
Basic earnings per share (cents)	11.54	19.95	19.91	(49.41)	(7.16)
Gross ordinary dividend rate (cents)	8	8	8	5	5

Note : 2001 comparative figures have been restated to conform with requirements arising from the adoption of new/revised accounting standards in 2002.

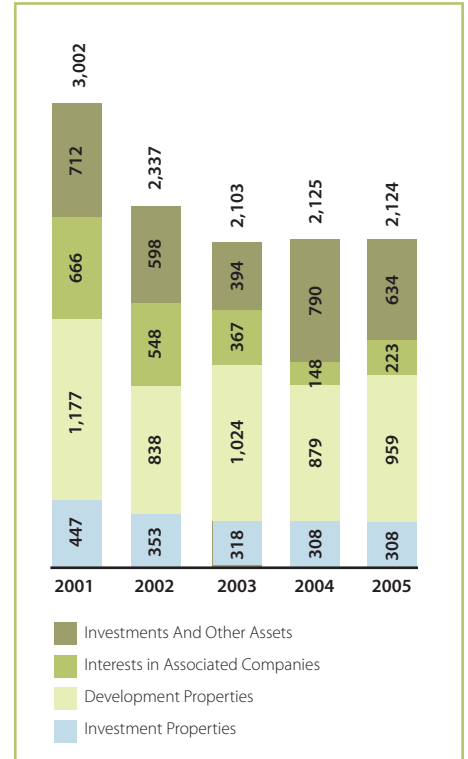
GROUP REVENUE
(S\$ MILLION)



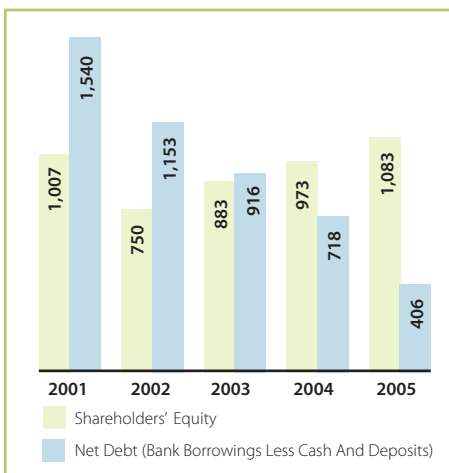
PROFIT PERFORMANCE
(S\$ MILLION)



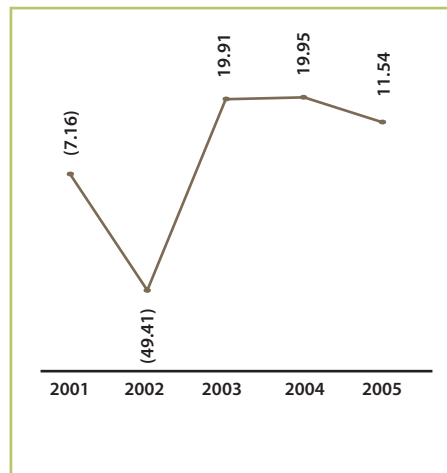
GROUP TOTAL ASSETS
(S\$ MILLION)



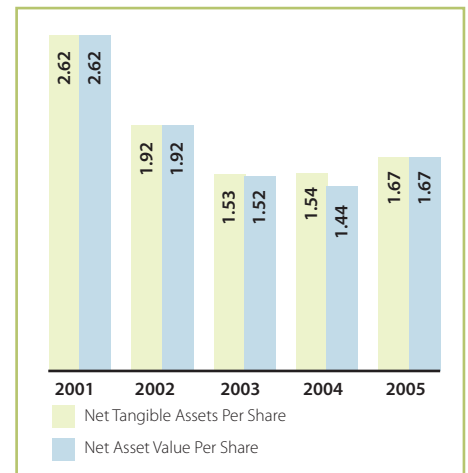
SHAREHOLDERS' EQUITY AND NET DEBT
(S\$ MILLION)



BASIC EARNINGS PER SHARE
(CENTS)



NET TANGIBLE ASSETS PER SHARE AND NET ASSET VALUE PER SHARE
(S\$)



CORPORATE GOVERNANCE

“Corporate governance refers to the processes and structure by which the business and affairs of the Company are directed and managed, in order to enhance long term shareholder value through enhancing corporate performance and accountability, whilst taking into account the interests of other stakeholders. Good corporate governance therefore embodies both enterprise (performance) and accountability (conformance).”

- Corporate Governance Committee

The Company remains committed to maintaining high standards of corporate governance. Its corporate governance practices and guidelines relating to dealings in securities by its directors and officers, which are contained in the Company's own code of corporate governance, are substantially in line with the principles of the Singapore Code of Corporate Governance (“Code”) and the Best Practices Guide issued by the Singapore Exchange Securities Trading Limited (“SGX-ST”).

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

(A) BOARD MATTERS

Board's Conduct Of Its Affairs

The Board assumes 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 and direction of 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 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, of which one was convened by teleconference. This is provided in the Company's Articles of Association which permits directors to convene Board meetings by teleconferencing or videoconferencing.

New directors are apprised of the business activities of the Group and its strategic directions. 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 property transactions. Directors are also updated regularly on key regulatory and accounting changes at Board Meetings. During the last financial year, Directors attended briefings and seminars to update on relevant new laws, accounting standards and corporate governance issues and practices.

Board Composition And Balance

The Board currently comprises seven well-qualified members who are business leaders and professionals with financial, banking and legal backgrounds. Taking into account the current nature and scope of the Group's operations, the Board considers its present size to be appropriate. Profiles of the directors are set out on pages 12 and 13. The majority of the directors (five out of seven) are non-executive and are considered independent by the Nominating Committee, whose role is described in greater detail in the later part of this report.

Chairman And Chief Executive Officer

The respective roles and functions of the Chairman and Chief Executive Officer (“CEO”) are held separately by Messrs Sat Pal Khattar and Quek Chee Hoon. As the Chairman is a non-executive director, the Company Secretary assists the Chairman to schedule and prepare agendas for Board meetings. These are reviewed by the Group President and CEO and then approved by the Chairman. The Group President and CEO ensures the quality and timeliness of information flow between the Board and Management, which comprises key executive personnel of the Company.

Board Membership

The Nominating Committee recommends all Board appointments. As prescribed by the Company's Articles of Association and recommended by the Code, 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. All Directors also retire from office and are subject to re-election once at least in each three years.

Board Performance

On an annual basis, the Nominating Committee assesses the effectiveness and performance of the Board as a whole and the contributions of each director. This assessment by the Nominating Committee had taken into account the attendance and contributions of members at meetings of the Board and Board Committees and members' participation in the affairs of the Company, including a review of matters such as the independence of directors, their individual skills and experience as well as overall Board size and composition. The results of the Nominating Committee's assessment had been communicated to and accepted by the Board.

Access To Information

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.

Board Committees

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

1. **Executive Committee:** The Executive Committee 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 Executive Committee are the Group President and CEO and Messrs Quek Leng Chan (who is the Chairman) and Kwek Leng Hai, and certain key senior management personnel. The Executive Committee meets regularly, on an average of once a month.
2. **Audit Committee:** The members of the Audit Committee comprise Messrs Reggie Thein (who is the Chairman), Lum Choong Wah and Goh Yong Hong, all of whom are non-executive directors and are considered independent. As part of the Company's corporate governance practices, the Group President and CEO attends all Audit Committee meetings, of which four were held 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 Sat Pal Khattar, a non-executive director and Mr Quek Leng Chan, an executive director.

CORPORATE GOVERNANCE

4. Nominating Committee: This committee comprises three directors, two of whom are considered to be independent. Mr Sat Pal Khattar chairs the Nominating Committee and the other members are Messrs Kwek Leng Hai and Lum Choong Wah. This committee which meets at least annually, held one meeting in the last financial year.

5. Remuneration Committee: This committee comprises three directors, two of whom are non-executive independent directors. Mr Sat Pal Khattar chairs the Remuneration Committee and the other members are Messrs Quek Leng Chan and Reggie Thein. The Remuneration Committee which meets at least annually, held one meeting in the last financial year.

(B) REMUNERATION MATTERS

The Remuneration Committee, in consultation with the Executive Committee, 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 together with 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 seven directors for the last financial year amounted in the aggregate to \$307,500 and is subject to the approval of shareholders.

The remuneration package comprising mainly salaries and bonuses, for the executive directors (including the Group President and CEO) and the top four key executives who may also be the directors of the Company's subsidiaries, is disclosed in bands of \$250,000 so as to maintain confidentiality of staff remuneration matters. This information is contained in Note 26b to the Financial Statement.

The Company and its principal subsidiaries do not have any employees who are the immediate family members of any of the directors or the Group President and CEO and whose remuneration exceeded \$150,000 during the last financial year.

(C) ACCOUNTABILITY AND AUDIT

Audit Committee And Internal Controls

The terms of reference of the Audit Committee are set out in the Company's own code of corporate governance.

In performing its functions, the Audit Committee undertook, inter alia, the following:-

- reviewing the Group's quarterly, interim and final financial statements prior to submission to the Board;
- meeting with the Company's external and internal auditors, in the absence of Management;
- reviewing the independence of the Company's external auditors;
- ensuring that a review of the effectiveness of the Company's material internal controls (including financial, operational and compliance controls, and risk management) was conducted;
- noting or reviewing interested person transactions; and
- 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.

The Company has an internal audit team comprising qualified personnel, which assists the Audit Committee in discharging its responsibilities. This ensures that Management maintains a sound system of internal controls, to safeguard shareholders' investments and the assets of the Company.

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 which incorporates a Risk Register to capture the risk profile of the Group and the internal controls in place to mitigate these significant business risks once every six months.

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 of management and financial information and against fraud.

Having regard to the reviews carried out by the Audit Committee and internal auditor, the Board believes that the system of internal controls maintained by Management together with the ongoing process of identifying, assessing and managing significant risks faced by the Group, should meet the needs of the Company in its current business environment.

(D) INTERNAL AND EXTERNAL COMMUNICATION

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.

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 annual general meetings to assist the Board in addressing any queries raised by shareholders.

DEALINGS IN SECURITIES

The Company has in accordance with the guidelines in the Best Practices Guide, adopted its own Code to provide guidance 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 when in possession of unpublished price-sensitive information in relation to those securities, and during the Company's close periods which is defined as two weeks immediately preceding the announcement of the Company's annual or half-yearly or quarterly results, as the case may be, up to and including the date of announcement of the relevant results. These guidelines have been disseminated to all directors, officers and key employees of the Group.

BOARD OF DIRECTORS



MR SAT PAL KHATTAR was appointed to the Board in 1988. He has been the Chairman of the Group since 1990 and is proposed for re-election at the Company's Annual General Meeting on 27 October 2005. Mr Khattar is the Chairman of the Nominating Committee and Remuneration Committee which were established in September 2002. Mr Khattar is also a Director of other listed companies such as Haw Par Corporation Limited in Singapore and Guoco Group Limited in Hong Kong. Mr Khattar holds a LLM degree and a LLB (Hons) degree from the University of Singapore.

Mr Khattar chaired the Board, Nominating Committee and Remuneration Committee meetings of the Company held during the financial year ended 30 June 2005.

MR QUEK CHEE HOON was appointed to the Board in 1998, and was last re-elected to the Board at the Company's Annual General Meeting in October 2004. He is the Group President and Chief Executive Officer of the Group. Mr Quek has 28 years' extensive experience in various investment, corporate and management activities, including projects in infrastructure and property-related activities and businesses. Mr Quek holds a Bachelor of Accountancy degree from the University of Singapore.

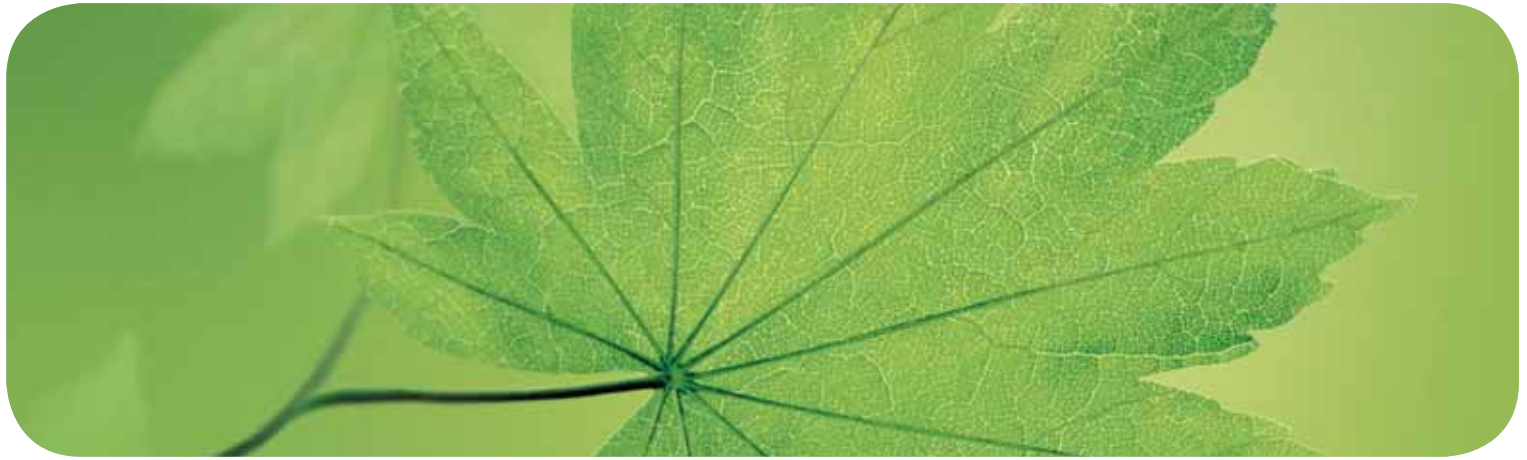
Mr Quek attended all the Board and Executive Committee meetings of the Company held during the financial year ended 30 June 2005. He also attended all the Audit Committee meetings held during the financial year ended 30 June 2005 in his capacity as the Group President and Chief Executive Officer of the Company.

MR QUEK LENG CHAN was appointed to the Board in 1988, and is proposed for re-election at the Company's Annual General Meeting on 27 October 2005. He is the Chairman of the Executive Committee and a member of the Remuneration Committee. Mr Quek is the Executive Chairman of the Hong Leong Group Malaysia and he sits on the Boards of its major public listed companies. 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 attended all the Board, Executive Committee and Remuneration Committee meetings of the Company held during the financial year ended 30 June 2005.

MR KWEK LENG HAI was appointed to the Board in 1988, and was last re-elected to the Board at the Company's Annual General Meeting in October 2004. He is a member of the Nominating Committee. Mr Kwek is the President and Chief Executive Officer of Guoco Group Limited in Hong Kong. Mr Kwek is a qualified 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 2005.



MR LUM CHOONG WAH was appointed to the Board in 1997 and was last re-elected to the Board at the Company's Annual General Meeting in November 2003. He is a member of the Audit Committee and Nominating Committee. Mr Lum has held senior executive and chief executive positions in both the public and private sectors spanning some 25 years. He holds a Bachelor of Arts (Hons) degree from the University of Malaya in Singapore and a Master of Public Administration from Harvard University.

Mr Lum attended all the Board, Audit Committee and Nominating Committee meetings of the Company held during the financial year ended 30 June 2005.

MR GOH YONG HONG was appointed to the Board in 1999, and was last re-elected to the Board at the Company's Annual General Meeting in October 2004. Mr Goh is a member of the Audit Committee. He had served 31 years in the Singapore Police Force, being Commissioner of Police from 1979 until his retirement from service in 1992. His other appointments include being Chairman of the Board of Advisors of Raffles Town Club, Patron of Singapore Swimming Association, Director of Asia Pacific Breweries Limited, Asia Pacific Breweries (S) Pte Ltd, Dragon Land Limited and SC Global Developments Ltd. Mr Goh holds a Bachelor of Law (Hons) degree from the University of Malaya in Singapore (1961).

Mr Goh attended two of the four Board meetings and all the Audit Committee meetings of the Company held during the financial year ended 30 June 2005.

MR REGGIE THEIN was appointed to the Board in July 2002, and is proposed for re-election at the Company's Annual General Meeting on 27 October 2005. He is Chairman of the Audit Committee and a member of the Remuneration Committee. He retired as a Senior Partner, Coopers & Lybrand Singapore, the legacy firm of PricewaterhouseCoopers in 1999 after having spent 37 years with the firm. Mr Thein is a Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Institute of Certified Public Accountants of Singapore. He is also a member of the governing council of the Singapore Institute of Directors and is active in promoting and advancing the practice of corporate governance in Singapore. Mr Thein was awarded the Public Service Medal by the President of Singapore in 1999. He is currently a director of several listed companies in Singapore which include BIL International Limited, F J Benjamin Holdings Ltd, Grand Banks Yachts Limited, Haw Par Corporation Limited, Keppel Telecommunications & Transportation Limited, MFS Technology Ltd, MobileOne Ltd, Lindeteves-Jacoberg Limited and Pearl Energy Limited.

Mr Thein attended all the Board and Remuneration Committee meetings and chaired all the Audit Committee meetings of the Company held during the financial year ended 30 June 2005.

