2007

ANNUAL REPORT



GuocoLand Limited (Reg. No. 197600660W)

A Member of the Hong Leong Group Malaysia

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GUOCOLAND ANNUAL REPORT 2007

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GUOCOLAND LIMITED ("GUOCOLAND") HAS GROWN SUBSTANTIALLY IN THE LAST FEW YEARS. TOWARDS THE COMPANY'S VISION TO BECOME A LEADING REGIONAL PROPERTY COMPANY, GUOCOLAND HAS BUILT UP A SUBSTANTIAL LAND BANK IN ITS EMBEDDED MARKETS OF SINGAPORE, CHINA, MALAYSIA AND VIETNAM.

CORPORATE INFORMATION

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 : 00660

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

PRINCIPAL BANKERS
Affin Bank Berhad
Agricultural Bank of China
Arab Bank plc
Bank of America N.A.
Bank of China Limited
Bank of Communications Co, Ltd
Bank of Taiwan
China Construction Bank Corporation
CIMB Bank Berhad
Citibank N.A.
DBS Bank Ltd
Fortis Bank S.A./N.A.
Industrial and Commercial Bank of China Limited
KBC Bank N.V.
Malayan Banking Berhad
Mizuho Corporate Bank, Ltd
Oversea-Chinese Banking Corporation Limited
Public Bank Berhad
RHB Bank Berhad
Sumitomo Mitsui Banking Corporation
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
The Royal Bank of Scotland plc
United Overseas Bank Limited
WestLB Asia Pacific 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

WE WILL CONTINUE TO LOOK AT INVESTMENTS IN STRATEGIC LAND ACQUISITIONS IN SINGAPORE, CHINA, MALAYSIA AND VIETNAM TO ESTABLISH A BASE FOR FUTURE EARNINGS GROWTH.

MR SAT PAL KHATTAR,
CHAIRMAN OF GUOCOLAND LIMITED



CHAIRMAN'S STATEMENT

THE GROUP RECORDED A NET PROFIT AFTER TAX AND MINORITY INTERESTS OF $281.9 MILLION, AN INCREASE OF 81% COMPARED TO THE PREVIOUS YEAR.

PERFORMANCE

FINANCIAL RESULTS

As previously reported, we had a good Year. For the financial year ended 30 June 2007, the Group recorded a net profit after tax and minority interests of $281.9 million, an increase of 81% compared to the previous financial year.

This was achieved on the back of:-

- strong GDP growth in the markets in which we operate, mainly, Singapore, China and Malaysia;
- healthy earnings from sales of our development projects in Singapore and China; and
- positive contribution from the Company's property subsidiary in Malaysia.

We completed a $1.25 billion fund raising exercise comprising a $690 million convertible bonds issue and a 1 for 3 rights issue at $2.50 per share ("Rights Issue"). This strengthens our balance sheet and positions the Group with the means to undertake large integrated developments and new market opportunities.

Shareholders' funds increased from $1.12 billion as at 30 June 2006 to $1.41 billion as at 30 June 2007. Total assets increased from $2.70 billion as at 30 June 2006 to $3.96 billion as at 30 June 2007 primarily due to acquisitions during the Year and from funds raised from the convertible bonds issue. The Rights Issue was completed in July 2007. Net asset value per share and earnings per share increased from $1.83 and 24.43 cents as at 30 June 2006 to $2.30 and 46.15 cents as at 30 June 2007, respectively. Gearing ratio was at a healthy 0.65 times as at 30 June 2007. The Company's market capitalisation as at 30 June 2006 was $1.61 billion. Following the close of the Rights Issue, the Company's market capitalisation grew to $4.57 billion as at 31 July 2007.

DIVIDENDS

The Board is recommending a first and final dividend amount of 8 cents per share. The Company has consistently over fifteen years declared attractive dividends, reflecting its commitment to deliver stable and superior returns to its shareholders. Shareholders who subscribed for the Rights shares will be entitled to receive the dividend, effectively receiving a higher yield since they were only allotted the Rights shares in July 2007. The total dividend payout of $71.0 million is subject to shareholders' approval at the Annual General Meeting to be convened on 19 October 2007. If approved, it will be paid to shareholders on 21 November 2007.

CHAIRMAN'S STATEMENT

STRATEGIC DIRECTION

OPERATING ENVIRONMENT & CHALLENGES

The Group operates in a challenging business environment in its embedded markets of Singapore, China, Malaysia and Vietnam. Volatility in global financial markets and changes in laws and regulations are also ever challenging. The Group constantly reviews its risk exposure in the execution and implementation of its projects. In all ways, the Group has grown substantially in the last few years. We are mindful of the need to strengthen management to meet the new challenges.

LAND BANK

Having laid the foundation for the Company's continued growth as a leading regional property company, the next phase of the Group's earnings growth is expected to come from land acquisitions made recently. Some of the significant acquisitions which were added to the Group's property portfolio are:-

SINGAPORE

In Singapore, now on the way to becoming a global city and financial centre with new mega projects such as the two integrated resorts and the Marina Bay Financial Centre, the Group had during the year acquired:-

- *Goodwood Residence*, 39,752 square metres of freehold gross floor area located at the prime Orchard / Scotts area previously called Casa Rosita. This acquisition, which was completed in November 2006, will be an exclusive premier development. It is slated for launch in the current financial year.
- *Sophia Residence*, which will be developed into 32,413 square metres of freehold gross floor area. This development is in the vicinity of Orchard Road and within walking distance of the Dhoby Ghaut MRT station. The acquisition was recently completed in September 2007.
- *Palm Beach Garden*, in the east coast on which we will develop 16,634 square metres of freehold gross floor area.
- *Leedon Heights*, in the prime residential district 10 on which we will build for sale 76,565 square metres of freehold gross floor area.

The Group's projects have benefited from the revival in the residential property market amidst robust economic growth of 7.9% in 2006 and 8.6% in the second quarter of 2007. *The View @ Meyer* and *Le Crescendo* are both substantially sold. *The Quartz,* located in an upcoming suburb next to the Buangkok MRT station in which we launched 337 units, is 92% sold. *The Stellar* situated near The National University of Singapore is also fully sold.

THE GROUP OPERATES IN A CHALLENGING BUSINESS ENVIRONMENT IN ITS EMBEDDED MARKETS OF SINGAPORE, CHINA, MALAYSIA AND VIETNAM. VOLATILITY IN GLOBAL FINANCIAL MARKETS AND CHANGES IN LAWS AND REGULATIONS ARE ALSO EVER CHALLENGING.

CHINA

In China, where the economy grew at a robust pace of 11.9% in the second quarter of 2007, the fastest pace in twelve years, the Group is building approximately 2 million square metres of gross floor area in the following developments:-

- 600,000 square metres in the Dongzhimen site in the Dongcheng District of Beijing. The Group currently has a 45% interest in this development of an integrated retail, hotel, office, residential and transportation terminal hub with an exclusive and express rail link to the Beijing International Airport. The Group expects to complete the acquisition of the remaining 45% interest in the current financial year;

- 494,239 square metres in the Changfeng integrated development comprising "small-office, home-office" (or SoHo), retail, office and hotel and located in the Putuo District of Shanghai;

- 484,279 square metres in *Hillview Regency* located near the Purple Mountains in the Xuanwu District of Nanjing;

- 233,890 square metres in the 1,112-unit *Ascot Park* in the Qixia District of Nanjing which is slated for launch in the current financial year; and

- 213,738 square metres in the Laochengxiang area in the Nankai District of Tianjin.

West End Point, a 810-unit condominium within the Second Ring Road in the Feng Sheng area in the Xicheng District of Beijing, has been substantially sold.

CHAIRMAN'S STATEMENT

MALAYSIA

The Group's real estate activities in Malaysia are undertaken by its 64.98% owned subsidiary, GuocoLand (Malaysia) Berhad ("GLM") which is listed on Bursa Malaysia Securities Berhad. The property portfolio held by GLM group and joint venture companies comprise mainly residential and commercial assets. Approximately 11,722 acres are slated for residential and township developments in the Klang Valley, Rawang, Sepang and Malacca. In 2007, the following new acquisitions were made:-

- 84 freehold parcels of contiguous land with an aggregate area of approximately 16.1 acres situated off Jalan Cheras, Kuala Lumpur for development of high-end residential bungalows and a condominium; and

- the recent conditional acquisition of the entire 140 units of serviced apartments and land parcels in the project known as *The Oval Apartments* which is located along Jalan Binjai in the vicinity of Kuala Lumpur City Centre. *The Oval Apartments* project is currently about 30% completed and is expected to be completed by end 2008.

GLM is undertaking a large scale freehold integrated development with a total gross floor area of approximately 217,265 square metres in the prestigious Damansara Heights in Kuala Lumpur. This development will comprise luxury condominiums, office towers, serviced apartments, a boutique hotel and a lifestyle retail mall.

GLM also has eight on-going mixed residential development projects in the Klang Valley.

VIETNAM

The Group is continuously seeking new opportunities in countries where it can build an integrated property business. Vietnam has been identified as an emerging country with good potential. It has attracted considerable foreign investments of late, especially since its accession to the World Trade Organisation in January 2007. Coupled with a young population with increasing aspirations to be homeowners, domestic demand is strong and growing. This is also reflected in its economy, which has grown at a fast pace of 8.2% in 2006 and 7.9% in the first half of 2007.

The Group is presently undertaking a development of approximately 285,664 square metres in an integrated development comprising residential, commercial, hotel and retail next to the Vietnam Singapore Industrial Park, in the Thuan An District of Binh Duong Province. The site is about 17 kilometres north of Ho Chi Minh City. Phase 1 of the residential component is expected to be launched in the current financial year.

WE ARE EVER MINDFUL THAT HUMAN CAPITAL IS THE KEY TO OUR SUCCESS. WE HAVE A STRONG MANAGEMENT TEAM WHICH WE NEED TO CONTINUALLY STRENGTHEN AND SUPPLEMENT.

GOING FORWARD

The Group has built a solid base which will enable it to realise good growth and earnings from its land bank including recent land acquisitions. Although the global landscape will remain challenging and there will be dislocations like the sub-prime mortgage woes in the United States which can cause tremors outside the United States, the Group will want to stay on a steady course and take advantage of opportunities which arise from time to time.

In the current financial year, the Group will be focused on existing projects to optimise value for all stakeholders. We will therefore continue to look at investments in strategic real estate acquisitions in Singapore, China, Malaysia and Vietnam, to build upon the base we have already established for future earnings growth.

As consumers' demands and expectations in the countries in which we operate rise in tandem with economic growth, the Group will also concentrate on building a strong brand name by delivering quality products. In 2007, the Group earned two construction awards viz Best Buildable Design Award and Certified Green Mark Award from the Building and Construction Authority (BCA) in Singapore for its residential developments at *Leonie Studio* and *The Quartz*, respectively. The Group is also pleased that *Goodwood Residence* has been awarded the BCA's prestigious Green Mark Award (Platinum) in recognition of the green features in this development.

We are ever mindful that human capital is the key to our success. We have a strong management team which we need to continually strengthen and supplement. Our total staff strength in Singapore and overseas has grown to 1,096 between 1 July 2006 to 30 June 2007. We will continue to seek to grow our human resource pool to support our operations.

APPRECIATION

I would like to thank my fellow directors for their contributions and continuing guidance to the management team. I also wish to record my sincere appreciation to all staff for their dedication and commitment, and to our shareholders, associates and customers, for their continued support.

SAT PAL KHATTAR
10 September 2007

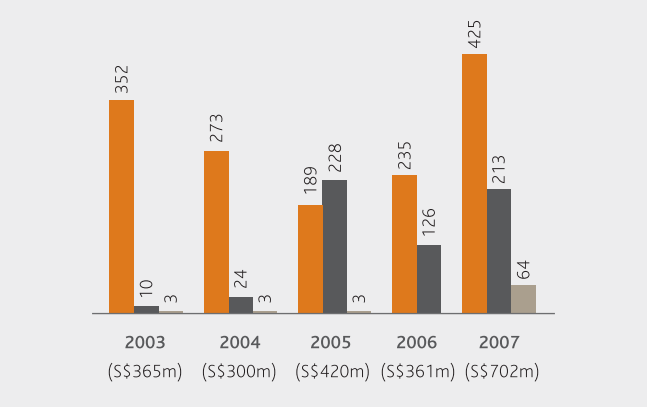
FINANCIAL HIGHLIGHTS

Year ended 30 June	2007 S$'000	2006 S$'000	2005 [1] S$'000	2004 [1] S$'000	2003 [1] S$'000
Income Statements					
Revenue by business segments					
Property development	652,813	345,940	400,069	283,221	338,111
Property investment	17,625	11,544	9,444	13,353	16,465
Hotel operations	23,896	-	-	-	-
Equity investment	7,097	3,576	9,935	527	4,641
Other operations	1,048	267	93	2,960	5,637
Total	702,479	361,327	419,541	300,061	364,854
Profit before income tax	302,237	164,757	109,201	116,005	117,100
Profit attributable to shareholders	281,892	155,630	82,743	120,015	94,205
Proposed dividends (ordinary) [2]	65,084 [3]	48,813	40,948	42,594	38,141
Balance Sheets					
Property, plant and equipment	130,065	127,161	1,864	1,846	1,865
Investment properties	363,976	246,224	308,000	308,000	318,000
Inventories	1,555,849	1,288,334	958,800	878,650	1,024,262
Interests in associates and jointly-controlled entities	438,113	190,462	223,541	147,947	366,920
Cash and cash equivalents	1,092,564	542,876	403,981	262,685	139,666
Other assets	380,391	305,773	227,930	525,671	252,570
Total Assets	**3,960,958**	**2,700,830**	**2,124,116**	**2,124,799**	**2,103,283**
Share capital	839,716	839,716	665,540	675,524	516,137
Reserves	566,299	284,949	417,537	297,058	366,485
Equity attributable to shareholders	1,406,015	1,124,665	1,083,077	972,582	882,622
Minority interests	165,200	153,356	43,943	41,852	39,882
Total equity	1,571,215	1,278,021	1,127,020	1,014,434	922,504
Loans and borrowings	2,006,288	1,157,533	809,845	980,612	1,055,697
Other liabilities	383,455	265,276	187,251	129,753	125,082
Total liabilities	2,389,743	1,422,809	997,096	1,110,365	1,180,779
Total Equity and Liabilities	**3,960,958**	**2,700,830**	**2,124,116**	**2,124,799**	**2,103,283**
Ratios					
Net tangible assets per share (S$)	2.30	1.82	1.67	1.54	1.53
Net asset value per share (S$)	2.30	1.83	1.67	1.44	1.52
Basic earnings per share (cents)	46.15	24.43	12.57	19.95	19.91
Gross ordinary dividend per share (cents)	8	8	8	8	8

Note:-

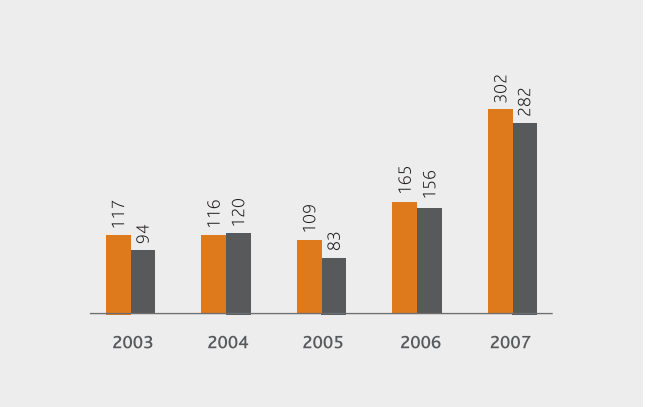
1. Comparative figures for 2005 have been restated to take into account retrospective adjustments arising from the adoption of various new/revised Financial Reporting Standards in 2006. Comparative figures for 2004 and 2003 have not been restated.
2. The amount is derived after deducting dividends to be paid in respect of ordinary shares of the Company which were held by the Trust for Executives' Share Option Scheme as at balance sheet date.
3. The amount is derived after taking into account the issue of 221,882,489 new ordinary shares of the Company pursuant to a renounceable rights issue undertaken by the Company on 30 July 2007.

GROUP REVENUE (S$ MILLION)



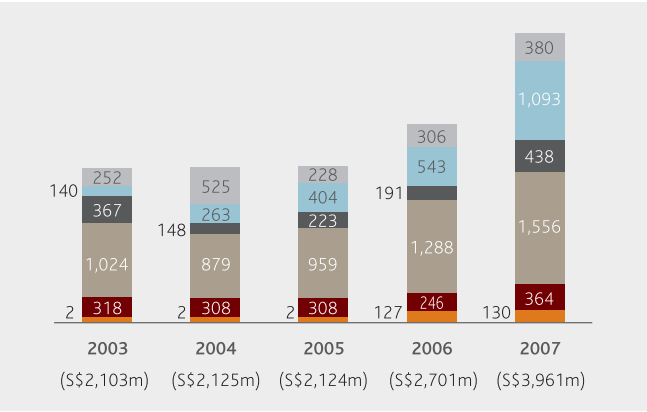
- Singapore
- China
- Others

GROUP PERFORMANCE (S$ MILLION)