SENIOR MANAGEMENT

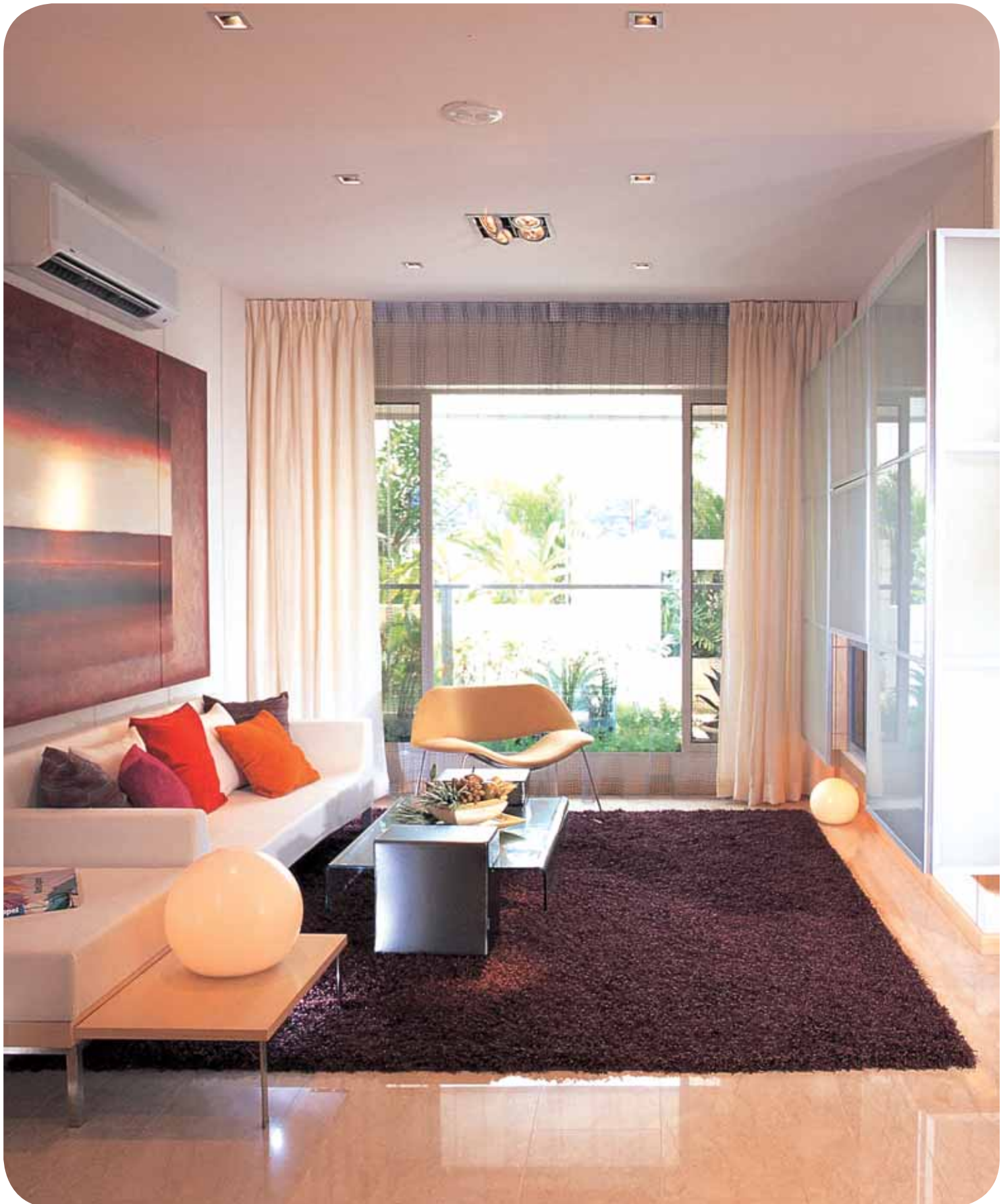


MR STRINA LOH is the Managing Director of the Group's Singapore Property Division. She joined the Group in 1999. Mrs Loh has 23 years' experience in various aspects of the real estate business, particularly in Singapore, United Kingdom and New Zealand. Mrs Loh was a Colombo Plan Scholar and holds a Bachelor of Property Administration degree from the University of Auckland, New Zealand.

MS VIOLET LEE is the Managing Director of the Group's China Property Division. She joined the Group in 2000. Ms Lee has 21 years' working experience, spanning business development, marketing and management of various projects, including real estate-related projects in China. Ms Lee holds a Bachelor of Accountancy degree from the National University of Singapore.

MR JERRY LEE is the Group Financial Controller. He has been with the Group since 1996. Mr Lee has 26 years of working experience and held various positions in management, business development, corporate finance, corporate treasury, accounting and banking. Mr Lee holds a Bachelor of Accountancy degree from the University of Singapore, a Master of Business Administration degree from the Australian Graduate School of Management, University of New South Wales and a Master Degree in Applied Finance from Macquarie University.

MRS DAWN PAMELA LUM is the General Manager, Corporate Affairs and concurrently, the Group Company Secretary of the Group. She has been with the Group since 1987. Mrs Lum has a total of 29 years of working experience and has assumed key roles in the corporate and management functions of the Company. Mrs Lum holds a LLB (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.



The Group is committed to developing quality homes and has vast experience in developing and selling properties in Singapore. Overseas, the Group's core geographical markets are in China and Malaysia, and it has property investments in India.



SINGAPORE: RESIDENTIAL DEVELOPMENTS

The Group has the following leasehold and freehold projects which are located close to the city area.

LEONIE STUDIO

Sitting atop Leonie Hill and within the fringes of Singapore biggest thoroughfare - Orchard Road, is *Leonie Studio*, a proposed development of 97 homes. To be comprised in a single 32-storey block, this 99-year leasehold development is designed with a full

curtain wall in the master bedroom of each unit. When completed, the higher-floor units can offer residents stunning views of the city's skyline. *Leonie Studio* was launched in Singapore in July 2005 and is now 69% sold.



LEONIE STUDIO

PATERSON RESIDENCE

Paterson Residence will comprise 110 exclusive residential suites. This proposed 24-storey tall freehold residential condominium development will be developed on approximately 7,774 square metres of land in the prime Paterson Road area, close to the exciting throb of Orchard Road. This development will be launched shortly.

NATHAN PLACE

Nestled in a prime neighbourhood, all 46 freehold units in *Nathan Place* at Nathan Road have been fully sold. One of the highlights of this development is the quiet charm of a refurbished conservation bungalow, which is adjacent to two low-rise 5-storey blocks. The Temporary Occupation Permit (TOP) of *Nathan Place* is expected to be issued in mid 2006.



PATERSON RESIDENCE



NATHAN PLACE

SANCTUARY GREEN

SanctuaryGreen is a 99-year leasehold condominium project located away from the hubbub of city life within the residential enclave of Tanjong Rhu. With some of its 522 units offering spectacular waterfront views, this development seeks to offer a relaxed resort-style ambience for family and loved ones to retreat to, with recreational parks and trails close by to cater to the avid nature lover. Further, just opposite *SanctuaryGreen* is the upcoming public golf course project by the NTUC Club, which will be an additional exciting boost to the golf enthusiast. Yet, its proximity to the future Business and Financial Centre at Marina Boulevard, the proposed

integrated resort at Marina Bay that promises to offer world-class entertainment and leisure facilities, as well as the 3 new distinctive gardens planned for in this bay area, will enable residents to enjoy being part of a great vibrant landscape for both work and play. The proposed new MRT station near the Singapore Indoor Stadium will also give greater convenience to residents commuting to the city and beyond, when this station becomes operational. *Sanctuary Green* is available for immediate occupancy.



SANCTUARY GREEN

LE CRESCENDO

Le Crescendo, a proposed freehold 20-storey development at Paya Lebar Road, has had 64% of its launched units sold. This contemporary development has been designed to give residents natural lighting and ventilation with the use of bay windows in the bedrooms of its 228 units. When completed and fully operational, the Circle Line's future Upper Paya Lebar and MacPherson MRT stations, as well as the proposed Kallang-Paya Lebar Expressway will connect homeowners of this high-rise project to all parts of the island. *Le Crescendo's* TOP is expected to be obtained in December 2005.



LE CRESCENDO

THE VIEW @ MEYER

Located in upmarket Meyer Road, this residential freehold site is slated to be developed into a 23-storey condominium comprising 45 homes, with most units having sea, pool and park views. *The View @ Meyer* will be a fun and exciting place to live in, as it is just opposite Katong Park and the nearby East Coast beach, where residents can enjoy many recreational sporting activities, as well as the famous Katong eateries along East Coast Road. At the same time, the convenient access of the East Coast Parkway will provide easy travel arrangements for all, whether going near or afar. A launch of *The View @ Meyer* is targeted for end 2005.



THE VIEW @ MEYER

The Group has also developed two 99-year leasehold condominiums at suburban Bishan.

THE GARDENS AT BISHAN

Situated at Sin Ming Walk, *The Gardens at Bishan* is a charming 756-unit European-themed development embellished with Italian gazebos, ornamental statues and fountains as part of an European garden setting. The development is presently 98% sold.



THE GARDENS AT BISHAN

BISHAN POINT

Nearby at Bright Hill Drive is *Bishan Point*, a single high-rise condominium block containing 164 units, including 4 penthouses. The units have been designed to facilitate natural lighting and ventilation, as part of the project's contemporary architecture. Residents may immediately move into these modern homes as the TOP for this development was issued in June 2005.

Bishan Point is close to Ai Tong School and other leading educational establishments, as well as shopping and transport conveniences. More than 95% of *Bishan Point* units have been taken up.



BISHAN POINT

During the Year, the Group acquired two land parcels, both of which are scheduled to be launched by end 2005 or early 2006.

PROPOSED DEVELOPMENT AT WEST COAST ROAD

This freehold site of about 13,245 square metres is located at West Coast Road within close proximity of the National University of Singapore. Building plan approvals have been obtained to develop this site into a 5-storey condominium of 162 homes.



ARTIST'S IMPRESSION OF PROPOSED DEVELOPMENT AT WEST COAST ROAD

PROPOSED DEVELOPMENT AT BUANGKOK DRIVE

This proposed 625-unit condominium housing development will comprise 9 high-rise blocks at suburban Buangkok Drive. The 99-year leasehold development will be built on a 21,985 square metre

land parcel just opposite the soon-to-be-opened Buangkok MRT station. A launch of this development is scheduled for early 2006.



ARTIST'S IMPRESSION OF PROPOSED DEVELOPMENT AT BUANGKOK DRIVE

The Group has 2 joint venture freehold projects in prestigious residential areas near Orchard Road.

THE LADYHILL

The Ladyhill at 1 Lady Hill Road has been specially designed to give luxury and space to its 55 residents, with each elegant unit equipped with either an individual light courtyard or a roof terrace. This condominium development is 69% sold and is available for immediate occupation.

BOULEVARD RESIDENCE

Located at Cuscaden Walk, this high-rise development has 46 units, of which some 32 units have been taken up. Residences start from the 6th level of the 36-storey high-rise development and come with private lift access to give *Boulevard Residence* residents that added touch of privacy and exclusiveness.



THE LADYHILL



BOULEVARD RESIDENCE

SINGAPORE : INVESTMENT PROPERTIES

The Group has 2 investment commercial properties located in the central business district.

TUNG CENTRE

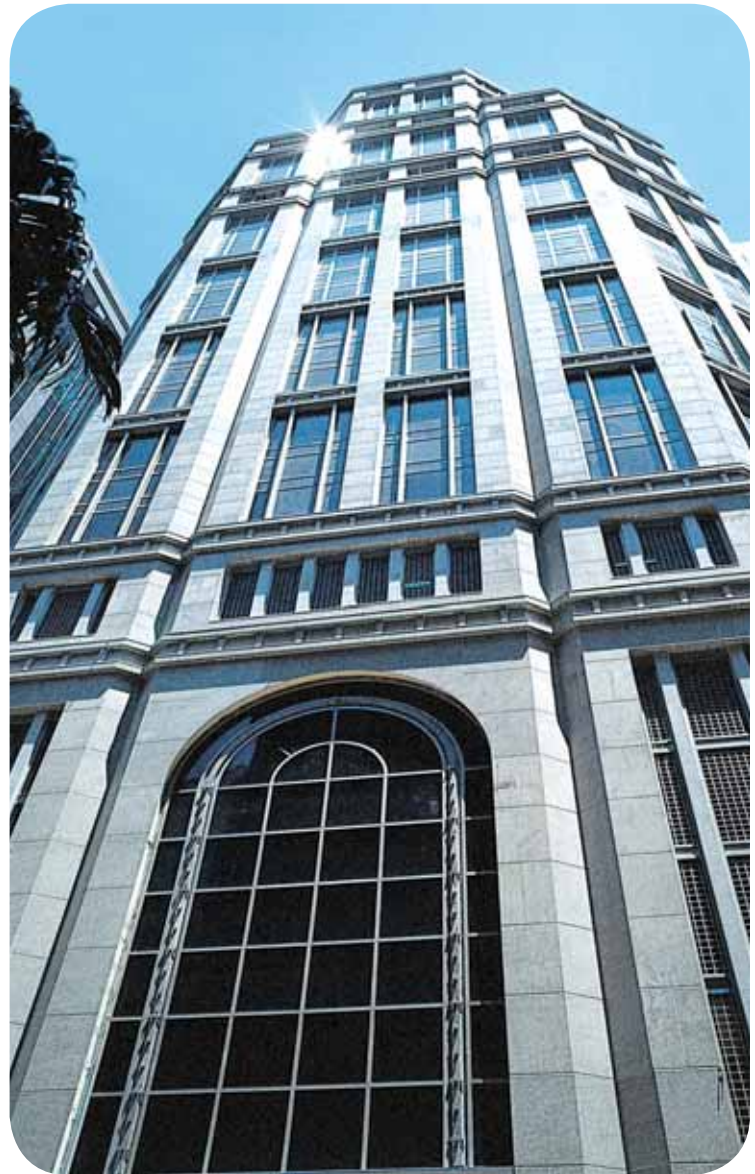
Tung Centre is a 24-storey office tower at Collyer Quay overlooking the scenic Marina Bay. In view of its central location, the Company's Corporate Office and many other local and international organisations have made their offices in this building. Being located at the heart of Raffles Place, *Tung Centre* is in close proximity to the Raffles Place Interchange MRT station. It is 95% let.

ROBINSON CENTRE

Located along busy Robinson Road between the Raffles Place Interchange MRT and Tanjong Pagar MRT stations, is another of the Group's office building - *Robinson Centre*. Apart from housing the offices of the Group's Singapore Property Division, this relatively new 20-storey building is leased to a mix of local and foreign tenants. *Robinson Centre* presently enjoys an occupancy rate of 83%.



TUNG CENTRE



ROBINSON CENTRE

SINGAPORE: PROPERTY-RELATED SERVICES

Property management, marketing and maintenance services in Singapore are within the purview of the Group's wholly-owned subsidiary, GuocoLand Property Management Pte. Ltd. ("GLPM"). Having built up about 15 years of experience and expertise in property-related services, GLPM lends its hand in providing a supportive role to the Group's Singapore residential developments and investment properties.

The Group also has an internet portal, www.myhome.com.sg which is managed by the Group's wholly-owned subsidiary, MyHome Online Pte Ltd. This portal seeks to provide purchasers of the Group's development projects regular updates on the progress of their units. Homeowners may also avail themselves to the portal's selection of online services, including the booking of appointments for the collection of keys when units are ready for occupation and the booking of estate facilities, all these intended to give added convenience to homeowners.



LE CRESENDO

OVERSEAS INVESTMENTS: CHINA

The Group has existing investments in the bustling gateway cities of Shanghai and Beijing. Recently, the Group has added Nanjing as another major city to its property portfolio in China.

SHANGHAI – CENTRAL PARK

This exclusive condominium in the prestigious Luwan District is 99% sold. The development is made up of three high-rise towers, encompassing two 28-storey blocks and a 15-storey building.

With completion for *Central Park* targeted by end 2005, all 262 homeowners can soon enjoy the posh convenient shopping amenities of nearby Huaihai Middle Road.



SHANGHAI - CENTRAL PARK

BEIJING – WEST END POINT

In Beijing, the Group is undertaking a development on an approximately 36,501 square metre site within the Second Ring Road - a major transportation node providing access to other parts of Beijing. Construction permits to develop the site into a 814-unit residential development called *West End Point*, are expected soon. This distinctive development is designed with a full array of facilities and amenities including a basement swimming pool with skylight.

The site is located in the Feng Sheng area of the Xicheng District (West City). Xicheng District is in the centre of Beijing, just west of the Forbidden City and Tiananmen Square. It is well known as a business, cultural, financial, historical and political district of Beijing, and is also home to many legacies of Beijing's long history, thus blending the old with the new. The Xidan commercial district, Financial Street (Jinrongjie), the famous Zhongnanhai, the popular



ARTIST'S IMPRESSION OF WEST END POINT

Houhai entertainment area and exquisite parks such as Beihai Park, Jingshan Park and Yuetan Park are within the Xicheng District. The distinctive Silver Dome of the National Theatre, an iconic new landmark in Beijing, is within close proximity.

West End Point, which is earmarked to be a prime distinctive development in a prominent location, is slated for an upcoming launch by end 2005 or early 2006.

NANJING – GUJIAYING SITE

This most recent acquisition by the Group comprises a proposed development within a 296,002 square metre land parcel in Gujiaying. Located near the scenic Purple Mountains in Nanjing's Xuanwu District, there are plans to develop the site into a resort-style residential enclave with some retail units.