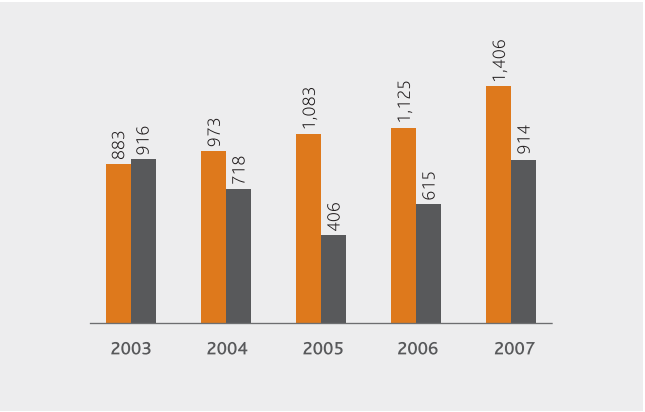
- Profit Before Income Tax
- Profit Attributable To Shareholders

GROUP TOTAL ASSETS (S$ MILLION)



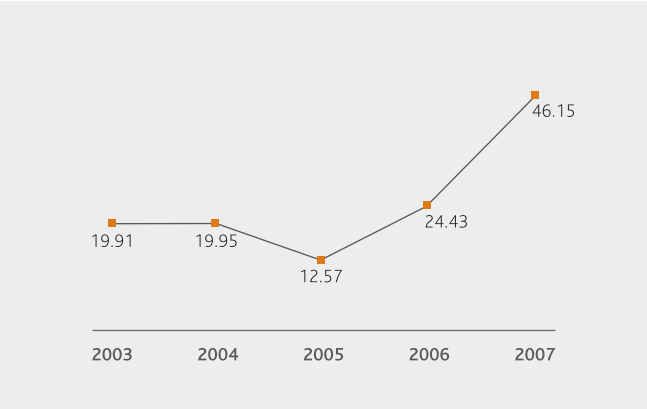
- Property, Plant and Equipment
- Investment Properties
- Inventories
- Interests In Associates and Jointly-Controlled Entities
- Cash and Cash Equivalents
- Other Assets

SHAREHOLDERS' EQUITY AND NET DEBT (S$ MILLION)

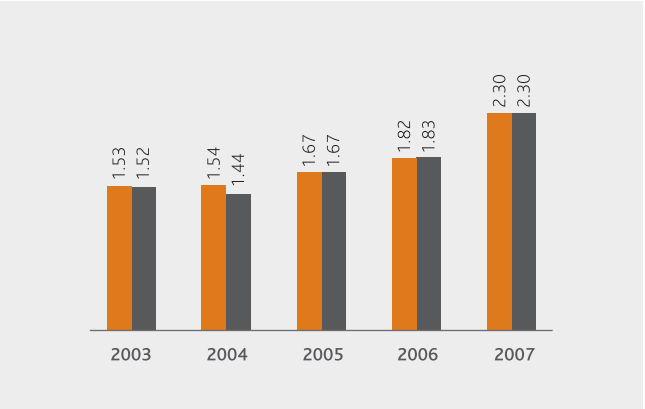


- Shareholders' Equity
- Net Debt (Loans and Borrowings Less Cash and Cash Equivalents)

BASIC EARNINGS PER SHARE (CENTS)



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



- Net Tangible Assets Per Share
- Net Asset Value Per Share

CORPORATE GOVERNANCE

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

The framework of the Company's corporate governance provided by its own Code of corporate governance is substantially in line with the principles of the Singapore Code of Corporate Governance ("Code") 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

PRINCIPLE 1
BOARD'S CONDUCT OF ITS AFFAIRS

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

The Board also reviews and approves key strategic and financial initiatives, the business plan and budget, quarterly, interim and annual results, and major investments and divestments.

The 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. New directors are apprised of the business activities of the Group and its strategic directions. As provided in the Company's Articles of Association, Directors may convene Board meetings by teleconferencing or videoconferencing.

All Directors are provided with relevant information on the Company's policies, procedures and practices relating to governance issues, including disclosure of interests in securities, dealings in the Company's securities, restrictions on disclosure of price-sensitive information and disclosure of interests relating to the Group's businesses. Directors are also updated regularly on key regulatory and accounting changes at Board Meetings. During the last financial year, Directors attended briefings and seminars to be updated on relevant new laws, accounting standards and corporate governance issues and practices.

PRINCIPLE 2
BOARD COMPOSITION AND BALANCE

Currently, the Board comprises seven well-qualified members who are business leaders and professionals with financial, banking and legal backgrounds. The Board considers its present size to be appropriate after taking into account the current nature and scope of the Group's operations. Profiles of the Directors are set out on pages 16 and 17 . The majority of the Directors are non-executive and are considered independent by the Nominating Committee. The Nominating Committee determines annually the independence of Directors.

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 Messrs Quek Chee Hoon, Quek Leng Chan (who is the Chairman) and Kwek Leng Hai, and certain key senior management personnel. During the last financial year, the Executive Committee held five meetings.

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 CEO participates at all Audit Committee meetings, either in attendance or by way of telephone conferencing. The Audit Committee held four meetings during the last financial year.

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

4. ***Nominating Committee:*** This committee comprises three non-executive 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 two meetings in the last financial year.

5. ***Remuneration Committee:*** This committee comprises two non-executive independent Directors (Mr Sat Pal Khattar who is the Chairman and Mr Reggie Thein, member) and an executive non-independent director, Mr Quek Leng Chan. The Board is of the view that the inclusion of an executive director in the Remuneration Committee is appropriate and in the best interests of the Company and its subsidiaries.The Remuneration Committee which meets at least annually, held two meetings in the last financial year.

PRINCIPLE 3
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities in the respective roles and functions of the Chairman and Chief Executive Officer ("CEO") as these appointments are held separately by Messrs Sat Pal Khattar and Quek Chee Hoon respectively. The Chairman oversees the Group's corporate governance structure and conduct, in particular, the effective functioning of the Board and its Board committees. The Chairman also ensures that shareholders' questions and concerns are addressed at the general meetings of the Company. The CEO leads the Management team by providing entrepreneurial leadership and strategic directions. He oversees the business operations and affairs of the Group and monitors the performance of Management against pre-agreed targets. As the Chairman is a non-executive Director, the Company Secretary assists the Chairman to schedule and prepare agendas for Board meetings. The CEO ensures the quality and timeliness of information flow between the Board and Management, which comprises key executive personnel of the Company.

PRINCIPLE 4
BOARD MEMBERSHIP

The Nominating Committee reviews and recommends all new Board appointments and also the re-nomination and re-appointment of Directors to the Board having regard to the Director's contribution and performance (for example, attendance, participation, including if applicable, independence as a Director). 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 at least once in every three years.

PRINCIPLE 5
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. The assessment takes into account the performance of the Company, attendance and contributions of Directors at meetings of the Board and Board Committees and Directors' participation in the affairs of the Company, including a review of matters such as the independence of Directors, their individual skills and experience as well as overall Board size and composition. The results of the Nominating Committee's assessment for the financial year ended 30 June 2007 had been communicated to and accepted by the Board.

CORPORATE GOVERNANCE

PRINCIPLE 6
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.

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

B) REMUNERATION MATTERS

PRINCIPLES 7, 8 & 9

The 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 S$331,000 and is subject to the approval of shareholders.

The remuneration package comprising mainly salaries and bonuses, for the executive Directors (including the CEO) and the top six key executives who are not Directors of the Company, is disclosed in bands of S$250,000 so as to maintain confidentiality of staff remuneration matters. This information is contained in Note 27c to the Financial Statement.

During the last financial year, a brother of Messrs Quek Leng Chan and Kwek Leng Hai received remuneration exceeding S$150,000 as an executive Director of one of the Company's principal subsidiaries.

C) ACCOUNTABILITY AND AUDIT

PRINCIPLES 10, 11, 12 & 13
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, as recorded in the Company's Register of Interested Person Transactions;
- reviewing all non-audit services provided by the external auditors of the Company and confirming that such non-audit services do not affect the independence of the external auditors; and
- reviewing the adequacy of the internal audit function.

The Company has put in place a whistle-blowing policy, procedures and rules for employees to raise responsibly, in confidence, concerns about possible improprieties for investigation.

In line with the requirement of the Code, the role of the Audit Committee has been expanded to include reviewing and ensuring that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action.

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

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

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) COMMUNICATION WITH SHAREHOLDERS

PRINCIPLES 14 & 15

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 its own Code of corporate governance provided guidelines to the Company's officers in relation to dealings in securities. These guidelines set out, inter alia, that officers should refrain from dealing in any securities of the Company at any time when in possession of unpublished price-sensitive information in relation to those securities, and during the Company's close period which is defined as two weeks immediately preceding the announcement of the Company's 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
CHAIRMAN
aged 64

was appointed to the Board in 1988, and is proposed for re-election at the Company's Annual General Meeting to be held on 19 October 2007. He has been the Chairman of the Group since 1990. 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, Gateway Distriparks Ltd and India InfoLine Ltd in India. 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 2007.

MR QUEK CHEE HOON
GROUP PRESIDENT AND
CHIEF EXECUTIVE OFFICER
aged 54

was appointed to the Board in 1998, and was last re-elected to the Board at the Company's Annual General Meeting in October 2006. He is the Group President and Chief Executive Officer of the Group. Mr Quek has 30 years' extensive experience in various investment, corporate and management activities, including property related activities and businesses. Mr Quek holds a Bachelor of Accountancy degree from the University of Singapore.

Mr Quek attended all the Board and Executive Committee meetings of the Company held during the financial year ended 30 June 2007. He also participated at all the Audit Committee meetings, held during the financial year ended 30 June 2007 in his capacity as the Group President and Chief Executive Officer of the Company.

MR QUEK LENG CHAN
aged 64

was appointed to the Board in 1988, and is proposed for re-election at the Company's Annual General Meeting to be held on 19 October 2007. He is the Chairman of the Executive Committee and a member of the Remuneration Committee. Mr Quek is the Chairman and Chief Executive Officer of Hong Leong Company (Malaysia) Berhad ("HLCM") and he sits on the Boards of Directors of the major public listed companies of HLCM. He is also the Executive Chairman of Guoco Group Limited, the Company's intermediate holding company in Hong Kong. Mr Quek qualified as a Barrister-at-Law from Middle Temple, United Kingdom and has extensive business experience in various business sectors, including financial services, manufacturing and real estate.

Mr Quek attended all the Board, Executive Committee and Remuneration Committee meetings of the Company held during the financial year ended 30 June 2007.

MR KWEK LENG HAI
aged 54

was appointed to the Board in 1988, and was last re-elected to the Board at the Company's Annual General Meeting in October 2006. He is a member of the Nominating Committee. Mr Kwek is the President and Chief Executive Officer of Guoco Group Limited in Hong Kong. His directorships in other public listed companies include Hong Leong Bank Berhad, BIL International Limited, Camerlin Group Berhad and Lam Soon (Hong Kong) Limited. Mr Kwek qualified as a chartered accountant from 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 2007.

MR LUM CHOONG WAH
aged 68

was appointed to the Board in 1997, and was last re-elected to the Board at the Company's Annual General Meeting in October 2006. He is a member of the Audit Committee and Nominating Committee. Mr Lum who is now retired, 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 2007.

MR GOH YONG HONG
aged 68

was appointed to the Board in 1999, and is proposed for re-election at the Company's Annual General Meeting to be held on 19 October 2007. 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, Director of Asia Pacific Breweries Limited, Asia Pacific Breweries (S) Pte Ltd, Evergro Properties Limited (formerly Known as 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 all the Board and Audit Committee meetings of the Company held during the financial year ended 30 June 2007.

MR REGGIE THEIN
aged 66

was appointed to the Board in July 2002, and was last re-elected to the Board at the Company's Annual General Meeting in 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 and MobileOne Ltd.

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 2007.

MANAGEMENT TEAM

CORPORATE OFFICE

CHIEF FINANCIAL OFFICER
MR JERRY LEE

Mr Jerry Lee is the Chief Financial Officer. He has been with the Group since 1996. Mr Lee has 28 years of working experience and has 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.

GROUP COMPANY SECRETARY
MRS DAWN PAMELA LUM

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 31 years of working experience and has assumed key roles in the corporate and management functions of the Company. Mrs Lum holds a Bachelor of Law (Hons) degree from the University of Singapore. She was admitted to the Rolls of the Supreme Court of Singapore as an advocate and solicitor in 1977.

GENERAL MANAGER, GROUP HUMAN RESOURCE
MS LIM CHOR HOON

Ms Lim Chor Hoon is the General Manager, Group HR. She joined the Group in May 2007 with 20 years' experience in the various aspects of HR functions such as recruitment and staffing, compensation and benefits, training and development, and performance appraisal and management. She holds a Bachelor of Science in Psychology degree from the University of Wisconsin at Madison, USA.

DIVISION HEADS

GENERAL MANAGER, INTERNATIONAL INVESTMENT
MR HO SING

Mr Ho Sing is the General Manager, International Investment. He joined the Group in June 2007 with 13 years' experience and has held key positions in various industries ranging from engineering, medical, infrastructure and investment holdings. He holds a Bachelor of Science in Aerospace Engineering degree from the University of Texas, Austin, USA.

MANAGING DIRECTOR, RETAIL REAL ESTATE MANAGEMENT
MR CHAY WAI CHUEN

Mr Chay Wai Chuen is the Managing Director of the Group's Retail Real Estate Management. He joined the Group in July 2007. He has 28 years of experience, spanning economic research, business development, finance and retail real estate investment and supply chain management. He obtained a Master in Social Science at the University of Singapore, where he was Research Scholar in economics and also received a Master of Arts in Development Economics at University of Sussex, where he was a Commonwealth Scholar. He is also a graduate of the Singapore Command and Staff College and had attended the Advanced Management Programme at the Harvard Business School.

COUNTRY HEADS

SINGAPORE COUNTRY HEAD
MRS TRINA LOH

Mrs Trina Loh is the Managing Director of GuocoLand (Singapore) Pte. Ltd. She joined the Group in 1999. Mrs Loh has 25 years of 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.

CHINA COUNTRY HEAD
MS VIOLET LEE

Ms Violet Lee is the Managing Director of GuocoLand (China) Limited. She joined the Group in 2000. Ms Lee has 23 years of 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.

MALAYSIA COUNTRY HEAD
MR KWEK LENG SENG

Mr Kwek Leng Seng is the Group Managing Director of GuocoLand (Malaysia) Berhad ("GLM") and was appointed to the Board of GLM on 1 November 1995. He is a member of the Board Audit & Risk Management Committee of GLM. He is also a Director of Hong Leong Bank Berhad, a public listed company. Mr Kwek holds an Honours degree in Law from the University of Buckingham, London.

VIETNAM COUNTRY HEAD
MR LAWRENCE PEH

Mr Lawrence Peh is the General Manager, Vietnam. He joined the Group in August 2007. Mr Peh has 20 years' experience and has held key positions in various companies in the property and real estate industry. He holds a Diploma in Building Construction (Merit Award) from the Singapore Polytechnic, a Bachelor of Science (First Class Honours) in Construction and Management degree from the University of Reading, UK and a Master of Business Administration degree from the Murdoch University, Western Australia.

GAINING GROWTH

MOMENTUM

<PROPERTY DEVELOPMENTS IN SINGAPORE>

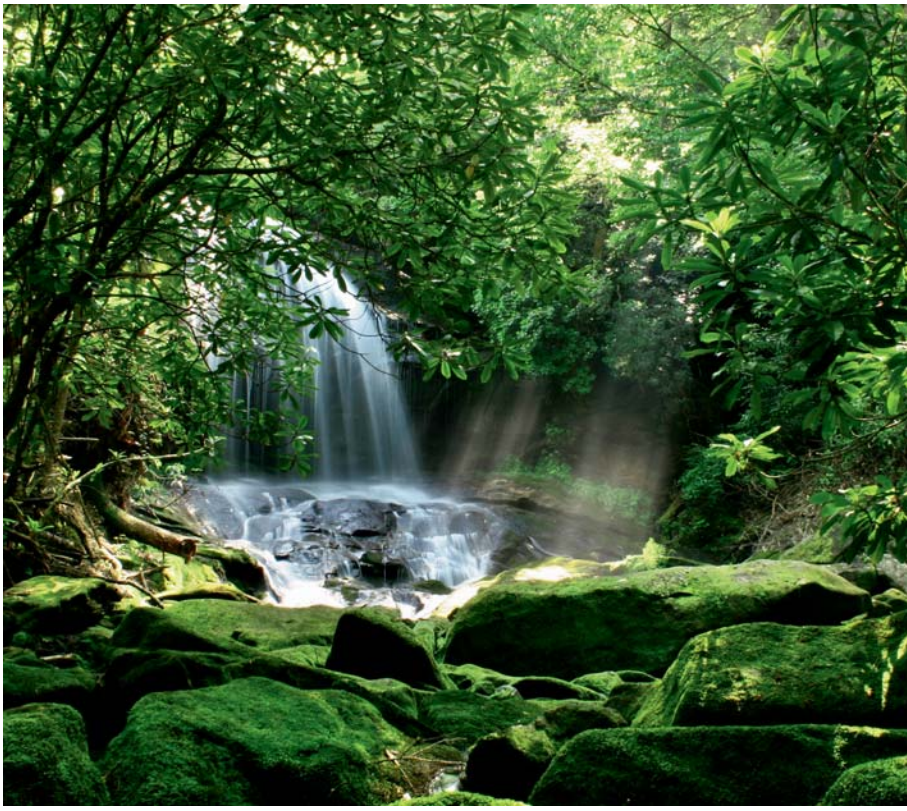


ARTIST'S IMPRESSION:
GOODWOOD RESIDENCE

GUOCOLAND IS A MAJOR DEVELOPER IN THE SINGAPORE PROPERTY MARKET, HAVING BUILT UP A SOLID LAND BANK OF APPROXIMATELY 236,000 SQUARE METRES OF SALEABLE AREA, WITH FOUR NEW FREEHOLD DEVELOPMENTS IN DISTRICTS 9, 10 AND 16 IN THE PIPELINE.