ARTIST'S IMPRESSION - PROPOSED CLUBHOUSE AT WEST END POINT



ARTIST'S IMPRESSION OF WEST END POINT



THE SCENIC PURPLE MOUNTAINS IN NANJING'S XUANWU DISTRICT

OVERSEAS INVESTMENTS : MALAYSIA

The Group's Malaysian associate, GuocoLand (Malaysia) Berhad (GLM) has both commercial and residential properties within its property portfolio. Operating largely within Peninsular Malaysia, some of these properties are highlighted below.

MENARA HLA

This is a 32-storey office tower located in the heart of Kuala Lumpur's golden triangle, within walking distance to the world-renowned Petronas Twin Towers. With a total net area of 396,820 square feet, *Menara HLA* is designed with quality finishes and offers column-free offices, providing occupiers with functional and quality office accommodation.

HP TOWERS

HP Towers is a 21-storey office building with a 3-storey connecting podium and a 9-storey annex. The building is located in Damansara Heights, an exclusive residential district in Kuala Lumpur City. Due to its close proximity to the city centre and exclusivity, *HP Towers* has benefited from the spill-over of office demand in Kuala Lumpur City.



MENARA HLA



HP TOWERS

BANGUNAN HONG LEONG

Bangunan Hong Leong is a 16-storey purpose-built office tower located in one of the busiest, most visited areas in downtown Kuala Lumpur City, right at the heart of the central business and banking district. *Bangunan Hong Leong* is well served by an efficient transport system and is within walking distance to the Central Market and Plaza Rakyat LRT stations.

PANTAI SEPANG PUTRA

Also known as "City By The Sea", freehold *Pantai Sepang Putra* is situated about an hour's drive from the city of Kuala Lumpur and 30 km from the Kuala Lumpur International Airport. *Pantai Sepang Putra* seeks to offer an idyllic lifestyle of resort living within an assortment of property types, including bungalows, semi-detached houses, terrace houses, courtyard homes and shop offices. At the same time, the development is close to convenient amenities and is served by major highways and expressways, thus providing residents with easy accessibility to towns such as Putrajaya and Cyberjaya.



BANGUNAN HONG LEONG

EMERALD

Spanning 1,000 acres freehold land, the lush residential paradise of the *Emerald* enclave in Rawang is located just 20 minutes from Kuala Lumpur City. This delightful neighbourhood is conceptualised along a green street concept, landscaped with shade trees and lush foliage. The *Emerald* enclave presents an elegant and distinctive range of bungalows, semi-detached and link homes to complement the individual's preferred living style.

NOTTING HILL

This exclusive bungalow enclave nestled in the spectacular landscapes of Bukit Rahman Putra Golf Club, is 20 minutes to Kuala Lumpur City Centre. The lavishly spacious interiors are enhanced by an array of finishes, with full height picture windows and glass screens that fill the home with an ambience of natural light, enabling an unimpeded golf-course view which evokes a pleasing sense of tranquillity and majesty.



ARTIST'S IMPRESSION OF RESIDENTIAL HOUSES AT EMERALD



NOTTING HILL

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Directors' Report

For The Year Ended 30 June 2005

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 June 2005.

DIRECTORS

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

Sat Pal Khattar
 Quek Chee Hoon
 Quek Leng Chan
 Kwek Leng Hai
 Lum Choong Wah
 Goh Yong Hong
 Reggie Thein

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 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 2004	As at 30 June 2005	As at 1 July 2004	As at 30 June 2005
The Company	Ordinary Shares of S\$1.00 each fully paid			
Sat Pal Khattar	5,000,000	5,000,000	5,392,362	5,392,362
Quek Chee Hoon	5,862,725	5,862,725	Nil	Nil
Quek Leng Chan	14,047,224	14,047,224	458,785,229	459,407,229
Kwek Leng Hai	18,851,140	18,851,140	Nil	Nil
	Options to subscribe for Ordinary Shares of S\$1.00 each			
Quek Chee Hoon	2,000,000	6,500,000 [≈]	Nil	Nil
Intermediate Holding Company Guoco Group Limited	Ordinary Shares of US\$0.50 each fully paid			
Sat Pal Khattar	691,125	691,125	Nil	Nil
Quek Leng Chan	1,656,325	1,656,325	218,168,884	218,861,309
Kwek Leng Hai	2,820,775	2,820,775	Nil	Nil

≈ Subject to certain financial and performance targets being met during the performance period for the financial years 2005 to 2007. Please refer to Note 1 under "Share Options".

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 2004	As at 30 June 2005	As at 1 July 2004	As at 30 June 2005
	Ultimate Holding Company			
Hong Leong Company (Malaysia) Berhad				
	Ordinary Shares of RM1.00 each fully paid			
Quek Leng Chan	390,000	390,000	7,487,100	7,487,100
Kwek Leng Hai	400,500	400,500	Nil	Nil

	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares or *New shares to be issued arising from the exercise of warrants/options/irredeemable convertible unsecured loan stocks		
	As at 1 July 2004	As at 30 June 2005	As at 1 July 2004	As at 30 June 2005

**Interests of Quek Leng Chan
in Related Corporations**

Hong Leong Fund Management Sdn Bhd	RM1.00	Nil	Nil	1,400,000	1,400,000
MEHY Sdn Bhd (In members' voluntary liquidation)	RM1.00	Nil	Nil	650,000	650,000
Citywide International Limited	US\$1.00	Nil	Nil	Nil	9
First Changi Development Pte Ltd	S\$1.00	Nil	Nil	40,002,075	40,002,075
First Garden Development Pte Ltd	S\$1.00	Nil	Nil	72,000,000	72,000,000
Melville Park Development Pte Ltd	S\$1.00	Nil	Nil	57,840,000	57,840,000
Sanctuary Land Pte Ltd	S\$1.00	Nil	Nil	54,000,000	54,000,000
Beijing Minghua Property Development Co., Ltd	^	Nil	Nil	150,000,000	150,000,000
Beijing Jiang Sheng Property Development Co., Ltd	^	Nil	Nil	Nil	247,600,000
Shanghai Xinhaozhong Property Development Co., Ltd	#	Nil	Nil	19,600,000	19,600,000

Directors' Report

For The Year Ended 30 June 2005

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 or *New shares to be issued arising from the exercise of warrants/options/irredeemable convertible unsecured loan stocks			
		As at 1 July 2004	As at 30 June 2005	As at 1 July 2004	As at 30 June 2005
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Lam Soon (Hong Kong) Limited	HK\$1.00	Nil	Nil	140,008,659	140,008,659
Kwok Wah Hong Flour Company Limited	HK\$100.00	Nil	Nil	9,800	9,800
LS Golden Oils & Fats Limited	HK\$1.00	Nil	Nil	185,000,000	185,000,000
M.C. Packaging Offshore Limited	HK\$0.01	Nil	Nil	471,793	471,793
Lam Soon Ball Yamamura Inc	NT\$10.00	Nil	Nil	23,725,995	23,726,000
Guangzhou Lam Soon Food Products Limited	Ω	Nil	Nil	6,570,000	6,570,000
Shekou Lam Soon Silo Company Limited	#	Nil	Nil	8,464,500	8,464,500
Shenzhen Lam Soon Edible Oils Company Limited	#	Nil	Nil	11,400,000	12,000,000
Hong Leong Credit Berhad	RM1.00	11,046,600	11,046,600	813,823,554	813,767,298
HLG Capital Berhad	RM1.00	Nil	Nil	92,590,545	92,590,545
Hong Leong Bank Berhad	RM1.00	40,000	40,000	951,573,500	953,685,600
Hong Leong Industries Berhad	RM0.50	1,268,000 40,000*	2,512,000 40,000*	130,134,500 39,440,435*	131,299,900 3
Hong Leong Yamaha Distributors Sdn Bhd	RM1.00	Nil	Nil	10,360,000	10,360,000
Hong Leong Yamaha Motor Sdn Bhd	RM1.00	Nil	Nil	17,352,872	17,352,872
Guocera Tile Industries (Meru) Sdn Bhd	RM1.00	Nil	Nil	19,600,000	19,600,000

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 or *New shares to be issued arising from the exercise of warrants/options/irredeemable convertible unsecured loan stocks			
		As at 1 July 2004	As at 30 June 2005	As at 1 July 2004	As at 30 June 2005
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Hong Leong Maruken Sdn Bhd (In members' voluntary liquidation)	RM1.00	Nil	Nil	1,750,000	1,750,000
Guocera Tile Industries (Labuan) Sdn Bhd	RM1.00	Nil	Nil	6,545,001	6,545,001
Varinet Sdn Bhd (In members' voluntary liquidation)	RM1.00	Nil	Nil	10,560,627	10,560,627
RZA Logistics Sdn Bhd	RM1.00	Nil	Nil	9,195,270	7
Malaysian Pacific Industries Berhad	RM0.50	53,500	53,500	113,977,609	113,896,809
Carter Realty Sdn Bhd	RM1.00	Nil	Nil	7	7
Carsem (M) Sdn Bhd	RM1.00 RM100.00	Nil Nil	Nil Nil	84,000,000 22,400 (Redeemable Preference Shares)	84,000,000 22,400 (Redeemable Preference Shares)
Guolene Packaging Industries Berhad (In members' voluntary liquidation)	RM1.00	Nil	Nil	69,920,528	69,924,134
Guolene Plastic Films Sdn Bhd	RM1.00	Nil	Nil	9,350,002	Nil
Hume Industries (Malaysia) Berhad	RM1.00	4,034,000	4,034,000	115,605,894	118,536,428
Narra Industries Berhad	RM1.00	8,170,200	8,170,200	38,304,000	38,304,000
Camerlin Group Berhad	RM1.00	Nil Nil	Nil Nil	219,866,017 ^Δ 2,699,793* ^Δ	239,738,779 3

Directors' Report

For The Year Ended 30 June 2005

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 or *New shares to be issued arising from the exercise of warrants/options/irredeemable convertible unsecured loan stocks			
		As at 1 July 2004	As at 30 June 2005	As at 1 July 2004	As at 30 June 2005
Interests of Kwek Leng Hai in Related Corporations					
Hong Leong Industries Berhad	RM0.50	163,200 52,112*	163,200 52,112*	Nil Nil	Nil Nil
Hong Leong Credit Berhad	RM1.00	756,000 160,800*	2,156,000 160,800*	Nil Nil	Nil Nil
HLG Capital Berhad	RM1.00	500,000	500,000	Nil	Nil
Hong Leong Bank Berhad	RM1.00	3,955,700	3,955,700	Nil	Nil
Lam Soon (Hong Kong) Limited	HK\$1.00	2,300,000	2,300,000	Nil	Nil

^ Capital contribution in RMB.

Capital contribution in USD.

Ω Capital contribution in HK\$.

β Remaining shares held after capital reduction.

Δ Shareholding as at 6 April 2005 as the corporation became a related corporation.

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 associated companies, 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 or at the end of the financial year.

There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2005.

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 23, 24, 26 and 33 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.

SHARE OPTIONS

1. The GuocoLand Limited Executives' Share Option Scheme

- a. The GuocoLand Limited ("GGL") Executives' Share Option Scheme (the "Scheme") was approved by shareholders of the Company at an Extraordinary General Meeting held on 31 December 1998. The Scheme was further approved by the shareholders of Guoco Group Limited ("GGL"), a company listed on The Stock Exchange of Hong Kong Limited ("HKSE") and the intermediate holding company of the Company, at an Extraordinary General Meeting held on 1 February 1999.
- b. In October 2004, shareholders of the Company and GGL approved the proposed amendments to the rules of the Scheme (the "Rules") to *inter alia* alter the structure of the Scheme to allow the grant of options to be satisfied over newly issued ordinary shares of the Company (the "Shares") or the transfer of existing Shares, or a combination of both new Shares and existing Shares, as well as to align the Rules with the requirements under Chapter 17 of the HKSE Listing Rules.
- c. The Scheme is administered by a Committee of Directors (the "Committee") comprising Mr Sat Pal Khattar and Mr Quek Leng Chan who were not participants in the Scheme during the financial year.
- d. During the financial year:-
 - i. 3,440,000 outstanding options granted under the Scheme lapsed on 31 December 2004.
 - ii. the following options were granted to selected key executives of the Company ("Participants") in respect of an aggregate of 18,500,000 Shares:-

Date of Grant	Participants	No. of Shares comprised in Options	Exercise Price per Share	Note
1 November 2004	Selected key executives of GLL	12,500,000	S\$1.19	1
30 May 2005	Selected key executive of GLL	6,000,000	S\$1.32	2

- iii. No Shares were issued by virtue of the exercise of the Options granted pursuant to the Scheme.

- e. The status relating to Options under the Scheme as at the end of the financial year was as follows:-

Name of Participants	Options Granted during Financial Year under Review	Aggregate Options Granted since Commencement of Scheme to End of Financial Year under Review	Aggregate Options Exercised/ Lapsed since Commencement of Scheme to End of Financial Year under Review	Aggregate Options Outstanding as at End of Financial Year under Review
Executive Director, Quek Chee Hoon	-	2,000,000	(2,000,000) (lapsed)	-
	6,500,000	6,500,000	-	6,500,000
Director of Subsidiaries, Violet Lee	9,000,000	9,000,000	-	9,000,000
Other Executives	-	3,380,000	(3,380,000) (lapsed)	-
	3,000,000	3,000,000	-	3,000,000
Total	18,500,000	23,880,000	(5,380,000) (lapsed)	18,500,000

Directors' Report

For The Year Ended 30 June 2005

SHARE OPTIONS (cont'd)

1. The GuocoLand Limited Executives' Share Option Scheme (cont'd)

- f. Statutory information regarding the above Options is as follows:-
 - i. The exercise price per Share shall be the average of the closing prices of the Company's shares on Singapore Exchange Securities Trading Limited for each of the last five market days immediately prior to the date of grant of the option or the nominal value of the Shares, whichever is the higher.
 - ii. An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for GLL Employees who have been employed for less than one year) and (b) the first anniversary of the date of grant (for all other GLL 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 Options, in a share issue of any other company.
- g. Since the commencement of the Scheme, no Options have been granted to controlling shareholders of the Company and their associates or parent group employees.
- h. None of the Options which were offered since the commencement of the Scheme was granted at a discount.

Note:-

- 1. The exercise price was determined based on the average closing price for the five days preceding 29 October 2004. The closing market price per Share on 29 October 2004 (the trading date immediately before the date of grant) was S\$1.20. Subject to certain financial and performance targets being met by the Participants during the performance period for the financial years 2005 to 2007, the Participants may, at any time after 1 July 2007 or, at such other time as may be prescribed by the ESOS Committee at its sole discretion, be notified ("Date of Notification") of the vesting of the options and the number of Shares comprised in the vested options. Thereafter, the Participants shall have an exercise period of up to two years from the Date of Notification or, such other period as may be prescribed by the ESOS Committee at its sole discretion, to exercise the vested options in accordance with the terms of their grant.

During the financial year, none of the granted options had lapsed. Further, as no Shares were vested onto the Participants during the said period, no Shares were issued or transferred.

- 2. The exercise price was determined based on the average closing price for the five days preceding 27 May 2005. The closing market price per Share on 27 May 2005 (the trading date immediately before the date of grant) was S\$1.34. Under the terms of the grant, a first tranche of 2,000,000 Shares may be exercised at any time within one year from the first anniversary date of the date of grant, or such other period as may be prescribed by the ESOS Committee at its sole discretion. Subject to certain financial and performance targets being met by the Participant during the performance period for the financial years 2006 to 2007, the Participant shall have an exercise period of up to two years from the date of vesting or, such other period as may be prescribed by the ESOS Committee at its sole discretion, to exercise the vested option of up to the remaining 4,000,000 Shares in accordance with the terms of the grant.

During the financial year, 2,000,000 Shares were vested onto the Participant. However, no Shares were issued or transferred during the said period.

2. Non-Redeemable Convertible Cumulative Preference Shares

On 29 November 2002, the Company issued 101,671,676 4.5% Non-Redeemable Convertible Cumulative Preference Shares ("NCCPS 2005") which are convertible into ordinary shares of the Company based on one ordinary share for every one NCCPS 2005 held. Any outstanding NCCPS 2005 on 29 November 2005 will be automatically converted into ordinary shares of the Company.

During the financial year under review, the Company issued 15,500 ordinary shares to the holders of the NCCPS 2005 upon the conversion of 15,500 NCCPS 2005. As at 30 June 2005, there are 108,315 outstanding NCCPS 2005.

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 end of the financial year.

AUDIT COMMITTEE

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

Reggie Thein, Chairman
Lum Choong Wah
Goh Yong Hong

The Audit Committee performs the functions specified in Section 201B of the Companies Act, Chapter 50, the 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;
- 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 Listing Manual of the Singapore Exchange Securities Trading Limited).