NEW & CONTEMPORARY

< PROPERTY DEVELOPMENTS IN SINGAPORE >



GOODWOOD RESIDENCE

An elegant estate for the most discerning of home owners, Goodwood Residence promises to usher in new benchmarks in sophisticated luxury, all in the quiet, green surrounds of Goodwood Hill. Goodwood Residence, just off the Orchard / Scotts Road area, shares a boundary of approximately 150 metres with Goodwood Hill, allowing residents to live near almost 20 hectares of greenery - a rarity in urbanised Singapore.

Goodwood Residence will comprise 210 apartments, of which 10 will be penthouses. Each apartment will enjoy a view of Goodwood Hill.

The freehold development will be the creation of a strong partnership between two award-winning consultants - architectural firm WOHA Architects Pte Ltd and landscape specialist ICN Design International Pte Ltd.



ARTIST'S IMPRESSION: GOODWOOD RESIDENCE

GOODWOOD RESIDENCE PROMISES TO USHER IN NEW BENCHMARKS IN SOPHISTICATED LUXURY, ALL IN THE QUIET, GREEN SURROUNDS OF GOODWOOD HILL.

In keeping with the prestigious development, residents will be treated to a full suite of first class facilities, in the relaxed surroundings.

An eco-friendly development, Goodwood Residence will also be equipped with the latest innovations which will promote the efficient use of energy and water. These green features have allowed Goodwood Residence to obtain the Green Mark Award (Platinum) from the Building and Construction Authority in September 2007.

Lush landscape and water features will enhance the overall ambience of Goodwood Residence. Such luxury of space is only possible because of the land size of 24,845 square metres and the relentless attention to details in designing Goodwood Residence.

NEW & CONTEMPORARY

< PROPERTY DEVELOPMENTS IN SINGAPORE >



THE UNIQUE CITY CENTRE LOCATION OF SOPHIA RESIDENCE AT MT SOPHIA, IN THE SURROUNDS OF THE DISTINCTIVE AND VIBRANT ARTS AND HERITAGE DISTRICT AND CIVIC DISTRICT, WILL ENSURE THAT IT WILL BE A SOUGHT AFTER ADDRESS.

SOPHIA RESIDENCE

Located in the Mt Sophia area and in the surrounds of the Arts and Heritage District and Civic District, Sophia Residence is within walking distance of the refurbished National Museum and the Singapore Management University. The School of the Arts, which is under construction, is also amongst the major arts and educational institutions located in the district. In the midst of this will be GuocoLand's new development on a freehold plot of 15,434 square metres. With its unique city centre location, in close proximity to City Hall and Marina Centre, Sophia Residence is slated to be a much sought after address.

Sophia Residence is also located near Plaza Singapura shopping mall, and is within walking distance to the Dhoby Ghaut MRT hub.



ELLIOT ROAD SITE

GuocoLand plans to develop a five-storey condominium on this freehold site along Elliot Road. The proposed architectural design will be modern, with a tropical resort setting that will blend in with the idyllic lifestyle of the East Coast area. Completion of the conditional acquisition of this site is expected in end 2007.

The Elliot Road locale exudes a quiet and peaceful ambience and yet it is within easy reach of a good range of food and beverage outlets, established schools ranging from pre-schools to junior colleges, and an excellent transportation network with convenient access to the airport.

Water sports, beach activities and other exciting lifestyle and recreational facilities along the seafront are also within easy reach at the nearby East Coast Park.

LEEDON HEIGHTS SITE

A conditional agreement to acquire the Leedon Heights site was signed in April 2007. This is one of the largest freehold residential sites available in District 10. A much sought after address, the site is off Holland Road and Farrer Road, within an exclusive residential enclave.

The site is close to the popular and vibrant Holland Village and a few minutes' drive to the green belt of the Singapore Botanical Gardens, making it a boon for residents to enjoy fresh air and morning strolls at the crack of dawn. The site will be served by the new Holland and Farrer Road MRT stations on the Circle Line, which is expected to be in operation by 2010.



PROPERTY DEVELOPMENTS IN SINGAPORE

THE VIEW @ MEYER



The View @ MEYER

THE VIEW @ MEYER

The View @ Meyer was launched in early 2007. It is located in the affluent and highly regarded East Coast suburb. Minutes away from the city and the attractions of Marina Bay such as the future Sands Integrated Resort, Marina Bay Golf Course and Marina Bay Financial Centre, The View @ Meyer is also close to the recreational facilities of the East Coast Park.

Comprising 45 units with private lift access, this exclusive freehold development is designed such that all units offer views of the sea, swimming pool or the heritage park fronting the development. All units in the well-designed development have a north-south orientation. There are ample seating and reading spaces for residents to rest and recharge in the relaxed surroundings of The View @ Meyer. This project is 93% sold.



ARTIST'S IMPRESSION: **PATERSON RESIDENCE**

PATERSON
residence

PATERSON RESIDENCE

A quality District 9 development close to Orchard Road, this freehold upmarket luxury project consists of 104 apartments and 6 strata-houses. With a facade that is modern and elegant, it offers elite living in a prime location. There are air-conditioned lobbies at every level of the tower block and luxurious facilities such as a spa pool, jacuzzi and a putting green for avid golfers. Construction is underway and Paterson Residence is fully sold.

leonie
studio

LEONIE STUDIO

A 99-year leasehold property situated in a quiet locale in District 9 near to Singapore's premier shopping belt of Orchard Road, Leonie Studio is a striking development with its full-glass curtain walls which encase a 32-storey tower. For its use of innovative construction and design methodologies, Leonie Studio was conferred the Best Buildable Design Award by the Building and Construction Authority in 2007. This was achieved through the use of pre-cast components, standardisation and modular interior designs for its 97 apartments. Leonie Studio, which is fully sold, received its Temporary Occupation Permit in 2006.



AWARD WINNING: **LEONIE STUDIO**

PROPERTY DEVELOPMENTS IN SINGAPORE

BLVD

THE BOULEVARD RESIDENCE

A sophisticated super-luxury development comprising a 36-storey tower, The Boulevard Residence is enveloped in full-height glass curtain walls. Situated along its namesake Orchard Boulevard, the development has an attached concierge service that is on par with the luxurious five-star hotels in its vicinity. The soaring structure houses 42 apartments and four luxurious penthouses, two of which boast private swimming pools. Every unit in this freehold property is accessible via a private lift and commands stunning city skyline views. GuocoLand has a 40% interest in The Boulevard Residence.



THE BOULEVARD RESIDENCE



THE LADYHILL

The Ladyhill

LADYHILL

Entering the realm of the super-luxury condominium, The Ladyhill enjoys the distinction of having No.1 Lady Hill Road as its address. As befitting its premier address in a posh residential district in Singapore, The Ladyhill embodies refinement in a genteel environment. A wide expanse of manicured lawn, elegant fittings and finishes and close attention to quality create a rich ambience for the 55 apartments in The Ladyhill. GuocoLand has a 40% interest in this fully sold freehold property.



ARTIST'S IMPRESSION: THE STELLAR

the STELLAR

THE STELLAR

The Stellar, located in the West Coast, features 162 low-rise freehold apartments. Its immaculate garden surroundings allow its homes to blend in seamlessly with nature, giving the development a resort ambience. Its outstanding features include a stunning clubhouse, unique placement of studio units and personal enclosed water and living spaces for selected units on the ground floor. This modern dream home is within walking distance of the National University of Singapore, and minutes away from the City, the Central Business District, the mega VivoCity shopping mall and the upcoming Resorts World at Sentosa. The Stellar is fully sold.

Bishan Point
living a lifestyle of contentment

BISHAN POINT

Bishan Point is a single towering 32-storey block commanding a panoramic view of the Singapore Island Country Club, Bishan Park and Lower Pierce Reservoir Park. The 99-year leasehold Bishan Point is equipped with a high atrium lobby and full condominium facilities. Prestigious schools such as Ai Tong School (right next door), Catholic High School, CHIJ St Nicholas Girls' School and Raffles Institution are within the vicinity. Bishan Point is fully sold.



BISHAN POINT

PROPERTY DEVELOPMENTS IN SINGAPORE

THE GARDENS AT BISHAN

Sharing the same locality as Bishan Point, The Gardens At Bishan stands out in striking contrast with its European themed environment. Consisting of four 20-storey tower blocks named after the four seasons encircling expansive grounds dotted with fountains and gazebos, the 756-unit development is well connected to the city and near top grade educational institutions. This 99-year development is fully sold.



THE GARDENS AT BISHAN



LE CRESCENDO

LE CRESCENDO

A freehold condominium situated at Paya Lebar Road, Le Crescendo comprises a 20-storey block with a distinctive architectural style centered around the pool area. All 228 units in Le Crescendo have a north-south orientation which maximises ventilation. Le Crescendo is well connected, with the upcoming MacPherson and Tai Seng MRT Stations within walking distance. It will also benefit from the imminent opening of the Kallang-Paya Lebar Expressway. Maris Stella High School, Chung Cheng High School, Geylang Methodist Primary and Secondary School and Cedar Girls' Primary and Secondary School are close by. Sales of 86% have been achieved.