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 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, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

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

On behalf of the Board of Directors

SAT PAL KHATTAR

Director

QUEK CHEE HOON

Director

Singapore
18 August 2005

Statement By Directors

For The Year Ended 30 June 2005

In our opinion:-

- a. the financial statements set out on pages 44 to 89 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 2005 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; 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

SAT PAL KHATTAR

Director

QUEK CHEE HOON

Director

Singapore

18 August 2005

Report of the Auditors

to the Members of GuocoLand Limited

We have audited the accompanying financial statements of GuocoLand Limited for the year ended 30 June 2005 as set out on pages 44 to 89. These financial statements are the responsibility of the Company's directors. 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 plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (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 2005 and of the results, changes in equity and cash flows of the Group and of the changes in equity of the Company for the year ended on that date; and
- (b) 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

Certified Public Accountants

Singapore
18 August 2005

Balance Sheets

As At 30 June 2005

	Note	Group		Company	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Non-Current Assets					
Plant and Equipment	3	1,864	1,846	-	-
Investment Properties	4	308,000	308,000	-	-
Interests in Subsidiaries	5	-	-	1,578,214	1,662,345
Interests in Associated Companies	6	223,541	145,606	9,964	10,511
Amounts due from Minority Shareholders of Subsidiaries	7	18,729	17,749	-	-
Investment Securities	8a	154,184	129,301	-	-
		<u>706,318</u>	<u>602,502</u>	<u>1,588,178</u>	<u>1,672,856</u>
Current Assets					
Development Properties	9	958,800	878,650	-	-
Trade and Other Receivables	10	55,017	371,795	822	986
Investment Securities	8b	-	9,167	-	-
Cash and Cash Equivalents	12	403,981	262,685	874	48,113
		<u>1,417,798</u>	<u>1,522,297</u>	<u>1,696</u>	<u>49,099</u>
Less : Current Liabilities					
Trade and Other Payables	13	131,865	82,722	6,674	7,149
Interest Bearing Loans and Borrowings – Current Portion	16	242,772	490,362	36,497	135,432
Current Tax Payable		40,085	23,820	14,447	20,529
		<u>414,722</u>	<u>596,904</u>	<u>57,618</u>	<u>163,110</u>
Net Current Assets/(Liabilities)		1,003,076	925,393	(55,922)	(114,011)
Less : Non-Current Liabilities					
Amounts due to Subsidiaries	5	-	-	344,483	426,750
Amounts due to Minority Shareholders of Subsidiaries	7	5,638	11,629	-	-
Interest Bearing Loans and Borrowings	16	567,073	490,250	287,750	192,697
Deferred Tax Liabilities	20	9,663	11,582	-	-
		<u>582,374</u>	<u>513,461</u>	<u>632,233</u>	<u>619,447</u>
Less : Minority Interests		43,943	41,852	-	-
Net Assets		<u>1,083,077</u>	<u>972,582</u>	<u>900,023</u>	<u>939,398</u>
Share Capital	21	665,540	675,524	665,540	675,524
Reserves	22	417,537	297,058	234,483	263,874
Shareholders' Equity		<u>1,083,077</u>	<u>972,582</u>	<u>900,023</u>	<u>939,398</u>

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

Consolidated Profit And Loss Account

For The Year Ended 30 June 2005

		Group	
	Note	2005 \$'000	2004 \$'000
Revenue	23	419,541	300,061
Cost of sales		(345,921)	(255,851)
Gross profit		73,620	44,210
Other operating income	24	46,528	82,785
Administrative expenses		(8,690)	(8,779)
Other operating expenses	25	(3,984)	(18,612)
Profit from operations	26	107,474	99,604
Finance costs	27	(13,450)	(6,608)
Share of profit from associated companies		9,780	23,009
Profit from ordinary activities before taxation		103,804	116,005
Income tax	28	(25,966)	6,186
Profit from ordinary activities after taxation		77,838	122,191
Minority interests		(1,884)	(2,176)
Net profit for the year		75,954	120,015
Earnings per ordinary share (cents)	29		
Basic		11.54	19.95
Diluted		11.53	18.96

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

Statements of Changes in Equity

For The Year Ended 30 June 2005

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Share Capital				
At beginning of the year	675,524	516,137	675,524	516,137
Issue of 61,600,249 ordinary shares of \$1.00 each	-	61,600	-	61,600
Issue of shares to holders of non-redeemable convertible cumulative preference shares ("NCCPS") 2004 who exercised their conversion rights and upon mandatory conversion of their preference shares	-	3,838	-	3,838
Issue of shares to holders of NCCPS 2005 who exercised their conversion rights	16	93,949	16	93,949
Share buy-back	(10,000)	-	(10,000)	-
At end of the year	665,540	675,524	665,540	675,524
Share Premium				
At beginning of the year	161,192	247,891	161,192	247,891
Premium on issue of ordinary shares	-	11,088	-	11,088
Issue of shares to holders of NCCPS 2004 who exercised their conversion rights and upon mandatory conversion of their preference shares	-	(3,838)	-	(3,838)
Issue of shares to holders of NCCPS 2005 who exercised their conversion rights	(16)	(93,949)	(16)	(93,949)
At end of the year	161,176	161,192	161,176	161,192
Reserve for Own Shares				
At beginning of the year	-	-	-	-
Purchase of shares by the Trust for Executives' Share Option Scheme (see Note 30)	(19,850)	-	(19,850)	-
At end of the year	(19,850)	-	(19,850)	-

Statements of Changes in Equity

For The Year Ended 30 June 2005

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Capital Reserve				
At beginning of the year, as previously reported	11,208	13,764	1,300	1,300
Effect of adopting FRS 103 (see Note 31)	(9,908)	-	-	-
At beginning of the year, as restated	1,300	13,764	1,300	1,300
Disposal of interest in an associated company	-	(2,556)	-	-
At end of the year	1,300	11,208	1,300	1,300
Exchange Translation Reserve				
At beginning of the year	1,180	46,982	1,074	5,636
Disposal of interest in an associated company	-	(53,793)	-	-
Net translation differences on foreign subsidiaries, associated companies and foreign currency assets forming part of net investments in such entities	(7,518)	7,991	(4,521)	(4,562)
At end of the year	(6,338)	1,180	(3,447)	1,074
Investment Revaluation Reserve				
At beginning of the year	680	5,852	-	-
Net surplus/(deficit) arising from revaluation of investment properties of:-				
- subsidiaries	-	(10,000)	-	-
- associated companies	7,289	(3,538)	-	-
Transfer to profit and loss account upon disposal of investment properties by an associated company	-	(3,974)	-	-
Net revaluation deficit transferred to profit and loss account in respect of investment properties of:-				
- subsidiaries	-	9,120	-	-
- an associated company	-	3,220	-	-
At end of the year	7,969	680	-	-

Statements of Changes in Equity

For The Year Ended 30 June 2005

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Capital Redemption Reserve				
At beginning of the year	3,083	3,083	3,000	3,000
Share buy-back	10,000	-	10,000	-
At end of the year	13,083	3,083	13,000	3,000
Mark-to-market Reserve				
At beginning of the year	(37,768)	(28,174)	-	-
Net unrealised gains/(losses) on:-				
- available-for-sale securities	35,908	(10,100)	-	-
- available-for-sale securities held by an associated company	(2,165)	506	-	-
Disposal of available-for-sale securities	3,907	-	-	-
At end of the year	(118)	(37,768)	-	-
Unappropriated Profits				
At beginning of the year, as previously reported	157,483	77,087	97,308	107,520
Effect of adopting FRS 103 (see Note 31)	80,489	-	-	-
At beginning of the year, as restated	237,972	77,087	97,308	107,520
Share buy-back	(11,013)	-	(11,013)	-
Net profit for the year	75,954	120,015	38,607	29,407
Dividends (see Note 32)	(42,598)	(39,619)	(42,598)	(39,619)
At end of the year	260,315	157,483	82,304	97,308
Shareholders' Equity	1,083,077	972,582	900,023	939,398

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

Consolidated Statement of Cash Flows

For The Year Ended 30 June 2005

	2005 \$'000	2004 \$'000
Operating activities		
Profit from ordinary activities before taxation	103,804	116,005
Adjustments for:-		
Depreciation of plant and equipment	790	810
Gain on disposal of plant and equipment	(94)	(10)
Share of profit from associated companies	(9,780)	(23,009)
Finance costs	13,450	6,608
Impairment loss on available-for-sale securities	-	3,850
Interest income	(6,005)	(3,869)
Dividend income	(7,262)	(2,451)
Allowance/(Writeback of allowance) for foreseeable losses on development properties (net)	2,341	(18,345)
Loss on dilution of interest in an associated company	-	25
Loss on disposal of available-for-sale securities	3,907	-
Loss on liquidation of an associated company	-	6
Plant and equipment written off	72	148
Mark-to-market gain in respect of equity swap	(34,125)	(1,500)
Mark-to-market loss on trading securities	-	4,417
Mark-to-market (gain)/loss on derivative financial instruments	(202)	413
Net revaluation deficit on investment properties	-	9,120
Gain on disposal of investment in an associated company	-	(70,440)
	(36,908)	(94,227)
Operating profit before working capital changes	66,896	21,778
Increase/(Decrease) in working capital:-		
Development properties	19,937	181,915
Trading securities	9,167	1,416
Trade and other receivables	(24,921)	50,155
Trade and other payables	5,633	21,944
Changes in working capital	9,816	255,430
Cash flow from operations	76,712	277,208
Income taxes paid	(7,934)	(10,764)
Purchase of shares by the Trust for Executives' Share Option Scheme	(19,850)	-
Net cash from operating activities	48,928	266,444
Investing activities		
Proceeds from disposal of plant and equipment	94	33
Purchase of plant and equipment	(889)	(970)
Dividends received	7,262	2,451
Interests in associated companies	8,825	9,882
Balances with minority shareholders of subsidiaries	(6,971)	522
Net proceeds from disposal of available-for-sale securities	11,025	-
Purchase of available-for-sale securities	-	(15,594)
Settlement of equity swap	32,250	4,516
Inter-company balances	(299)	376
Related party balances	(1)	27
Acquisition of interest in a subsidiary	(50,208)	-
Acquisition of interest in an associated company	(4,258)	(1,841)
Net proceeds from disposal of interest in an associated company	334,286	-
Proceeds from liquidation of an associated company	10	34
Net cash from/(used in) investing activities	331,126	(564)

Consolidated Statement of Cash Flows

For The Year Ended 30 June 2005

	2005 \$'000	2004 \$'000
Financing activities		
Dividends paid	(42,598)	(40,003)
Dividends paid to minority shareholder of a subsidiary	-	(472)
Interest paid	(25,791)	(28,839)
Interest received	6,317	4,069
Share buy-back	(11,013)	-
Proceeds from bank loans	372,864	65,747
Repayment of bank loans	(543,740)	(195,850)
Proceeds from medium-term notes	80,050	165,039
Repayment of medium-term notes	(79,924)	(109,957)
Net cash used in financing activities	(243,835)	(140,266)
Net increase in cash and cash equivalents	136,219	125,614
Cash and cash equivalents at beginning of the year	246,372	120,907
Exchange differences on translation of balances held in foreign currency	(173)	(149)
Cash and cash equivalents at end of the year (see Note 12)	382,418	246,372

Notes on Non-Cash Transaction

In the previous financial year, the Group acquired a 39.58% interest in GuocoLand (Malaysia) Berhad (formerly known as Hong Leong Properties Berhad) for a total consideration of \$72,688,295. The consideration was satisfied in full by the issue of new ordinary shares by the Company.

Notes to Statement of Cash Flows

	2005 \$'000	2004 \$'000
Summary of effects of acquisition of subsidiary		
Plant and equipment	-	5
Current assets	50,916	34
Current liabilities	-	(1,359)
Minority interests	(489)	-
	50,427	(1,320)
Add : Previously accounted for as interest in subsidiary	-	792
Acquisition of an amount due to minority shareholder	-	528
Purchase consideration	50,427	-
Less : Cash of subsidiaries acquired	(219)	-
Net cash outflow	50,208	-

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

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Directors on 18 August 2005.

1. DOMICILE AND ACTIVITIES

GuocoLand Limited (the "Company") is incorporated in the Republic of Singapore and has its registered office at 20 Collyer Quay, #02-02 Tung Centre, Singapore 049319.

The principal activities of the Group and of the Company are those relating to:-

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

The immediate holding company is Guoco Investment 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 consolidated financial statements relate to the Company and its subsidiaries (referred to as the "Group") and the Group's interests in associated companies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related Interpretations promulgated by the Council on Corporate Disclosure and Governance.

On 1 July 2004, the Group adopted new FRS 103 Business Combinations, revised FRS 36 Impairment of Assets and revised FRS 38 Intangible Assets, which were applicable for financial statements covering periods beginning on or after 1 July 2004. The effects of adopting the new/revised FRSs are set out in Note 31.

The historical cost basis is used except that:-

- investment properties are stated at valuation;
- investment securities are stated at fair value; and
- derivative financial instruments are stated at fair value.

Amounts are expressed in Singapore dollars, unless stated otherwise.

b. Consolidation

Subsidiaries are companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities.

Investments in subsidiaries are stated in the Company's balance sheet at cost less impairment losses. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intra-group transactions and balances are eliminated upon consolidation.

Associated companies are companies in which the Group has significant influence, but not control, over the financial and operating policies.

Notes to the Financial Statements

30 June 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

b. Consolidation (cont'd)

Investments in associated companies are stated in the Company's balance sheet at cost less impairment losses. In the consolidated financial statements, they are accounted for using the equity method of accounting. The Group's investments in associated companies include goodwill (net of accumulated impairment losses) on acquisition. The Group's share of the post-acquisition results of the associated companies is included in the consolidated profit and loss account and is based on their latest available management or audited accounts.

Where necessary, accounting policies for associated companies have been changed to be consistent with the policies adopted by the Group.

The Company established a Trust for the GuocoLand Limited Executives' Share Option Scheme. The Company has de facto control of the assets and liabilities of the Trust and accordingly the Company has recognised these assets and liabilities in its own financial statements.

c. Foreign Currencies

i. Foreign Currency Transactions

Monetary assets and liabilities in foreign currencies are translated into Singapore dollars at rates of exchange approximate to those ruling at the balance sheet date. Transactions in foreign currencies are translated at rates ruling on transaction dates. Translation differences are included in the profit and loss account or capitalised as part of the cost of development properties where appropriate except for those translation differences that, in substance, form part of the Group's net investment in foreign subsidiaries and associated companies. These translation differences are recognised directly in equity until the disposal of the investment, at which time they are included in the profit and loss account.

ii. Foreign Entities

The assets and liabilities of foreign entities are translated into Singapore dollars at rates of exchange approximate to those ruling at the balance sheet date. The results of foreign entities are translated at the average exchange rates for the year. Goodwill and fair value adjustments arising on the acquisition of foreign entities are stated at exchange rates ruling on transaction dates. Exchange differences arising on translation are recognised directly in equity. On disposal, the accumulated translation differences are recognised in the consolidated profit and loss account as part of the gain or loss on sale.

d. Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is provided on a straight-line basis so as to write off items of plant and equipment over their estimated useful lives as follows:-

	No. of Years
Furniture and fittings	3 – 5
Office equipment	2 – 5
Motor vehicles	5

e. Intangible Assets

i. Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired and contingent liabilities assumed. Goodwill is stated at cost less accumulated impairment losses.

Goodwill arising on acquisition of associated companies is included in investments in associated companies.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

e. Intangible Assets (cont'd)

ii. *Negative Goodwill*

Negative goodwill arising on acquisition represents the excess of the fair value of the Group's share of the identifiable net assets acquired and contingent liabilities assumed over the cost of acquisition. Negative goodwill is recognised immediately in the profit and loss account.

f. Investment Properties

Investment properties are defined as properties which are held for the primary purpose of producing rental income and are not held for resale in the ordinary course of business.

Completed properties are stated at annual valuation. A property is considered physically completed on receipt of the Temporary Occupation Permit.

An independent professional valuation is made at least once every three years. The net surplus or deficit on revaluation is taken to investment revaluation reserve except when the total of the reserve is not sufficient to cover a deficit on an aggregate basis, in which case the amount by which the deficit exceeds the amount in the investment revaluation reserve is charged to the profit and loss account.

For properties under development or awaiting development, the land component is stated at annual valuation whereas the development expenditures are stated at cost.

When an investment property is disposed of, the resulting gain or loss recognised in the profit and loss account is the difference between net disposal proceeds and the carrying amount of the property. Any amount in the investment revaluation reserve that relates to the property is transferred to the profit and loss account in calculating the gain or loss.

g. Development Properties

Development properties are properties which are held with the intention of sale in the ordinary course of business. These include properties held for sale and properties in the course of development and are classified as current assets.

Development properties in the course of development are stated at the lower of cost, plus where appropriate a portion of attributable profit and estimated net realisable value, net of progress billings. Land, related acquisition expenses, development expenditure, interest and other related expenditure are capitalised as part of the cost of development properties. Properties held for sale are stated at the lower of cost and their estimated net realisable value.

h. Finance Costs

Interest expense and similar charges are expensed in the profit and loss account in the year in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition and construction of investment and development properties, commencing from the time these costs are incurred until the receipt of the Temporary Occupation Permit.

i. Investment Securities

All investment securities are initially recognised at cost. After initial recognition, investment securities which are classified as "trading" and "available-for-sale" are measured at fair values, with unrealised gains or losses on trading securities recognised in the profit and loss account and unrealised gains or losses on available-for-sale securities reported as a separate component of equity until the security is sold, collected or otherwise disposed of, or until the security is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

Notes to the Financial Statements

30 June 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

i. Investment Securities (cont'd)

For securities actively traded on organised financial markets, fair value is generally determined by reference to Stock Exchange quoted market bid prices at the close of business on the balance sheet date. For securities where there is no quoted market price and whose fair value cannot be reliably measured, they are measured at amortised cost, less impairment losses if they have a fixed maturity and at cost, less impairment losses if they do not have a fixed maturity.