AWARD WINNING: THE QUARTZ

THE QUARTZ

An attractive 99-year leasehold condominium just a three-minute walk from Buangkok MRT which connects home buyers to the city within 20 minutes, The Quartz has a host of conveniences, amenities and shopping malls within its vicinity.

The Quartz features unique facilities such as a sky gym and a clubhouse which integrates harmoniously with the landscape. It also incorporates numerous eco-friendly features both within individual units and across the development. The utilisation of solar energy, an air-conditioning heat recovery system and energy-saving design and appliances have garnered it the coveted Certified Green Mark Award from the Building and Construction Authority in May 2007. 92% of the 337 launched units in The Quartz has been sold.

SANCTUARY GREEN

Located in Tanjong Rhu, Sanctuary Green offers residents prime waterfront real estate living. From its vantage point, Sanctuary Green residents are just within minutes of the Marina Bay Golf Course, the Marina Bay Financial Centre and the Marina Bay Sands Integrated Resort. The spectacular Singapore Flyer observation wheel and three new distinctive Gardens by the Bay are close by too. Residents will also have access to the Stadium MRT station which is due to be completed by 2010. This 99-year leasehold property comprises 522 units spread over five tower blocks ranging from 7 to 19 storeys in height. Sanctuary Green is fully sold.



SANCTUARY GREEN

INVESTMENT PROPERTIES

< PROPERTY DEVELOPMENTS IN SINGAPORE >

TUNG CENTRE



LOCATED IN THE HEART OF SINGAPORE'S FINANCIAL DISTRICT, TUNG CENTRE IS THE GROUP'S FLAGSHIP OFFICE BUILDING.

TUNG CENTRE

Located in the heart of Singapore's financial district, Tung Centre is the Group's flagship office building. The 24-storey office block overlooks the scenic Marina Bay and is within walking distance to the Raffles Place MRT station. Its already prime location adjacent to Fullterton Hotel and opposite the upcoming Clifford Pier Hotel will be further enhanced by the new developments and exciting events at Marina Bay, which is slated to be the centrepiece of Singapore's urban transformation into a vibrant global city.

Tung Centre is 100% occupied. Among its roll call of prestigious corporate tenants are BNP Paribas, Dresdner Bank, Munich Management Pte. Ltd. and HL Bank.

PROPERTY-RELATED SERVICES

< SINGAPORE >

WITH ABOUT 17 YEARS OF EXPERIENCE, THE GROUP HAS STRONG IN-HOUSE EXPERTISE IN PROJECT MANAGEMENT, MARKETING AND AFTER-SALES PROPERTY RELATED SERVICES.





BCA AWARDS 2007

PROPERTY-RELATED SERVICES

The Group also owns a property management subsidiary, GuocoLand Property Management Pte. Ltd. ("GLPM") which undertakes project management, marketing and after-sales property related services in relation to the Group's development projects in Singapore. With about 17 years of experience, GLPM provides the Group with its invaluable expertise and know-how.

Having strong in-house development expertise has put the Group in good stead in undertaking developments in Singapore and overseas. The same expertise has been replicated in the Group's embedded markets in China, Malaysia and more recently, Vietnam.

The Group also owns an internet property portal www.myhome.com.sg which links service providers in property development, banking and finance, lifestyle and hospitality with homeowners in an online community.

WELL-POSITIONED FOR

CONTINUOUS GROWTH

<PROPERTY DEVELOPMENTS IN CHINA>



ARTIST'S IMPRESSION:
DONGZHIMEN INTEGRATED DEVELOPMENT, BEIJING

GUOCOLAND HAS EMBEDDED OPERATIONS IN CHINA WHERE IT HAS A LAND BANK OF APPROXIMATELY 2 MILLION SQUARE METRES OF GROSS FLOOR AREA, LOCATED IN THE MAJOR CITIES OF BEIJING, SHANGHAI, NANJING AND TIANJIN.

PROPERTY DEVELOPMENTS IN CHINA

< BEIJING >

ARTIST'S IMPRESSION:
DONGZHIMEN INTEGRATED DEVELOPMENT, BEIJING



DONGZHIMEN INTEGRATED DEVELOPMENT, BEIJING

Taking shape in downtown Beijing is an iconic integrated development comprising retail, hotel, office and residential which will offer a totally new lifestyle experience, with its superb location and integrated facilities.

Located along the bustling main thoroughfare of Dongzhimen Road on the East Second Ring Road in the Dongcheng District, the Dongzhimen Integrated Development is near the Chinese Foreign Ministry and major embassies. It shares the same precinct as the historic Forbidden City and Tiananmen Square.

Slated to become a destination and focal point in the Chinese capital, the prime development sits on a 106,000 square metres site and will have approximately 600,000 square metres of gross floor area.

Distinguishing the Dongzhimen Integrated Development will be its unique inter-modal transportation hub. It will house an express rail link that will allow passengers to commute between downtown Beijing and the Beijing International Airport in a mere 15 minutes. Air passengers can also have their flight check-in done at Dongzhimen. In addition, the Dongzhimen Integrated Development will have a bus interchange and will be linked to Metro Line No 2 and Light Rail No 13.

The Group currently has a 45% interest in this development and expects to the complete the acquisition of the remaining 45% interest in the current financial year.

WEST END POINT IS A HARMONIOUS BLEND OF THE WEST AND THE EAST: A MODERN CONDOMINIUM COMPLEMENTED WITH ELEMENTS OF TRADITIONAL CHINESE ARCHITECTURE.



WEST END POINT, BEIJING

WEST END POINT, BEIJING

This residential development is a harmonious blend of the West and the East. It is a modern condominium complemented with elements of traditional Chinese architecture with "hutong" courtyards and landscaped gardens. Special efforts have also been made to preserve and integrate certain venerable trees on the site in the new development.

West End Point is slated to be one of the most prestigious developments in the Xicheng District, Beijing. Located within the West Second Ring Road, where land is scarce for residential use, it is only 10 minutes' drive from the Forbidden City and within walking distance to the city's Financial Street. Located just a stone's throw away is the renowned Season's Place Shopping Centre and three five-star hotels – The Westin, The InterContinental and The Ritz-Carlton.

An outstanding feature of West End Point is the "submerged" clubhouse with a swimming pool and a sunken courtyard garden. The large steel and glass roof over the clubhouse allows residents to enjoy an unblocked view of the open sky while using the clubhouse facilities.

PROPERTY DEVELOPMENTS IN CHINA

< SHANGHAI >

ARTIST'S IMPRESSION:
CHANGFENG INTEGRATED DEVELOPMENT, SHANGHAI



CHANGFENG INTEGRATED DEVELOPMENT, SHANGHAI

The Changfeng Integrated Development will comprise upmarket retail space, office, SoHo units, serviced apartments and a hotel, covering a total gross floor area of close to 500,000 square metres. Construction of the 143,845 square metre site is in progress and is to be completed in two phases.

The Changfeng Integrated Development is located in the Putuo District to the north of the bustling Zhongshan Park business hub, near the vibrant Hongqiao Development Zone and close to the Hongqiao Airport. The strategically located development will cater to the needs and lifestyle of growing communities in the area, as well as the international and local business communities. It is also next to the Changfeng Park, which will offer residents a large green oasis, and is bounded by the Suzhou Creek on its southern boundary.

Easily accessible via an extensive network of roads, the Changfeng Integrated Development will be connected to two planned metro lines. To the southwest of the Changfeng development is an upcoming transportation hub centred around the Hongqiao Airport.

SITUATED JUST PARALLEL TO HUAI HAI MIDDLE ROAD, THE ORCHARD ROAD OF SHANGHAI, CENTRAL PARK IS JUST A STONE'S THROW AWAY FROM THE BUSTLING XINTIANDI ENTERTAINMENT BELT.



CENTRAL PARK, SHANGHAI

CENTRAL PARK, SHANGHAI

Central Park condominium, with its strategic location and distinctive design, is a landmark in the Luwan District. It is situated at the junctions of Taoyuan Road and Liulin Road, parallel to the high-end shopping and entertainment belt of Huai Hai Middle Road. It is also just a stone's throw away from the bustling Xintiandi entertainment belt. The three residential blocks, comprising 262 units, overlook Huai Hai Park, a pocket of greenery in downtown Shanghai.

PROPERTY DEVELOPMENTS IN CHINA

< NANJING, TIANJIN >

ARTIST'S IMPRESSION
ASCOT PARK, NANJING



ASCOT PARK, NANJING

The 1,112 unit residential development named Ascot Park will be the Group's maiden development in Nanjing. The launch of phase one of Ascot Park is targeted in the current financial year. With a luxuriant landscaping theme featuring lush tropical foliage and water features, Ascot Park is aimed at mid to high-end homebuyers. Besides apartments, the 89,709 square metre site will have retail space and SoHo units.