Purchases and sales of investment securities are recognised on the "trade date", that is, the date that the Group commits to purchase or sell the security.

j. Derivative Financial Instruments

The Group uses derivative financial instruments such as interest rate swaps and foreign exchange contracts to hedge its risks associated primarily with interest rate and foreign currency fluctuations. Details of the Group's financial risk management objectives and policies are set out in Note 34.

Any gains or losses arising from changes in the fair value of the hedged item and the hedging instrument are taken directly to the profit and loss account. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates and by discounting the future cash flows. The fair value of interest rate swap contracts is determined as the difference in the present value of the future interest cash flows.

Interest expense in respect of the notional amount borrowed for equity swap transactions is recognised in the profit and loss account on an accrual basis.

k. Trade and Other Receivables

Trade and other receivables are stated at cost less allowance for doubtful receivables.

l. Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances and deposits with financial institutions. For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude cash collaterals.

m. Impairment

The carrying amounts of the Group's assets, other than investment properties (see Note 2f) and development properties (see Note 2g), are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

Goodwill is tested for impairment at least annually even though no indication of impairment existed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

m. Impairment (cont'd)

i. Calculation of recoverable amount

The recoverable amount is the greater of the asset's net selling price and value in use. 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 asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

ii. Reversal of impairment loss

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.

An impairment loss in respect of goodwill is not reversed.

n. Trade and Other Payables

Trade and other payables are stated at cost.

o. Interest-bearing Loans and Borrowings

Interest-bearing loans and borrowings are initially recognised at cost less attributable transaction costs. Subsequent to initial recognition, these are stated at amortised cost, that is, the initial cost minus principal repayment and plus or minus the cumulative amortisation of any difference between the initial cost and the maturity amount. The difference between the initial cost and the maturity amount is amortised using the effective interest rate method over the repayment period.

p. Employee Benefits

i. Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the profit and loss account as incurred.

ii. Equity and equity-related compensation benefits

The GuocoLand Limited Executives' Share Option Scheme allows Group employees to acquire shares of the Company. No compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

iii. Short-term compensated absences

Short-term compensated absences are recognised in the profit and loss account when the employees render services that increase their entitlement to future compensated absences.

q. Provisions

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, 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, where appropriate, the risks specific to the liability.

Notes to the Financial Statements

30 June 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

r. Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for goodwill not deductible for tax purposes and the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not be reversed in the foreseeable future.

s. Repurchase of Share Capital

When share capital recognised as equity is repurchased and subsequently cancelled, the issued share capital is reduced by the par value of the shares repurchased and transferred to a capital redemption reserve. The costs associated with the repurchase, comprising the purchase consideration plus costs incidental to the acquisition, are set off against unappropriated profits.

Repurchased shares that are not subsequently cancelled are classified as reserve for own shares and presented as a deduction from equity.

t. Revenue Recognition

- i. Revenue from the sale of properties under development is recognised in the financial statements using the percentage of completion method based on the stage of completion as certified by the architects or quantity surveyors. Allowance for foreseeable losses is made in the year in which such loss is determined.
- ii. Revenue from the disposal of properties held for sale is recognised when substantially all the conditions of sales have been met and the risks and rewards of ownership have been transferred to the buyers. Allowance for foreseeable losses is made in the year in which such loss is determined.
- iii. Rental income is recognised as and when they are due.
- iv. Dividend income from subsidiaries and associated companies is recognised in the profit and loss account when the shareholder's right to receive payment is established.
- v. Dividend income from investments in securities is recognised in the profit and loss account on receipt.
- vi. Interest income is recognised on an accrual basis.

u. Operating Leases

Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

3. PLANT AND EQUIPMENT

	Furniture and fittings \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
Group				
Cost				
At beginning of the year	2,026	2,204	1,887	6,117
Additions	272	333	284	889
Disposals	(3)	(1)	(265)	(269)
Written off	(455)	(522)	-	(977)
Exchange differences on translation	(17)	(6)	(6)	(29)
At end of the year	1,823	2,008	1,900	5,731
Accumulated Depreciation				
At beginning of the year	1,390	1,957	924	4,271
Charge for the financial year	270	197	323	790
Disposals	(3)	(1)	(265)	(269)
Written off	(397)	(508)	-	(905)
Exchange differences on translation	(14)	(4)	(2)	(20)
At end of the year	1,246	1,641	980	3,867
Net Book Value as at:-				
30 June 2005	577	367	920	1,864
30 June 2004	636	247	963	1,846

4. INVESTMENT PROPERTIES

	Group	
	2005 \$'000	2004 \$'000
Completed properties, at valuation	308,000	308,000

Investment properties comprise commercial properties that are leased mainly to external customers. The leases are for a period of two to three years.

Movements in the investment properties are as follows:-

	Group	
	2005 \$'000	2004 \$'000
At beginning of the year	308,000	318,000
Deficit arising from revaluation of investment properties	-	(10,000)
At end of the year	308,000	308,000

Notes to the Financial Statements

30 June 2005

4. INVESTMENT PROPERTIES (cont'd)

- a. The details of the investment properties are as follows:-

Investment Property	Description	Tenure of Land	Open Market Value
Tung Centre 20 Collyer Quay Singapore 049319	24-storey office building	999-year lease with effect from 5.11.1862	\$185.0 million
Robinson Centre 61 Robinson Road Singapore 068893	20-storey office building	99-year lease with effect from 19.3.1997/98-year lease with effect from 19.3.1998	\$123.0 million
			\$308.0 million

- b. In accordance with the Group's accounting policy, the Group's investment properties were valued on 30 June 2005 on an open market basis by DTZ Debenham Tie Leung (SEA) Pte Ltd, an independent firm of professional valuers.
- c. The Group's investment property with a book value of \$123.0 million (2004 : \$123.0 million) has been mortgaged to secure loan facilities granted to the Group (see Note 18).

5. INTERESTS IN SUBSIDIARIES

	Company	
	2005 \$'000	2004 \$'000
a. Unquoted shares, at cost	1,184,284	1,084,285
Less : Impairment loss	(365,976)	(393,126)
	818,308	691,159
Amounts due from subsidiaries	968,909	1,164,161
Less : Allowance for doubtful receivables	(209,003)	(192,975)
	759,906	971,186
	1,578,214	1,662,345
Non-current amounts due to subsidiaries	(344,483)	(426,750)

The amounts due from subsidiaries consist of \$257.6 million (2004 : \$162.4 million) interest-free loans and \$711.3 million (2004 : \$1,001.8 million) interest bearing loans.

The amounts due to subsidiaries consist of \$344.1 million (2004 : \$405.3 million) interest-free loans and \$0.4 million (2004 : \$21.5 million) interest bearing loans.

The amounts due from/(to) subsidiaries are unsecured.

The weighted average effective interest rates per annum at the balance sheet date are as follows:-

	2005 %	2004 %
Amounts due from subsidiaries	3.20	3.50
Amounts due to subsidiaries	3.06	1.95

The above interest rates reprice monthly.

5. INTERESTS IN SUBSIDIARIES (cont'd)

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

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2005 %	2004 %
Alphington Pte. Ltd.	Singapore	100	-
A-Z Holdings Pte Ltd	Singapore	100	100
Branmil Holdings Pte Ltd	Singapore	100	100
#Checkenden Limited	British Virgin Islands	100	100
Chelford Pte Ltd	Singapore	100	100
Cheltenham Investments Pte Ltd	Singapore	100	100
Chiltern Park Development Pte Ltd	Singapore	100	100
Da Zhong Investment Pte Ltd and its subsidiary:-	Singapore	100	100
#Zeltand Holdings Limited	British Virgin Islands	-	100
Everian Holdings Pte Ltd	Singapore	100	100
Fasidon Holdings Pte Ltd	Singapore	100	100
FCC Holdings Pte Ltd	Singapore	100	100
FCC Net Pte Ltd and its subsidiary:-	Singapore	100	100
MyHome Online Pte Ltd	Singapore	100	100
Fica Nominees Pte Ltd	Singapore	100	100
First Bukit Panjang Land Pte Ltd	Singapore	100	100
First Capital Asia Pte Ltd and its subsidiary:-	Singapore	100	100
First Capital Asia Land Pte Ltd	Singapore	100	100
First Capital Assets Pte Ltd and its subsidiaries:-	Singapore	100	100
#First Capital Assets (BVI) Ltd	British Virgin Islands	100	100

Notes to the Financial Statements

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5. INTERESTS IN SUBSIDIARIES (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2005 %	2004 %
FCC Equities Pte Ltd and its subsidiary:-	Singapore	100	100
*Imej Maju Sdn Bhd	Malaysia	100	100
First Capital Corporation Realty Pte. Ltd.	Singapore	100	100
First Capital Development Pte Ltd and its subsidiary:-	Singapore	100	100
Elias Development Pte Ltd	Singapore	100	100
First Capital Holdings (HK) Pte Ltd	Singapore	100	100
First Capital Holdings Pte Ltd	Singapore	100	100
First Capital Hotels Pte Ltd	Singapore	100	100
First Capital Properties Pte Ltd	Singapore	100	100
First Capital Realty Pte Ltd	Singapore	100	100
First Cavendish Development Pte Ltd	Singapore	100	100
First Changi Development Pte Ltd	Singapore	90	90
First Coventry Development Pte Ltd	Singapore	100	100
First Garden Development Pte Ltd	Singapore	90	90
First Loyang Land Pte Ltd	Singapore	100	100
First Meyer Development Pte Ltd	Singapore	100	100
First Tanglin Land Pte Ltd	Singapore	100	100
GLL (Malaysia) Pte. Ltd.	Singapore	100	100
GLL Holdings (UK) Pte. Ltd.	Singapore	100	100
GLL Investment Ltd. (formerly known as First Capital Investment Ltd)	Singapore	100	100

5. INTERESTS IN SUBSIDIARIES (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2005 %	2004 %
GLL Land Pte. Ltd.	Singapore	100	100
GLL Property Fund Pte. Ltd. (formerly known as First Capital Fund Management Pte Ltd)	Singapore	100	100
GLL Ventures Pte. Ltd. (formerly known as First Capital Holdings (Thailand) Pte Ltd)	Singapore	100	100
*GuocoLand (China) Limited (formerly known as Guoco Properties Limited) and its subsidiaries:-	Bermuda	100	100
*Beijing Jiang Sheng Property Development Co., Ltd	The People's Republic of China	99.04	-
*Beijing Minghua Property Development Co., Ltd	The People's Republic of China	75	75
*China Fine Development Limited	Hong Kong	-	100
*Guo Xiang Property Co., Limited	Hong Kong	100	100
Guoco Property Management Pte Ltd	Singapore	100	100
*Shanghai Xinhaozhong Property Development Co., Ltd	The People's Republic of China	98	98
*Superwell Properties Limited	Hong Kong	-	100
GuocoLand (Singapore) Pte. Ltd. and its subsidiaries:-	Singapore	100	100
First Bedok Land Pte Ltd	Singapore	100	100
Winterhall Pte Ltd	Singapore	100	100
GuocoLand Management Pte. Ltd.	Singapore	100	100
GuocoLand Property Management Pte. Ltd.	Singapore	100	100
Harbour View Development Pte Ltd	Singapore	100	100

Notes to the Financial Statements

30 June 2005

5. INTERESTS IN SUBSIDIARIES (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2005 %	2004 %
Hedover Holdings Pte Ltd	Singapore	100	100
Leonie Land Pte Ltd	Singapore	100	100
Melville Park Development Pte Ltd	Singapore	80	80
Pemberton Limited and its subsidiary:-	Singapore	100	100
Century Square Development Ltd	Singapore	100	100
Rivaldo Investments Pte Ltd	Singapore	100	100
Sanctuary Land Pte Ltd	Singapore	90	90
Tanamera Development Pte Ltd	Singapore	100	100

Not required to be audited by law of country of incorporation.

* Audited by other member firms of KPMG International.

6. INTERESTS IN ASSOCIATED COMPANIES

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Investments in associated companies	193,711	113,300	3,684	3,684
Amounts due from associated companies	29,935	34,647	13,180	13,727
Less : Amounts due within 1 year shown under trade and other receivables (see Note 10)	(105)	(2,341)	-	-
Allowance for doubtful receivables	-	-	(6,900)	(6,900)
	29,830	32,306	6,280	6,827
	223,541	145,606	9,964	10,511

6. INTERESTS IN ASSOCIATED COMPANIES (cont'd)

Investments in associated companies include the following amount of negative goodwill:-

	Group	
	2005 \$'000	2004 \$'000
Movements in negative goodwill during the year:-		
At beginning of the year, as previously reported	70,581	6,423
Effect of adopting FRS 103 (see Note 31)	(70,581)	-
At beginning of the year, as restated	-	6,423
Acquisitions through business combinations	-	66,700
Less : Amortisation charge for the year	-	(2,542)
At end of the year	-	70,581

The amortisation of negative goodwill arising on the acquisition of associated companies was included in the share of profit before tax of associated companies in the previous financial year.

The amounts due from associated companies are unsecured and interest-free.

The details of the associated companies are as follows:-

Name of Associated Company	Principal Activities	Country of Incorporation	Effective Equity Interest held by the Group	
			2005 %	2004 %
* Camerlin (B.V.I.) Limited	Liquidated	British Virgin Islands	-	40
@ Crawform Pte Ltd	Property development	Singapore	40	40
@ First Capital Property Ventures Pte Ltd	Investment holding	Singapore	35	35
^ Guoman Hotel & Resort Holdings Sdn Bhd and its subsidiaries	Investment holding	Malaysia	30	30
^ GuocoLand (Malaysia) Berhad (formerly known as Hong Leong Properties Berhad) and its subsidiaries	Investment holding	Malaysia	44.07	41.71
@ Razgrad Pte Ltd	Property development	Singapore	40	40
@ Stockton Investments Pte Ltd	Investment holding	Singapore	38.27	38.27
# Tiara Investment Holdings Limited	Investment holding	Mauritius	40	40

* Not required to be audited by law of country of incorporation.
 @ Audited by KPMG Singapore.
 ^ Audited by Ernst & Young, Malaysia.
 # Audited by Sui Chong Ng Fuk Chong.

Notes to the Financial Statements

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7. AMOUNTS DUE FROM/(TO) MINORITY SHAREHOLDERS OF SUBSIDIARIES

The amounts due from/(to) minority shareholders of subsidiaries are unsecured and have no fixed terms of repayment. However, the management of the parties involved does not intend for these amounts to be repaid/paid within the next twelve months. Interest was charged at 3.2% p.a. for amounts due to a minority shareholder of a subsidiary for July 2004 and was interest-free subsequently. In the previous financial year, interest was charged at 3.5% p.a.. The weighted average effective interest rate at the previous balance sheet date was 3.5% p.a. and the interest rate repriced monthly.

8. INVESTMENT SECURITIES

a. Available-for-sale Securities

	Group	
	2005 \$'000	2004 \$'000
Quoted equity securities, at market value	149,037	124,154
Unquoted equity securities, at cost	8,997	8,997
Less : Impairment loss	(3,850)	(3,850)
	5,147	5,147
	154,184	129,301

Quoted equity securities with a market value of \$119.0 million (2004 : \$105.5 million) are pledged with a bank to secure short-term loan facilities (see Note 17).

It is not practicable to estimate the fair value of the unquoted equity securities without incurring excessive costs. However, the management believes that the carrying amount recorded at balance sheet date reflects the corresponding fair value.

b. Trading Securities

	Group	
	2005 \$'000	2004 \$'000
Quoted loan stocks, at market value	-	9,167

In the previous financial year, the weighted average effective interest rate of quoted loan stocks at the balance sheet date was 5.5% p.a. and the fixed interest rate matured in 1 to 5 years.

9. DEVELOPMENT PROPERTIES

	Group	
	2005 \$'000	2004 \$'000
Properties in the course of development	707,727	776,492
Properties held for sale	251,073	102,158
	958,800	878,650

9. DEVELOPMENT PROPERTIES (cont'd)**a. Properties in the course of development**

	Group	
	2005 \$'000	2004 \$'000
Costs	1,019,810	1,637,699
Less: Allowance for foreseeable losses	(129,492)	(153,522)
Attributable loss	(38,045)	(69,329)
Progress instalments received and receivable	(144,546)	(638,356)
	707,727	776,492

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

Interest expense	11,502	22,117
Interest income	(247)	(245)

b. Properties held for sale

Properties held for sale	272,836	109,067
Less: Allowance for foreseeable losses	(21,763)	(6,909)
	251,073	102,158

Certain development properties with a book value of \$747.5 million (2004 : \$637.3 million) are under legal mortgages with banks (see Note 18).

Included in interest capitalised during the financial year is an amount of \$43,000 (2004 : \$596,000) payable to minority shareholders of subsidiaries.

The details of the development properties are as follows:-

Properties in the course of development:-

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						
Le Crescendo Situating at Paya Lebar Road	Residential	Architectural & external works in progress	2/2006	12,323	26,176	100%
Bishan Point Situating at Sin Ming Ave/Bright Hill Drive	Residential	TOP obtained on 20/6/2005	N/A	6,800	19,038	100%
D'elias Situating at Tampines Expressway/Elias Road Junction	Residential	TOP obtained on 15/6/2005	N/A	4,429	4,230	100%
Leonie Studio Situating at Leonie Hill	Residential	Substructure & superstructure works in progress	11/2006	2,850	8,690	100%

Notes to the Financial Statements

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9. DEVELOPMENT PROPERTIES (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
Singapore (cont'd)						
Nathan Place Situating at Nathan Road	Residential	Substructure, superstructure & architectural works in progress	6/2006	4,421	6,189	100%
Paterson Residence Situating at Paterson Road	Residential	Piling works in progress	4/2008	7,774	16,327	100%
The View @ Meyer Situating at Meyer Road	Residential	Planning	*	3,352	7,039	100%
Site situating at West Coast Road	Residential	Planning	*	13,245	18,543	100%
Site situating at Sengkang Central	Residential	Planning	*	21,985	65,956	100%
The People's Republic of China						
Central Park Situating in Luwan District, Shanghai	Residential	Architectural, mechanical and electrical works in progress	12/2005	14,841	63,935	98%
West End Point Situating in Xicheng District, Beijing	Residential/ Commercial	Planning	*	36,501	108,137	99.04%

* Not applicable as construction for these developments have not commenced.