Ascot Park is situated next to a race course and golf club in the Maqun area of the Qixia District in the eastern part of the historic city of Nanjing, only five minutes' drive to the famous Nanjing Xianlin University Campus area that has many renowned universities. The scenic Purple Mountains lies to the west of Ascot Park.

Residents of Ascot Park will have good access to transportation. A long-distance bus interchange is being planned nearby, and a new metro line under construction will serve Ascot Park. There are also plans to build the Nanjing-Shanghai train station near Ascot Park.



ARTIST'S IMPRESSION: HILLVIEW REGENCY, NANJING

HILLVIEW REGENCY, NANJING

Located just opposite the foothills of the scenic Purple Mountains, the Hillview Regency development will sit on a 296,002 square metre plot of land. It will comprise mid to high-rise residential apartments and commercial space. From its vantage point near the foothills of Purple Mountains, residents of Hillview Regency will enjoy crisp fresh air and a tranquil environment. Hillview Regency will also comprise SoHo units and retail space, enhancing its overall development.

Located in the Xuanwu District, it is conveniently accessible via a good transportation network. To the north of Hillview Regency is the Huning Highway and Ninghang Road while to the south is the Round City Road. In addition, Hillview Regency will be served by a new metro line when it becomes operational in 2009. Nanjing is a premier and important centre of higher education, with several renowned tertiary educational and research institutions.

LAOCHENGXIANG SITE, TIANJIN

The Group made its first foray into Tianjin city with the acquisition of Plot 12 in the Laochengxiang area in the Nankai District. At approximately 26,000 square metres, this site will form part of the overall re-development of the Laochengxiang area, which is the centre of the old Tianjin city. The site is designated primarily for residential development and the total gross floor area is about 213,738 square metres.

Tianjin is the economic centre of the Bohai Sea Rim area and is a major open seaport in northern China. Being the municipality closest to Beijing, it is an hour's train ride from the Chinese capital. Tianjin is being developed into a major commercial, industrial and financial centre of northern China.



ARTIST'S IMPRESSION: LAOCHENGXIANG SITE, TIANJIN

GUOCOLAND (MALAYSIA) BERHAD ("GLM"), A 64.98% SUBSIDIARY OF GUOCOLAND, TRADITIONALLY HAS A STRONG PRESENCE IN MALAYSIA WITH A LAND BANK OF 11,772 ACRES FOR RESIDENTIAL AND TOWNSHIP DEVELOPMENTS.

STRENGTHENING

OUR PRESENCE

<PROPERTY DEVELOPMENTS IN MALAYSIA>



ARTIST'S IMPRESSION:
DAMANSARA CITY, DAMANSARA HEIGHTS

PROPERTY DEVELOPMENTS IN MALAYSIA

DAMANSARA CITY, DAMANSARA HEIGHTS

Damansara City is envisaged to be an iconic integrated commercial development located in the exclusive enclave of Damansara Heights, Kuala Lumpur. Both the architect and interior designer are internationally renowned firms and they have proposed a contemporary architectural design for this upmarket development. As the first and only such type of development in this affluent neighbourhood, it will be the preferred destination for shopping, dining, business and relaxation.

Construction is now in progress on Damansara City which sits on an 8.5 acre plot of land with a total gross floor area of 217,265 square metres. The development comprises two blocks of luxury condominiums, two landmark office towers, a five-star boutique hotel and a five-storey retail podium. The retail mall will be the first in Damansara Heights, offering shoppers and diners a whole new retail experience with a host of trendy fashion stores alongside a gourmet food-hall, delicatessen, restaurants and cafes and essential retail shops.

The launch of the luxury condominium is expected in early 2008.



ARTIST'S IMPRESSION: DAMANSARA CITY, DAMANSARA HEIGHTS



ARTIST'S IMPRESSION: THE NEST, KAJANG

THE NEST, KAJANG

Developed as a haven for families, The Nest offers 36 exclusive bungalows and is located adjacent to Saujana Impian Golf and Country Club. It is only a 20 minutes' drive from Kuala Lumpur City Centre via the highway. The Nest is conceptualised as a modern family home. It has a contemporary architectural design with every bungalow featuring spacious rooms, multiple living areas and having an option for individual swimming pools.

The Nest offers lush green landscapes and "pocket parks" within a gated community concept. Sales launch is targeted at the end of 2007.

THE LOCATION OF CIRRUS ON THE FRINGE OF KUALA LUMPUR, WITH EASY ACCESS TO MAJOR HIGHWAYS, ARE PLUS POINTS FOR HOME BUYERS.



ARTIST'S IMPRESSION: CIRRUS, CHERAS

CIRRUS, CHERAS

A modern lifestyle environment awaits residents of Cirrus, a signature development located on an approximately 16.1 acre site in Cheras. The Cirrus comprises 22 private bungalows and apartments with innovative layout design and quality finishes. Its location on high ground on the fringe of Kuala Lumpur, with easy access to major highways, are plus points for home buyers.

The land parcel was bought in 2007. Earthwork is in progress with the sales launch slated to commence by the end of 2007.

PROPERTY DEVELOPMENTS IN MALAYSIA

EMERALD, RAWANG

Located in the heart of Klang Valley's north corridor, Emerald is highly accessible, being just one kilometre from the Rawang Interchange and a short 30 minutes' drive from Kuala Lumpur via the North-South Highway.

Emerald is a sprawling residential-commercial township spread over a thousand acres of freehold land, of which about 200 acres have been developed. When fully developed, Emerald will host about 10,000 units of residential homes and commercial hubs, schools, medical centre, a nine-hole golf course and a clubhouse.

Nestled in the gently undulating green foothills of Rawang, the precincts in Emerald are aptly named after gemstones such as Topaz and Amertrine.



EMERALD, RAWANG



NOTTING HILL BUNGALOWS, BUKIT RAHMAN PUTRA

NOTTING HILL BUNGALOWS, BUKIT RAHMAN PUTRA

The Notting Hill Bungalows are just a 20 minutes' drive from Kuala Lumpur and a 10 minutes' drive from Petaling Jaya, via the New Klang Valley Expressway or Damansara-Puchong Expressway.

The Notting Hill Bungalows comprise 49 units of freehold bungalows in the latest precinct of this well-established 600-acre Bukit Rahman Putra Township in Sungei Buloh, Selangor. With the bungalows fronting the 36-hole golf course, residents literally have the putting green at their doorstep and can enjoy breathtaking views of the golf course.

The luxurious bungalows feature well-conceptualised layouts, quality finishes, spacious courtyards, open-air bathrooms, dipping pools and floor-to-ceiling glass windows. Readily available in the matured township of Bukit Rahman Putra are amenities such as schools, shops, banks and supermarkets.

CONCEPTUALISED AS A "CITY BY THE SEA", THIS LANDMARK WILL COMPRISE A 36-HOLE GOLF COURSE, WATER FEATURES SUCH AS LAKES AND AN INLAND MARINA.



PANTAI SEPANG PUTRA, SEPANG

PANTAI SEPANG PUTRA, SEPANG

Pantai Sepang Putra is half an hour's drive from Kuala Lumpur International Airport. Waterfront living is in store for residents of Pantai Sepang Putra, a coastal township being developed along the Selangor coast. This freehold development spans over 7,000 acres and is conceptualised as a "City by the Sea". On completion, this landmark development will comprise a 36-hole golf course, water features such as lakes and an inland marina.

Parcel 1 (1,500 acres), the "Lake District" consists of landed properties such as bungalows, semi-detached and terraced homes and shop offices. To date, about 2,000 units have been completed and sold. 800 acres are still under development.

Parcel 2 (5,500 acres), known as the Sepang Resort Development, is envisaged to be a large-scale coastal development with beach front and golf resort type of residential communities, combined with marina, resort hotels and other tourism facilities. Plans are also in place for transport and logistics type of industries and other environmentally clean industries to be located here. This development is poised to be an international destination.

PROPERTY DEVELOPMENTS IN MALAYSIA

ARTIST'S IMPRESSION:
COMMERCE ONE AND RESIDENCE ONE, OLD KLANG ROAD



COMMERCE ONE AND RESIDENCE ONE, OLD KLANG ROAD

Commerce One and Residence One are two components of an integrated development with close proximity to the Kuala Lumpur City Centre.

It is located at the bustling crossroads of Kuala Lumpur, Petaling Jaya and Subang Jaya, and is well connected to the many major highways of Kuala Lumpur such as the Federal Highway, New Pantai Expressway, Kesas Highway and Damansara-Puchong Expressway.

Commerce One comprises 9 units of 5-storey shop offices fronting Old Klang Road, whilst Residence One is a single block of 192 apartments connected to the adjoining Commerce One.

The development incorporates hip new cafes, F&B specialty restaurants and is within a mere 10 minutes' drive to the Mid Valley Megamall.