N/A : Not applicable.

Properties held for sale:-

Property	Intended Use	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest
Singapore				
Sanctuary Green Situating at Tanjong Rhu Road	Residential	23,551	66,040	90%
The Gardens at Bishan Situating at Sin Ming Ave/Sin Ming Walk	Residential	34,949	87,373	90%
The People's Republic of China				
Corporate Square Situating in Xicheng District, Beijing	Office	14,501	95,757	75%

10. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Trade receivables		28,680	13,043	-	-
Accrued receivables [#]		16,289	-	-	-
Other receivables, deposits and prepayments	11	9,831	356,318	822	986
Amounts due from:-					
Intermediate holding company		3	-	-	-
Associated companies	6	105	2,341	-	-
Related corporations		107	92	-	-
Related parties		2	1	-	-
		<u>55,017</u>	<u>371,795</u>	<u>822</u>	<u>986</u>

Trade receivables are stated after allowance for doubtful receivables of \$7,000 (2004 : \$142,000).

The amounts due from intermediate holding company, associated companies, related corporations and related parties are unsecured and interest-free.

[#] In accordance with the Group's accounting policy, income is recognised on the progress of the construction works. Upon receipt of Certificate of Statutory Completion, the balance of the sales consideration to be billed is included as accrued receivables.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Deposits	712	957	250	251
Prepayments	2,431	3,039	572	543
Tax recoverables	5,699	7,960	-	-
Interest receivables	611	676	-	13
Mark-to-market gain on derivative financial instruments	202	2,803	-	178
Amount receivable from disposal of investment in an associated company	-	334,286	-	-
Deposit for land acquisition	-	5,880	-	-
Others	176	717	-	1
	<u>9,831</u>	<u>356,318</u>	<u>822</u>	<u>986</u>

Notes to the Financial Statements

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12. CASH AND CASH EQUIVALENTS

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Short-term deposits with banks				
- S\$ balances	176,878	168,036	20	48,008
- US\$ balances	17	17	-	-
- RMB balances	102,171	20,956	-	-
	279,066	189,009	20	48,008
Cash and bank balances	124,915	73,676	854	105
	403,981	262,685	874	48,113
Less : Cash collaterals	(21,563)	(16,313)	-	-
Cash and cash equivalents in the consolidated statement of cash flows	382,418	246,372	874	48,113

Included in the Group's cash and bank balances and short-term deposits with banks are amounts held under the Housing Developers (Project Account) Rules ("Rules") totalling \$6.2 million (2004 : \$64.4 million), the use of which is subject to restrictions imposed by the above-mentioned Rules. Cash collaterals of \$21.6 million (2004 : \$16.3 million) is deposited with a bank for equity swap transactions.

The weighted average effective interest rates per annum at the balance sheet date are as follows:-

	Group		Company	
	2005 %	2004 %	2005 %	2004 %
Short-term deposits with banks				
- S\$ balances	1.91	0.53	0.56	0.56
- US\$ balances	2.66	0.80	-	-
- RMB balances	1.93	1.62	-	-

The above interest rates reprice at intervals of one, three or six months.

13. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Trade payables and accrued operating expenses		43,324	25,086	483	530
Progress billings in excess of development costs incurred plus recognised profits	14	44,727	-	-	-
Amounts due to:-					
Intermediate holding company		3,045	3,418	3,045	3,418
Associated company		1	1	-	-
Related corporations		401	309	-	-
Other payables	15	40,367	53,908	3,146	3,201
		131,865	82,722	6,674	7,149

The amounts due to intermediate holding company, associated company and related corporations are unsecured and interest-free.

Notes to the Financial Statements

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14. PROGRESS BILLINGS IN EXCESS OF DEVELOPMENT COSTS INCURRED PLUS RECOGNISED PROFITS

	Group	
	2005 \$'000	2004 \$'000
Properties in the course of development, at cost	158,117	-
Add : Attributable profit	69,780	-
Less : Progress instalments received	(272,624)	-
	(44,727)	-

15. OTHER PAYABLES

	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Advance receipts	5,461	7,094	-	-
Rental deposits	3,045	2,901	-	-
Deposits received	796	24,737	-	-
Interest payable	9,771	10,610	3,146	3,201
Mark-to-market loss on derivative financial instruments	750	591	-	-
Real estate tax payable	15,177	2,073	-	-
Others	5,367	5,902	-	-
	40,367	53,908	3,146	3,201

16. INTEREST BEARING LOANS AND BORROWINGS

		Group		Company	
	Note	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Current Liabilities					
Short-term bank loans					
- secured	17	19,000	70,000	-	10,000
- unsecured		66,500	45,508	16,500	45,508
Current portion of long-term bank loans	18				
- secured		137,275	136,900	-	-
- unsecured		-	158,030	-	-
Current portion of long-term notes (unsecured)	19	19,997	79,924	19,997	79,924
		242,772	490,362	36,497	135,432

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16. INTEREST BEARING LOANS AND BORROWINGS (cont'd)

	Note	Group		Company	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Non-Current Liabilities					
Long-term bank loans	18	314,323	297,553	35,000	-
Long-term notes (unsecured)	19	252,750	192,697	252,750	192,697
		<u>567,073</u>	<u>490,250</u>	<u>287,750</u>	<u>192,697</u>
Total loans and borrowings		<u>809,845</u>	<u>980,612</u>	<u>324,247</u>	<u>328,129</u>

All the non-current loans and borrowings have maturity dates due after one year but within five years.

The weighted average effective interest rates per annum at the balance sheet date and the repricing analysis are as follows:-

	Effective Interest Rate %	Floating Interest Rate \$'000	Fixed Interest Rate Maturing		Total \$'000
			Within 1 Year \$'000	1 to 5 Years \$'000	
Group					
2005					
Secured					
- S\$ floating rate loans	3.40	300,598	-	-	300,598
- S\$ fixed rate loans	3.28	-	-	135,000	135,000
Unsecured					
- S\$ floating rate loans	3.10	66,500	-	-	66,500
- S\$ floating rate notes	3.49	40,000	-	-	40,000
- S\$ fixed rate loan	3.23	-	-	35,000	35,000
- S\$ fixed rate notes	3.84	-	19,997	212,750	232,747
		<u>407,098</u>	<u>19,997</u>	<u>382,750</u>	<u>809,845</u>
2004					
Secured					
- S\$ floating rate loans	2.15	503,931	-	-	503,931
- US\$ floating rate loan	2.81	522	-	-	522
Unsecured					
- S\$ floating rate loans	2.09	96,000	-	-	96,000
- S\$ floating rate notes	2.49	40,000	-	-	40,000
- S\$ fixed rate notes	3.58	-	79,924	152,697	232,621
- US\$ floating rate loans	2.65	107,538	-	-	107,538
		<u>747,991</u>	<u>79,924</u>	<u>152,697</u>	<u>980,612</u>

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16. INTEREST BEARING LOANS AND BORROWINGS (cont'd)

Company	Effective Interest Rate %	Floating Interest Rate \$'000	Fixed Interest Rate Maturing		Total \$'000
			Within 1 Year \$'000	1 to 5 Years \$'000	
2005					
Unsecured					
- S\$ floating rate loans	3.22	16,500	-	-	16,500
- S\$ floating rate notes	3.49	40,000	-	-	40,000
- S\$ fixed rate loan	3.23	-	-	35,000	35,000
- S\$ fixed rate notes	3.84	-	19,997	212,750	232,747
		56,500	19,997	247,750	324,247
2004					
Secured					
- S\$ floating rate loan	2.32	10,000	-	-	10,000
Unsecured					
- S\$ floating rate loans	1.98	24,000	-	-	24,000
- S\$ floating rate notes	2.49	40,000	-	-	40,000
- S\$ fixed rate notes	3.58	-	79,924	152,697	232,621
- US\$ floating rate loans	2.61	21,508	-	-	21,508
		95,508	79,924	152,697	328,129

17. SHORT-TERM BANK LOANS (SECURED)

The secured short-term loan facilities are secured by legal mortgages on certain quoted equity securities (see Note 8a).

18. LONG-TERM BANK LOANS

Note	Group		Company	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Long-term bank loans (secured)	(a)	359,098	364,453	-
Long-term bank loan (secured)	(b)	57,500	70,000	-
Long-term bank loan (unsecured)	(c)	35,000	-	35,000
Long-term bank loan (unsecured)	(d)	-	72,000	-
Long-term bank loan (unsecured)	(e)	-	86,030	-
		451,598	592,483	35,000
Less : Current portion (see Note 16)				
- secured		(137,275)	(136,900)	-
- unsecured		-	(158,030)	-
		314,323	297,553	35,000

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18. LONG-TERM BANK LOANS (cont'd)

- a. The bank loans, which are denominated in Singapore dollars are secured by legal mortgages on certain development properties of subsidiaries (see Note 9). Interest is charged at up to 1.4375% p.a. above the bank's Singapore dollar swap rate for floating rate loans and at 3.23% to 3.405% p.a. for fixed rate loans. The bank loans are repayable by the year 2009.
- b. The bank loan, which is denominated in Singapore dollars, is secured by a legal mortgage on an investment property of a subsidiary (see Note 4). Interest is charged at 1.25% p.a. above the bank's Singapore dollar swap rate. An amount of \$2.5 million is repayable on 30 September 2005 and the remaining \$55 million on 31 March 2006.
- c. Interest on the unsecured bank loan, which is denominated in Singapore dollars, is charged at 3.225% p.a.. The bank loan is repayable on 28 August 2007.
- d. The unsecured bank loan was denominated in Singapore dollars. Interest was charged at 1.5% p.a. above the bank's Singapore dollar swap rate. The bank loan was repaid on 3 February 2005.
- e. The unsecured bank loan was denominated in United States dollars. Interest was charged at 1.5% p.a. above the bank's Singapore dollar swap rate. The bank loan was repaid on 9 July 2004.

19. LONG-TERM NOTES

	Group and Company	
	2005	2004
	\$'000	\$'000
Medium term notes (unsecured)	272,747	272,621
Less : Current portion (see Note 16)	(19,997)	(79,924)
	252,750	192,697

The \$272.75 million (2004 : \$272.75 million) unsecured medium term notes ("MTNs") comprising 9 (2004 : 10) series are issued at various fixed and floating interest rates under a \$400 million MTN programme which is constituted by a Trust Deed dated 15 March 2000. Interest is charged at rates ranging from 2.375% to 5.2% p.a. (2004 : 2.375% to 5.2% p.a.). The MTNs are redeemable at 100% of their principal amounts on their respective due dates ranging from July 2005 to June 2010.

20. DEFERRED TAX LIABILITIES

a. Deferred Tax Liabilities

The movement in deferred tax liabilities during the year are as follows:-

	Development Properties \$'000	Investment Properties \$'000	Others \$'000	Total \$'000
Group				
At beginning of the year	8,382	3,100	100	11,582
Credited to profit and loss account	(1,721)	-	-	(1,721)
Exchange differences on translation	(198)	-	-	(198)
At end of the year	6,463	3,100	100	9,663

20. DEFERRED TAX LIABILITIES (cont'd)**b. Unrecognised Deferred Tax Assets**

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

	Group	
	2005	2004
	\$'000	\$'000
Deductible temporary differences	291,857	302,746
Unutilised tax losses/capital allowances	186,700	193,791
	<u>478,557</u>	<u>496,537</u>
Deferred tax assets	<u>96,537</u>	<u>99,309</u>

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.

As at 30 June 2005, the Group has unutilised tax losses and capital allowances which are available for set-off against future profits subject to tax conditions prevailing in the respective countries of the subsidiaries and agreements by the respective tax authorities.

21. SHARE CAPITAL

	Company	
	2005	2004
	\$'000	\$'000
a. Ordinary Shares		
Authorised:		
- 1,000,000,000 (2004 : 1,000,000,000) ordinary shares of \$1.00 each	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid:		
- 665,539,153 (2004 : 675,523,653) ordinary shares of \$1.00 each	<u>665,539</u>	<u>675,523</u>
b. Redeemable Cumulative Preference Shares ("RCPS")		
Authorised:		
- 200,000,000 (2004 : 200,000,000) RCPS of \$0.01 each	<u>2,000</u>	<u>2,000</u>
c. Non-Redeemable Convertible Cumulative Preference Shares ("NCCPS")		
Authorised:		
- 300,000,000 (2004 : 300,000,000) NCCPS of \$0.01 each	<u>3,000</u>	<u>3,000</u>
Issued and fully paid:		
- 108,315 (2004 : 123,815) NCCPS 2005 of \$0.01 each	<u>1</u>	<u>1</u>
Total share capital issued at end of the year	<u>665,540</u>	<u>675,524</u>

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21. SHARE CAPITAL (cont'd)

During the financial year ended 30 June 2005, the Company purchased 10,000,000 ordinary shares of \$1.00 each at an average price of \$1.10 per share for cancellation (see Note 22f).

On 29 November 2002, the Company issued 101,671,676 new ordinary shares of \$1.00 each ("rights share") and 101,671,676 new 4.5% non-redeemable convertible cumulative preference shares of \$0.01 each ("NCCPS 2005") at an issue price of \$1.00 for each rights share and \$1.00 for each NCCPS 2005 for cash. One rights share and one NCCPS 2005 were issued for every four ordinary shares of \$1.00 each held in the share capital of the Company.

The NCCPS 2005 carry the right to a cumulative preference dividend of 4.5% p.a. and the right to convert into ordinary shares of the Company within three years from the date of issue based on the conversion ratio of one ordinary share for every one NCCPS 2005 held. All outstanding NCCPS 2005 on the third anniversary of the issue date are convertible into ordinary shares of the Company based on the aforementioned conversion ratio.

22. RESERVES

	Note	Group		Company	
		2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Share premium	(a)	161,176	161,192	161,176	161,192
Reserve for own shares	(b)	(19,850)	-	(19,850)	-
Capital reserve	(c)	1,300	11,208	1,300	1,300
Exchange translation reserve	(d)	(6,338)	1,180	(3,447)	1,074
Investment revaluation reserve	(e)	7,969	680	-	-
Capital redemption reserve	(f)	13,083	3,083	13,000	3,000
Mark-to-market reserve	(g)	(118)	(37,768)	-	-
Unappropriated profits		260,315	157,483	82,304	97,308
		417,537	297,058	234,483	263,874

a. Share Premium

The application of the share premium account is governed by Section 69 of the Companies Act, Chapter 50.

b. 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 "Scheme") for the purpose of satisfying outstanding share options granted to eligible employees under the Scheme (see Note 30).

c. Capital Reserve

This comprises allocated value of the warrants issued with debt securities. In the previous financial year, it included reserve arising on consolidation of subsidiaries which was transferred to unappropriated profits upon adoption of FRS 103 (see Note 31).

d. Exchange Translation Reserve

This comprises foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries and associated companies as well as the translation of foreign currency assets forming part of net investments in such entities.

22. RESERVES (cont'd)**e. Investment Revaluation Reserve**

This comprises net surplus arising from the revaluation of investment properties by associated companies.

f. Capital Redemption Reserve

This represents the par value of 10,000,000 ordinary shares of \$1.00 each of the Company transferred from the Share Capital upon cancellation (see Note 21) and the nominal value of redeemable cumulative preference shares transferred from the Unappropriated Profits upon the redemption of such shares.

g. Mark-to-market Reserve

This comprises unrealised gain or loss arising from changes in fair value of available-for-sale securities.

23. REVENUE

Revenue by significant categories are as follows:-

	Group	
	2005 \$'000	2004 \$'000
Revenue from sale of development properties	399,608	282,416
Gross rental from investment properties	9,234	13,172
Net profit on sale of trading securities	2,386	2,739
Loss on unwinding of equity swap	-	(4,902)
Dividend income from equity securities	7,262	2,451
Interest income from -		
Deposits		
- Related corporation	9	18
- Related party	-	34
- Others	10	28
Associated companies	-	2,449
Related party	287	560
Others	10	-
Management fee income from -		
Immediate holding company	3	3
Associated companies	407	755
Related corporations	29	23
Related parties	14	15
Others	55	54
Others	227	246
	419,541	300,061

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24. OTHER OPERATING INCOME

	Group	
	2005	2004
	\$'000	\$'000
Gain on disposal of investment in an associated company	-	70,440
Gain on disposal of plant and equipment	94	10
Interest income from -		
Deposits		
- Related corporation	574	30
- Related party	-	145
- Others	5,102	605
Others	13	-
Mark-to-market gain in respect of equity swap	34,125	1,500
Mark-to-market gain on derivative financial instruments	202	-
Net exchange gain	455	4,984
Profit from sale of trading securities	-	140
Others	5,963	4,931
	46,528	82,785

25. OTHER OPERATING EXPENSES

	Group	
	2005	2004
	\$'000	\$'000
Impairment loss on available-for-sale securities	-	3,850
Loss on disposal of available-for-sale securities	3,907	-
Mark-to-market loss on derivative financial instruments	-	413
Mark-to-market loss on trading securities	-	4,417
Net revaluation deficit on investment properties	-	9,120
Others	77	812
	3,984	18,612

26. PROFIT FROM OPERATIONS

	Group	
	2005	2004
	\$'000	\$'000
a. The following items have been included in arriving at profit from operations:-		
Allowance/(Writeback of allowance) for foreseeable losses on development properties (net)	2,341	(18,345)
Depreciation of plant and equipment	790	810
Directors' remuneration -		
Directors of the Company	1,963	1,991
Other directors of subsidiaries	1,662	1,785
	3,625	3,776
Loss on dilution of interest in an associated company	-	25
Management fees paid and payable to intermediate holding company	3,173	3,433
Non-audit fees paid to Auditors of the Company	17	17
Operating lease expenses	356	764
Plant and equipment written off	72	148
Staff costs -		
Wages and salaries	6,022	5,105
Contributions to defined contribution plans	567	458
Liability/(Reversal of liability) for short-term accumulating compensated absences	24	(10)
	6,613	5,553

The number of employees of the Group at 30 June 2005 was 161 (30 June 2004 : 142).

- b. The remuneration of directors of the Company and key executives who may also be directors of the Company's subsidiaries under each remuneration band is as follows:-

	Group	
	2005	2004
Remuneration of:-		
\$500,000 and above	2	2
\$250,000 to \$499,999	4	4
\$249,999 and below	5	5
	11	11

Notes to the Financial Statements

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27. FINANCE COSTS

	Group	
	2005 \$'000	2004 \$'000
Interest paid and payable to:-		
- minority shareholders	43	596
- financial institutions	23,285	27,230
- others	1,624	899
	24,952	28,725
Less : Interest capitalised as cost of development properties	(11,502)	(22,117)
	13,450	6,608

The finance costs have been capitalised at a rate of 2.0% to 3.6% p.a. (2004 : 1.8% to 6.1% p.a.) for development properties.

28. INCOME TAX

	Group	
	2005 \$'000	2004 \$'000
Current tax		
Current year	27,503	1,186
Overprovision in respect of previous financial years	(1,208)	(1,485)
	26,295	(299)
Share of associated companies' taxation	1,392	(1,959)
Deferred tax		
Movements in temporary differences	(1,721)	(3,209)
Change of tax rate	-	(659)
Overprovision in respect of previous financial years	-	(60)
	(1,721)	(3,928)
	25,966	(6,186)

28. INCOME TAX (cont'd)

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

	Group	
	2005 \$'000	2004 \$'000
Profit from ordinary activities before taxation	103,804	116,005
Income tax using Singapore tax rate of 20% (2004 : 20%)	20,761	23,201
Deferred tax benefit not recognised	3,616	2,539
Effect of different tax rates in foreign jurisdiction	9,032	3,830
Non-chargeable income	(6,377)	(19,757)
Non deductible expenses	5,060	7,480
Utilisation of previously unrecognised deferred tax assets	(6,027)	(15,175)
Tax effect of losses not allowed to be set off against future taxable profits	1,367	3,644
Overprovision in respect of previous financial years	(1,208)	(1,545)
Change of tax rate	-	(659)
Tax overprovided in associated companies in respect of previous financial years	(382)	(9,301)
Others	124	(443)
	25,966	(6,186)

29. EARNINGS PER SHARE AND FULLY DILUTED EARNINGS PER SHARE

Earnings per share ("EPS") is calculated based on the Group's profit of \$75,950,000 (2004 : \$118,537,000) derived at after deducting preference dividends, and on the weighted average number of 658,264,653 (2004 : 594,308,237) ordinary shares of the Company, in issue after adjusting for the shares acquired by the Trust during the financial year.

Fully 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 as shown below:-

	Group	
	2005 \$'000	2004 \$'000
Group's profit used in the computation of EPS	75,950	118,537
Add : NCCPS dividends	4	1,478
Adjusted Group's profit used in the computation of fully diluted EPS	75,954	120,015
	Group	
	2005 '000	2004 '000
Weighted average number of ordinary shares used in the computation of EPS	658,265	594,308
Assumed exercise of share options	474	-
Assumed conversion of NCCPS	114	38,693
Adjusted weighted average number of ordinary shares used in the computation of fully diluted EPS	658,853	633,001

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30. EMPLOYEE BENEFITS

- a. The GuocoLand Limited ("GLL") Executives' Share Option Scheme (the "Scheme") was approved by shareholders of the Company at an Extraordinary General Meeting held on 31 December 1998. The Scheme was further approved by the shareholders of Guoco Group Limited ("GGL"), a company listed on The Stock Exchange of Hong Kong Limited ("HKSE") and the intermediate holding company of the Company, at an Extraordinary General Meeting held on 1 February 1999.
- b. In October 2004, shareholders of the Company and GGL approved the proposed amendments to the rules of the Scheme (the "Rules") to *inter alia* alter the structure of the Scheme to allow the grant of options to be satisfied over newly issued ordinary shares of the Company (the "Shares") or the transfer of existing Shares, or a combination of both new Shares and existing Shares, as well as to align the Rules with the requirements under Chapter 17 of the HKSE Listing Rules.
- c. The Scheme is administered by a Committee of Directors (the "Committee") comprising Mr Sat Pal Khattar and Mr Quek Leng Chan who were not participants in the Scheme during the financial year.
- d. During the financial year:-
 - i. 3,440,000 outstanding options granted under the Scheme lapsed on 31 December 2004.
 - ii. the following options were granted to selected key executives of the Company ("Participants") in respect of an aggregate of 18,500,000 Shares:-

Date of Grant	Participants	No. of Shares comprised in Options	Exercise Price per Share	Note
1 November 2004	Selected key executives of GLL	12,500,000	S\$1.19	1
30 May 2005	Selected key executive of GLL	6,000,000	S\$1.32	2

- iii. No Shares were issued by virtue of the exercise of the Options granted pursuant to the Scheme.

- e. The status relating to Options under the Scheme as at the end of the financial year was as follows:-

Name of Participants	Options Granted during Financial Year under Review	Aggregate Options Granted since Commencement of Scheme to End of Financial Year under Review	Aggregate Options Exercised/ Lapsed since Commencement of Scheme to End of Financial Year under Review	Aggregate Options Outstanding as at End of Financial Year under Review
Executive Director, Quek Chee Hoon	-	2,000,000	(2,000,000) (lapsed)	-
	6,500,000	6,500,000	-	6,500,000
Director of Subsidiaries, Violet Lee	9,000,000	9,000,000	-	9,000,000
Other Executives	-	3,380,000	(3,380,000) (lapsed)	-
	3,000,000	3,000,000	-	3,000,000
Total	18,500,000	23,880,000	(5,380,000) (lapsed)	18,500,000

30. EMPLOYEE BENEFITS (cont'd)

- f. Statutory information regarding the above Options is as follows:-
- i. The exercise price per Share shall be the average of the closing prices of the Company's shares on Singapore Exchange Securities Trading Limited for each of the last five market days immediately prior to the date of grant of the option or the nominal value of the Shares, whichever is the higher.
 - ii. An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for GLL Employees who have been employed for less than one year) and (b) the first anniversary of the date of grant (for all other GLL 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 Options, in a share issue of any other company.

Note:-

1. The exercise price was determined based on the average closing price for the five days preceding 29 October 2004. The closing market price per Share on 29 October 2004 (the trading date immediately before the date of grant) was S\$1.20. Subject to certain financial and performance targets being met by the Participants during the performance period for the financial years 2005 to 2007, the Participants may, at any time after 1 July 2007 or, at such other time as may be prescribed by the ESOS Committee at its sole discretion, be notified ("Date of Notification") of the vesting of the options and the number of Shares comprised in the vested options. Thereafter, the Participants shall have an exercise period of up to two years from the Date of Notification or, such other period as may be prescribed by the ESOS Committee at its sole discretion, to exercise the vested options in accordance with the terms of their grant.

During the financial year, none of the granted options had lapsed. Further, as no Shares were vested onto the Participants during the said period, no Shares were issued or transferred.

2. The exercise price was determined based on the average closing price for the five days preceding 27 May 2005. The closing market price per Share on 27 May 2005 (the trading date immediately before the date of grant) was S\$1.34. Under the terms of the grant, a first tranche of 2,000,000 Shares may be exercised at any time within one year from the first anniversary date of the date of grant, or such other period as may be prescribed by the ESOS Committee at its sole discretion. Subject to certain financial and performance targets being met by the Participant during the performance period for the financial years 2006 to 2007, the Participant shall have an exercise period of up to two years from the date of vesting or, such other period as may be prescribed by the ESOS Committee at its sole discretion, to exercise the vested option of up to the remaining 4,000,000 Shares in accordance with the terms of the grant.

During the financial year, 2,000,000 Shares were vested onto the Participant. However, no Shares were issued or transferred during the said period.

In October 2004, the Company established a Trust for the Scheme. Pursuant to the trust deed, the Trust had acquired issued shares of the Company for the purpose of satisfying outstanding options granted to eligible employees under the Scheme. Subject to certain financial and performance targets being met by these employees, shares held under the Trust will be transferred to these employees upon exercise of their share options. As at 30 June 2005, the Company had granted a loan amounting to \$20.4 million to the Trust and the Trust had acquired 15,759,000 shares.

31. CHANGES IN ACCOUNTING POLICIES

On 1 July 2004, the Group adopted new FRS 103 Business Combinations, revised FRS 36 Impairment of Assets and revised FRS 38 Intangible Assets, which were applicable for financial statements covering periods beginning on or after 1 July 2004. The adoption of these three FRSs resulted in a change in the Group's accounting policy for goodwill as follows:-

- a. Goodwill is now stated at cost less accumulated impairment losses and is no longer amortised systematically over its useful life. Instead, goodwill impairment is tested annually or more frequently if events or changes in circumstances indicate that goodwill might be impaired.
- b. Negative goodwill is now recognised immediately in the profit and loss account. Under the Group's previous accounting policy, the negative goodwill arising from the acquisition of its associated companies was offset against the carrying amount of the investments in associated companies and amortised and the negative goodwill arising from the acquisition of its subsidiaries that occurred prior to 1 July 2001 was written off against capital reserves.

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31. CHANGES IN ACCOUNTING POLICIES (cont'd)

The effect of the change in the accounting policy on goodwill, which had been applied prospectively, on the opening unappropriated profits is as follows:-

	Group	
	2005 \$'000	2004 \$'000
Unappropriated profits		
At beginning of the year, as previously reported	157,483	77,087
Effect of adopting FRS 103		
- Negative goodwill arising from acquisition of associated companies that was previously offset against the carrying amount of investment in associated companies	70,581	-
- Negative goodwill arising from acquisition of subsidiaries that was previously written off against reserves	9,908	-
	80,489	-
At beginning of the year, as restated	237,972	77,087

Had there not been a change in the accounting policy, the net profit for the financial year ended 30 June 2005 would increase by \$4,040,000 due to negative goodwill amortisation which would be credited to the profit and loss account.

32. DIVIDENDS

	Group and Company	
	2005 \$'000	2004 \$'000
Non-redeemable convertible cumulative preference dividend of 7 cents per preference share per annum, based on the issue price of \$1.00 per preference share less 22% tax	-	97
Non-redeemable convertible cumulative preference dividend of 4.5 cents per preference share per annum, based on the issue price of \$1.00 per preference share less tax at the following rates:-		
- 22%	-	1,379
- 20%	4	2
Final ordinary dividend paid of 8 cents (2004 : 8 cents) per ordinary share less 20% (2004 : 22%) tax in respect of the previous financial year	42,594	38,141
	42,598	39,619

After the balance sheet date, the Directors proposed a final dividend of 8 cents (2004 : 8 cents) per ordinary share less tax at 20% (2004 : 20%) amounting to a net dividend of \$42,594,506 (2004 : \$42,594,506). The dividends have not been provided for.

33. 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 including Notes 23, 24 and 26, there were the following significant related party transactions between the Group and related parties during the financial year:-

- a. Rental income of \$690,000 (2004 : \$824,000) was received for the financial year ended 30 June 2005 and will continue to be receivable by an investment holding subsidiary of the Group pursuant to a lease agreement entered into by this subsidiary with a company in which one of the directors has an interest.

33. RELATED PARTY TRANSACTIONS (cont'd)

- b. GuocoLand Management Pte. Ltd., a wholly-owned subsidiary of the Group, provided management services to related parties and the management fee income received for the financial year is as follows:-

	Group	
	2005 \$'000	2004 \$'000
Immediate holding company	3	3
Related corporations	29	23
Related parties	14	15

- c. On 6 June 2003, the Company had announced its entry into a Management Agreement of the same date with Guoco Group Limited ("GGL") in respect of the provision of services by GGL to the Company, its subsidiaries and associated companies ("GGL Group"). The consideration for the provision of the services is HK\$50,000 per month ("Monthly Fee") plus an annual fee equal to 3% of the annual consolidated profits before tax of the GGL Group for each financial year ("Annual Fee"). The aggregate of the Monthly Fee and Annual Fee payable by GGL in each financial year shall not exceed 2% of the audited consolidated net tangible assets of the GGL Group for the relevant financial year. No Annual Fee is payable in the event the GGL Group incurs an audited consolidated loss before tax in any financial year. Three directors of the Company are directors and shareholders of GGL.
- d. FCC Equities Pte Ltd, a wholly-owned subsidiary of the Group, entered into a Securities Sale Agreement with Brightspring Holdings Limited, a wholly-owned subsidiary of GGL, for the sale of 21,309,900 ordinary shares of RM1.00 each in the capital of Camerlin Group Berhad ("CGB") representing 7.13% interest in the capital of CGB and 26,637,375 CGB 5.5% five-year irredeemable convertible unsecured loan stocks 2002/2007 ("ICULS") representing 21.49% of the outstanding CGB ICULS for a total cash consideration of RM53.3 million (\$23.0 million). Three directors of the Company are directors and shareholders of GGL. One of these directors is also a director and shareholder of CGB.
- e. Shanghai Xinhaozhong Property Development Co., Ltd, a subsidiary of the Group which is undertaking the development of a 262-unit condominium named Central Park in Shanghai, entered into a contract in respect of the supply of airconditioning equipment for Central Park with a company in which one of the directors has an interest, for a contract sum of S\$1.8 million.

34. FINANCIAL INSTRUMENTS**a. Financial Risk Management Objectives and Policies**

The Group operates and generates a substantial part of its business from Singapore. The Group's activities expose it to some 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 and interest rates. While these are subject to the risks of market rates changing subsequent to acquisition, such changes are generally offset by opposite effects on the items being hedged.

The Group's accounting policies in relation to the derivative financial instruments are set out in Note 2j.

Notes to the Financial Statements

30 June 2005

34. FINANCIAL INSTRUMENTS (cont'd)

b. Foreign Currency Risk

The Group has overseas investments in China, Malaysia and India. 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's policy is to minimise adverse effects on the financial performance of the Group as a result of volatility in foreign exchange rates. 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.

c. 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 uses interest rate swaps to hedge its interest rate exposure. Apart from cash and cash equivalents, the Group has no other significant interest-bearing assets.

d. Credit Risk

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.

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 counterparties. As such, the Group does not expect any counterparty to fail to meet their obligations.

e. Fair Values

The aggregate net fair values of financial liabilities, which are not carried at fair value in the balance sheet are represented in the following table:-

	Carrying Amount 2005 \$'000	Fair Value 2005 \$'000	Carrying Amount 2004 \$'000	Fair Value 2004 \$'000
Group				
Financial Liabilities (see Note 16)				
Secured				
- S\$ floating rate loans	300,598	302,705	503,931	505,484
- S\$ fixed rate loans	135,000	136,343	-	-
- US\$ floating rate loan	-	-	522	522
Unsecured				
- S\$ floating rate loans	66,500	66,526	96,000	96,055
- S\$ floating rate notes	40,000	40,579	40,000	40,443
- S\$ fixed rate loan	35,000	35,155	-	-
- S\$ fixed rate notes	232,747	236,794	232,621	236,902
- US\$ floating rate loans	-	-	107,538	107,933
	809,845	818,102	980,612	987,339

34. FINANCIAL INSTRUMENTS (cont'd)**e. Fair Values (cont'd)**

	Carrying Amount 2005 \$'000	Fair Value 2005 \$'000	Carrying Amount 2004 \$'000	Fair Value 2004 \$'000
Company				
Financial Liabilities (see Note 16)				
Secured				
- S\$ floating rate loan	-	-	10,000	10,040
Unsecured				
- S\$ floating rate loans	16,500	16,516	24,000	24,044
- S\$ floating rate notes	40,000	40,579	40,000	40,443
- S\$ fixed rate loan	35,000	35,155	-	-
- S\$ fixed rate notes	232,747	236,794	232,621	236,902
- US\$ floating rate loans	-	-	21,508	21,593
	324,247	329,044	328,129	333,022

The fair value of the financial instruments 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 balance sheet date.

It is not practicable to estimate the fair value of the unquoted securities and amounts due from/to subsidiaries, associated companies, related corporations and minority shareholders of subsidiaries because of the inability to estimate fair value without incurring excessive costs. However, management believes that the carrying amounts recorded at balance sheet date reflect their corresponding fair value.

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

35. COMMITMENTS

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

	Group	
	2005 \$'000	2004 \$'000
Within 1 year	335	325
After 1 year but within 5 years	270	528
	605	853

- b. The Group leases out its investment properties (see Note 4). The non-cancellable operating lease rentals are receivable as follows:-

	Group	
	2005 \$'000	2004 \$'000
Within 1 year	8,424	6,266
After 1 year but within 5 years	7,330	5,799
	15,754	12,065

- c. In the previous financial year, the commitment in respect of purchase of land by the Group was \$162,581,000.

Notes to the Financial Statements

30 June 2005

36. CONTINGENT LIABILITIES (UNSECURED)

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

- a. The Company has given guarantees to financial institutions in connection with banking facilities granted to subsidiaries of \$105,800,000 (2004 : \$341,930,000).
- b. A main contractor had made a claim in arbitration against a subsidiary for approximately \$8.6 million (2004 : \$8.6 million) for alleged unpaid balance contract sum and variation works/loss and expense. The subsidiary's lawyers had advised that the subsidiary had a good case in defending the claim. The subsidiary had in July 2005 obtained a court order for a permanent stay of the arbitration proceedings.

37. SEGMENT REPORTING

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise assets, liabilities, income and expenses relating to financing activities, tax provisions and interest bearing fixed deposits.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one year.

a. Business Segments

The Group comprises the following main business segments:-

- Property development : Development of residential and commercial properties.
- Property investment : Holding properties for rental income.
- Equity investment : Investment in shares of other corporate entities.
- Other operations : Holding investments in subsidiaries and associated companies and provision of management services.

b. Geographical Segments

The Group operates principally in Singapore.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

37. SEGMENT REPORTING (cont'd)**Business Segments**

	Property Development \$'000	Property Investment \$'000	Equity Investment \$'000	Other Operations \$'000	Eliminations \$'000	Total \$'000
Revenue and Expenses						
2005						
Total revenue from external customers	400,069	9,444	9,935	93	-	419,541
Inter-segment revenue	1,009	973	-	48,575	(50,557)	-
Total revenue	401,078	10,417	9,935	48,668	(50,557)	419,541
Segment results	62,851	5,983	40,186	47,851	(53,229)	103,642
Unallocated income						4,380
Unallocated expenses						(548)
Profit from operations						107,474
Finance costs						(13,450)
Share of profit from associated companies	8,731	-	-	1,049	-	9,780
Profit from ordinary activities before taxation						103,804
Income tax						(25,966)
Minority interests						(1,884)
Net profit for the year						75,954
2004						
Total revenue from external customers	283,221	13,353	527	2,960	-	300,061
Inter-segment revenue	1,303	657	-	135,938	(137,898)	-
Total revenue	284,524	14,010	527	138,898	(137,898)	300,061
Segment results	32,164	525	(7,857)	12,467	60,143	97,442
Unallocated income						3,411
Unallocated expenses						(1,249)
Profit from operations						99,604
Finance costs						(6,608)
Share of profit/(loss) from associated companies	4,472	18,816	(335)	56	-	23,009
Profit from ordinary activities before taxation						116,005
Income tax						6,186
Minority interests						(2,176)
Net profit for the year						120,015

Notes to the Financial Statements

30 June 2005

37. SEGMENT REPORTING (cont'd)

Business Segments (cont'd)

	Property Development \$'000	Property Investment \$'000	Equity Investment \$'000	Other Operations \$'000	Total \$'000
Assets and Liabilities					
2005					
Segment assets	1,250,704	308,604	176,142	2,184	1,737,634
Interests in associated companies	195,767	-	-	27,879	223,646
Unallocated assets					162,836
Total assets					<u>2,124,116</u>
Segment liabilities	612,049	7,720	761	4,398	624,928
Unallocated liabilities					372,168
Total liabilities					<u>997,096</u>
Other Information					
Capital expenditure	485	-	-	404	
Depreciation	357	-	-	433	
Non-cash expenses excluding depreciation	72	-	-	-	
2004					
Segment assets	1,060,299	308,303	158,001	336,230	1,862,833
Interests in associated companies	128,239	-	10	19,698	147,947
Unallocated assets					114,019
Total assets					<u>2,124,799</u>
Segment liabilities	694,462	7,970	605	4,619	707,656
Unallocated liabilities					402,709
Total liabilities					<u>1,110,365</u>
Other Information					
Capital expenditure	518	-	-	452	
Depreciation	357	-	-	453	
Non-cash expenses excluding depreciation	140	-	5,008	(170)	

37. SEGMENT REPORTING (cont'd)

Geographical Segments

	Total Revenue from External Customers	
	2005 \$'000	2004 \$'000
Singapore	189,004	273,261
The People's Republic of China	227,473	24,029
Malaysia	3,064	608
United Kingdom	-	2,163
	<u>419,541</u>	<u>300,061</u>

	Segment Assets		Capital Expenditure	
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
Singapore	1,387,278	1,283,779	535	771
The People's Republic of China	378,333	256,072	354	199
Malaysia	183,276	123,094	-	-
United Kingdom	-	334,723	-	-
Other Regions	12,393	13,112	-	-
	<u>1,961,280</u>	<u>2,010,780</u>	<u>889</u>	<u>970</u>

Shareholding Statistics

As At 15 September 2005

AUTHORISED SHARE CAPITAL	:	\$1,005,000,000
ISSUED AND FULLY PAID-UP CAPITAL ORDINARY SHARES OF \$1.00 EACH FULLY PAID	:	\$665,539,403
OUTSTANDING 4.5% NON-REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES 2005 OF \$0.01 EACH	:	\$108,065
VOTING RIGHTS	:	ONE VOTE PER ORDINARY SHARE

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	NO. OF ORDINARY SHARES	% OF ORDINARY SHARES
1 - 999	140	52,448	0.01
1,000 - 10,000	4,537	16,652,414	2.50
10,001 - 1,000,000	787	34,472,393	5.18
1,000,001 & ABOVE	14	614,362,148	92.31
TOTAL	5,478	665,539,403	100.00

TWENTY LARGEST SHAREHOLDERS NAME OF SHAREHOLDERS	NO. OF ORDINARY SHARES	% OF ORDINARY SHARES
GUOCO INVESTMENT PTE LTD	345,696,942	51.94
UOB KAY HIAN PTE LTD	134,047,287	20.14
DBS NOMINEES PTE LTD	34,934,209	5.25
HSBC (SINGAPORE) NOMINEES PTE LTD	20,384,700	3.06
KWEK LENG HAI	18,851,140	2.83
UNITED OVERSEAS BANK NOMINEES PTE LTD	14,110,759	2.12
ING NOMINEES (S'PORE) PTE LTD	13,726,167	2.06
CITIBANK NOMINEES S'PORE PTE LTD	13,125,592	1.97
HL BANK NOMINEES (S) PTE LTD	9,207,862	1.38
RAFFLES NOMINEES PTE LTD	2,676,233	0.40
OCBC NOMINEES SINGAPORE PTE LTD	2,637,090	0.40
KIM ENG SECURITIES PTE LTD	2,406,167	0.36
OCBC SECURITIES PRIVATE LTD	1,459,000	0.22
LIM & TAN SECURITIES PTE LTD	1,099,000	0.17
SINGAPORE REINSURANCE CORPORATION LTD-SIF GENERAL	975,000	0.15
MORPH INVESTMENTS LTD	829,000	0.12
ANG JWEE HERNG	800,000	0.12
MERRILL LYNCH (S'PORE) PTE LTD	697,000	0.10
PHILLIP SECURITIES PTE LTD	553,500	0.08
KUEK SER BENG	530,000	0.08
TOTAL	618,746,648	92.95

SHAREHOLDING IN THE HANDS OF THE PUBLIC AS AT 15 SEPTEMBER 2005

The percentage of shareholding in the hands of the public was approximately 23.59% of the issued and fully paid-up ordinary share capital of the Company. The Company has complied with Rule 723 of the SGX-ST Listing Manual which requires that an issuer must ensure that at least 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

Shareholding Statistics

As At 15 September 2005

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 15 SEPTEMBER 2005

Substantial Shareholders	Direct Interest Number of Shares	Deemed Interest Number of Shares
1. Asia Fountain Investment Company Limited	68,492,298	
2. Guoco Investment Pte Ltd	345,696,942	
3. Hong Leong Consultancy Services Sdn Bhd	44,045,989	
4. Dao Heng Enterprises Limited		*68,492,298
5. Guoco Group Limited		**414,739,240
6. GuoLine Overseas Limited		**414,739,240
7. GuoLine Capital Assets Limited		**414,739,240
8. HLCM Capital Sdn Bhd		*** 44,045,989
9. Hong Leong Company (Malaysia) Berhad		****459,288,229
10. HL Holdings Sdn Bhd		****459,288,229
11. Hong Leong Investment Holdings Pte Ltd		****459,288,229
12. Quek Leng Chan	14,047,224	****459,407,229

* deemed interest arising through Asia Fountain Investment Company Limited by virtue of the operation of Section 7 of the Companies Act, Cap 50.

** deemed interest arising through Guoco Investment Pte Ltd and Asia Fountain Investment Company Limited by virtue of the operation of Section 7 of the Companies Act, Cap 50.

*** deemed interest arising through Hong Leong Consultancy Services Sdn Bhd by virtue of the operation of Section 7 of the Companies Act, Cap 50.

**** deemed interest arising through Guoco Group Limited and Hong Leong Consultancy Services Sdn Bhd by virtue of the operation of Section 7 of the Companies Act, Cap 50.

Shareholding Statistics

As At 15 September 2005

OUTSTANDING 4.5% NON-REDEEMABLE CONVERTIBLE CUMULATIVE PREFERENCE SHARES 2005 ("NCCPS 2005")

SIZE OF SHAREHOLDINGS	NO. OF NCCPS HOLDERS	NO. OF NCCPS	% OF NCCPS
1 - 999	35	12,515	11.58
1,000 - 10,000	27	67,000	62.00
10,001 - 1,000,000	2	28,550	26.42
TOTAL	64	108,065	100.00

TWENTY LARGEST NCCPS HOLDERS

NAME OF NCCPS HOLDERS	NO. OF NCCPS	% OF NCCPS
DBS NOMINEES PTE LTD	14,550	13.46
HNG KIAN SENG	14,000	12.96
OCBC NOMINEES SINGAPORE PTE LTD	9,750	9.02
WAN PONG SENG	8,500	7.87
AU AH YIAN	5,000	4.63
CHEW WAH HENG ERIC	5,000	4.63
MALAYAN BANKING BERHAD	5,000	4.63
QUAH PHECK LIAN	3,000	2.78
THEAN HENG SIM	3,000	2.78
THEAN LIP PING	3,000	2.78
HL BANK NOMINEES (S) PTE LTD	2,500	2.31
HIEW SIEW NAM	2,250	2.08
YONG POH GEE	2,250	2.08
TAY TEOW SIANG	2,000	1.85
LEE SHIH KWEI	1,500	1.39
TEH YAP CHENG	1,250	1.16
FONG PING YUEN	1,000	0.92
KHOO GEOK HONG	1,000	0.92
KUM CHANG KWANG	1,000	0.92
LEE KIT TONG	1,000	0.92
TOTAL	86,550	80.09

INTERESTED PERSON TRANSACTIONS

In addition to the transactions set out in Notes 23,24,26 and 33 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	\$28,442,895	N.A.

Notice of Annual General Meeting

Notice is hereby given that the 29th Annual General Meeting of GuocoLand Limited will be held at 80 Raffles Place #25-01 UOB Plaza 1, Singapore 048624 on 27 October 2005 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 2005
2. To declare a First and Final Dividend of 8% less 20% Singapore income tax for the financial year ended 30 June 2005 **Resolution 1**
3. To approve Directors' fees of \$307,500 for the financial year ended 30 June 2005 **Resolution 2**
4. To re-elect the following Directors retiring in accordance with the Company's Articles of Association:-
Mr Sat Pal Khattar **Resolution 3**
Mr Quek Leng Chan **Resolution 4**
Mr Reggie Thein **Resolution 5**
5. To re-appoint KPMG as auditors of the Company and to authorise the Directors to fix their remuneration **Resolution 6**

AS SPECIAL BUSINESS

6. To consider and if thought fit, to pass the following Ordinary Resolutions:-
 - 6.1 Authority to Issue Shares
 - a) "That approval be and is hereby given to the Directors to offer and grant options under the GuocoLand Limited Executives' Share Option Scheme (the "Scheme") and to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of options under the Scheme, provided that the aggregate number of shares to be issued pursuant to the resolution when added to the number of shares issued and issuable in respect of all options granted under the Scheme shall not exceed five per cent (5%) of the issued share capital of the Company for the time being subject to a maximum of ten percent (10%) of the issued share capital of the Company as at 29 October 2004." **Resolution 7(a)**
 - b) "That pursuant to Section 161 of the Companies Act, Cap. 50, approval be and is hereby given to the Directors to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per cent (10%) of the issued share capital of the Company for the time being." **Resolution 7(b)**
 - 6.2 Renewal of Share Purchase Mandate
"That the Directors of the Company be authorised to purchase or otherwise acquire ordinary shares of \$1.00 each ("Shares") of up to a maximum of ten percent (10%) of the issued ordinary share capital of the Company (ascertained as at the date of the passing of this Resolution) and/or non-redeemable preference shares of \$0.01 each ("Preference Shares") of up to a maximum of ten per cent (10%) of the issued non-redeemable preference share capital of the Company (ascertained as at the date of the passing of this Resolution), from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) at the price of up to but not exceeding the Maximum Price (as defined in the Appendix to the Notice of Annual General Meeting) and in accordance with the authority and limits of the Share Purchase Mandate as set out in the Appendix to the Notice of Annual General Meeting, and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next Annual General Meeting of the Company is held or is required by law to be held, whichever is the earlier. **Resolution 8**

Notice of Annual General Meeting

7. To transact any other business of an Annual General Meeting of which due notice shall have been given.

By Order of the Board

Dawn Pamela Lum
Company Secretary
Singapore

10 October 2005

Notes:

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy 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 Tung Centre, Singapore 049319 not less than 48 hours before the time set for holding the Meeting.

Notes to Special Business:

Resolution 7(a) is to empower the Directors to issue shares pursuant to the GuocoLand Limited Executives' Share Option Scheme (the "Scheme") which was first approved at the Extraordinary General Meeting of the Company held on 31 December 1998. On 29 October 2004, Shareholders of the Company approved various amendments to the Scheme which were set out in a Circular to Shareholders dated 6 October 2004.

Resolution 7(b) is to empower the Directors to issue shares in the Company up to an amount not exceeding ten per cent (10%) of the issued share capital of the Company for the time being. This approval will expire at the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting of the Company is required to be held, whichever is earlier. The Directors would only issue shares under the resolution where they consider it appropriate and in the interests of the Company to do so.

Resolution 8 is to empower the Directors from the date of the above Meeting until the next Annual General Meeting is held or is required by law to be held, whichever is earlier, to repurchase ordinary shares of the Company by way of market purchases or off market purchases of up to ten per cent (10%) of the issued share capital of the Company at the Maximum Price. The Company intends to use internal sources of funds, or external borrowings or a combination of both to fund purchases of Shares pursuant to the Share Purchase Mandate. The amount of funds required for the Company to purchase or acquire its shares and the impact of the Company's financial position cannot be ascertained as at the date of this Notice as these will depend on factors such as the aggregate number of Shares purchased, the purchase price paid at the relevant time, and the manner in which the purchase is funded. The rationale for, the authority and limitation on, and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited financial accounts of the Company and its subsidiaries for the financial year ended 30 June 2005 (for illustrative purposes only) are set out in greater detail in the Appendix to Notice of Annual General Meeting.

GuocoLand Limited

PROXY FORM

- NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT CPF Investors

1. For investors who have used their CPF monies to buy shares, the annual report is forwarded to them at the request of their 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.

Holders of NCCPS

1. This annual report is forwarded to holders of NCCPS solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by holders of NCCPS and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____

of _____

being a member/members of GuocoLand Limited, hereby appoint

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

*and/or (delete as appropriate)

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or, failing him/her, the Chairman of the Twenty-Ninth Annual General Meeting of the Company ("AGM") as my/our proxy to vote for me/us on my/our behalf at the AGM to be held on Thursday, 27 October 2005 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 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 AGM shall be my/our proxy 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 an "X" 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 Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.

No.	Resolutions	For	Against
AS ORDINARY BUSINESS			
1	To declare a First and Final Dividend		
2	To approve Directors' fees		
3	To re-elect Mr Sat Pal Khattar as a Director		
4	To re-elect Mr Quek Leng Chan as a Director		
5	To re-elect Mr Reggie Thein as a Director		
6	To re-appoint KPMG as auditors of the Company and to authorise the Directors to fix their remuneration		
AS SPECIAL BUSINESS			
7(a)	To authorise the Directors to grant options and issue shares under the GuocoLand Limited Executives' Share Option Scheme		
7(b)	To authorise the Directors to issue shares in the Company		
8	To approve the Renewal of Share Purchase Mandate		

Signed this _____ day of _____ 2005

Total Number of Ordinary Shares Held	
a. CDP Register of Shareholders	
b. Register of Members	

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

FOLD HERE

AFFIX
STAMP
HERE

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

FOLD HERE

NOTES TO PROXY FORM

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register, 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 Tung Centre, 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

20 Collyer Quay #20-01 Tung Centre Singapore 049319
www.guocoland.com.sg