HOTEL PORTFOLIO

< MALAYSIA >

The performance of the hotel portfolio continues to improve in terms of its earnings and occupancy rate. Guoman Hanoi was divested in May 2007 but the property remains under Guoman management until November 2007.



HYATT REGENCY, JOHOR BAHRU

HYATT REGENCY, JOHOR BAHRU

The Hyatt Regency Johor Bahru Hotel enjoys a dynamic location fronting the Straits of Johor at the centre of this southern-most Malaysian city. It is situated near the Sultan's Palace, 10 minutes from downtown and just 30 minutes across the Causeway to downtown Singapore.

With a strong performance under the Hyatt brand, the 381-room hotel continues to be a market leader in average room rates and occupancy. Upgrading plans are currently under review to reaffirm the hotel's leadership position as well as be the preferred hotel for the upcoming Iskandar Development Region in Johor state.

GUOMAN PORT DICKSON RESORT HOTEL

Located along the Straits of Malacca coast, Guoman Port Dickson Resort Hotel is a 256-room beach front resort hotel. It is spread over a generous site of 70.5 acres, including 500 metres of landscaped beach frontage and a scenic golf course.

Guoman Hotels – Port Dickson is a tranquil resort about an hour's drive from Kuala Lumpur. Considerable effort, through landscaping, has been put in to enhance the feel of the resort hotel. A new restaurant and bar, Poison Rose, has been opened on the beach front, offering high quality food to hotel guests and local patrons. There are plans to upgrade the hotel rooms and add more recreational facilities in the coming year to cement Guoman Port Dickson Resort Hotel as an industry leader.



GUOMAN PORT DICKSON

GUOCOLAND HAS VENTURED INTO VIETNAM, ONE OF THE FASTEST-GROWING ECONOMIES IN ASIA. VIETNAM'S ACCESSION IN THE WORLD TRADE ORGANISATION AND CHANGES IN LOCAL REGULATIONS HAVE SPURRED THE FLOW OF FOREIGN DIRECT INVESTMENTS INTO THE COUNTRY, RESULTING IN A POSITIVE IMPACT ON THE ECONOMY AND PROPERTY MARKET.

SEIZING GROWTH

OPPORTUNITIES

<PROPERTY DEVELOPMENT IN VIETNAM>



ARTIST'S IMPRESSION:
GUOCOLAND INTEGRATED DEVELOPMENT IN VSIP, HO CHI MINH CITY

PROPERTY DEVELOPMENT IN VIETNAM







ARTIST'S IMPRESSION: GUOCOLAND INTEGRATED DEVELOPMENT IN VSIP, HO CHI MINH CITY

GUOCOLAND INTEGRATED DEVELOPMENT IN VSIP, HO CHI MINH CITY

This will be GuocoLand's first fully-integrated development in Binh Duong Province, which is one of the top provinces for foreign investments in Vietnam. The province hosts the Vietnam Singapore Industrial Park (VSIP), a leading industrial park which has a roll call of more than 100 international and domestic tenants. GuocoLand's Integrated Development is located right in front of the VSIP.

This development, which sits on a site of about 175,553 square metres, will yield a gross floor area of approximately 285,664 square metres. Located half an hour's drive away from the downtown of Ho Chi Minh City, the development is slated to be a major destination where Vietnamese and visitors can live, work and play in a modern, fully-integrated environment. This location will serve the estimated 800,000 working population in Binh Duong Province, as well as international visitors to the VSIP. Nature lovers and golfers will also enjoy the greenery of the 36-hole Song Be golf course which is directly across from the Integrated Development.

Housed under one roof will be about 1,200 good class residential apartments, a trendy mall, a hotel, an international school and other educational facilities, supporting commercial components and a sports complex with recreational facilities, including a swimming pool.

Phase 1 of the residential component of the project is expected to be launched in the current financial year.

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DIRECTORS' REPORT
For the year ended 30 June 2007

We are pleased to present this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 June 2007.

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, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:-

	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	As at 1 July 2006	As at 30 June 2007	As at 1 July 2006	As at 30 June 2007
The Company		**Fully Paid Ordinary Shares**		
Sat Pal Khattar	5,000,000	5,000,000	5,392,362	5,392,362
Quek Chee Hoon	6,862,725	6,862,725	Nil	Nil
Quek Leng Chan	15,047,224	15,047,224	469,407,229	425,361,240
Kwek Leng Hai	19,851,140	19,851,140	Nil	Nil
		Options to subscribe for Ordinary Shares ▪		
Quek Chee Hoon	6,500,000	16,500,000	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	219,606,309	220,036,309
Kwek Leng Hai	3,670,775	3,800,775	Nil	Nil
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	420,500	420,500	Nil	Nil

▪ Please refer to Notes 1 and 3 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	
	Nominal Value per share	Ordinary shares or *New shares to be issued arising from the exercise of warrants/options/ convertible unsecured loan stocks			
		As at 1 July 2006	As at 30 June 2007	As at 1 July 2006	As at 30 June 2007
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	Nil◆
Hong Leong Financial Group Berhad	RM1.00	4,989,600	4,989,600	819,824,298	824,437,300
HLG Capital Berhad	RM1.00	Nil	Nil	92,590,545	92,590,545
Hong Leong Bank Berhad	RM1.00	Nil	Nil	953,525,600	955,910,600
Hong Leong Tokio Marine Takaful Berhad	RM1.00	Nil	Nil	65	65,000,000
Hong Leong Industries Berhad	RM0.50	Nil Nil	Nil Nil	134,924,600 46,611,833*	183,651,737 Nil
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
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	7,815,980	7,815,980
Global Roaming Communications Sdn Bhd	RM1.00	Nil	Nil	2,610,000	Nil
Malaysian Pacific Industries Berhad	RM0.50	Nil	Nil	115,153,209	120,643,609
Carter Realty Sdn Bhd	RM1.00	Nil	Nil	7	7

DIRECTORS' INTERESTS (CONT'D)

		Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares or *New shares to be issued arising from the exercise of warrants/options/ convertible unsecured loan stocks			
		As at 1 July 2006	As at 30 June 2007	As at 1 July 2006	As at 30 June 2007
Interests of Quek Leng Chan in Related Corporations (cont'd)					
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	69,924,134	69,924,134
Hume Industries (Malaysia) Berhad	RM1.00	2,000,000	2,000,000	120,144,828	120,144,828
Narra Industries Berhad	RM1.00	8,170,200	8,150,200	38,304,000	38,314,000
Camerlin Group Berhad	RM1.00	Nil	Nil	271,615,317 7,181,564*	279,358,017 7,251,391*
First Changi Development Pte Ltd	∞	Nil	Nil	40,002,075	40,002,075
First Garden Development Pte Ltd	∞	Nil	Nil	72,000,000	72,000,000
Melville Park Development Pte Ltd	∞	Nil	Nil	57,840,000	57,840,000
Sanctuary Land Pte Ltd	∞	Nil	Nil	54,000,000	54,000,000
Beijing Minghua Property Development Co., Ltd	^	Nil	Nil	150,000,000	150,000,000
Shanghai Xinhaozhong Property Development Co., Ltd	#	Nil	Nil	19,600,000	19,600,000
Beijing Jiang Sheng Property Development Co., Ltd	^	Nil	Nil	247,600,000	247,600,000
Nanjing Xinhaoning Property Development Co., Ltd	#	Nil	Nil	11,800,800	11,800,800
Nanjing Xinhaoxuan Property Development Co., Ltd	#	Nil	Nil	11,800,800	11,800,800
Nanjing Mahui Property Development Co., Ltd (formerly known as Nanjing Docker Club Realestate Co., Ltd)	^	Nil	Nil	95,404,650	271,499,800

DIRECTORS' INTERESTS (CONT'D)

		Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares or *New shares to be issued arising from the exercise of warrants/options/ convertible unsecured loan stocks			
		As at 1 July 2006	As at 30 June 2007	As at 1 July 2006	As at 30 June 2007
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	200,000,000
M.C. Packaging Offshore Limited	HK$0.01	Nil	Nil	471,793	812,695
Lam Soon Ball Yamamura Inc	NT$10.00	Nil	Nil	15,221,823	15,221,823
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
GuocoLand (Malaysia) Berhad	RM0.50	3,266,280	3,266,280	456,820,716	456,555,616
Guoman Hotel & Resort Holdings Sdn. Bhd.	RM1.00	Nil	Nil	277,000,000	277,000,000
HLL-Guoco Vietnam Co. Limited	#	Nil	Nil	5,000,592	Nil
JB Parade Sdn. Bhd.	RM1.00 RM0.01	Nil Nil	Nil Nil	18,000,000 68,594,000 (Redeemable Preference Shares)	18,000,000 68,594,000 (Redeemable Preference Shares)
BIL International Ltd	US$0.20	150,000	150,000	696,892,043	811,297,043
Oil Basins Limited	US$0.10	Nil	Nil	80,000 (Class A Shares)	80,000 (Class A Shares)
Oil Basins Limited	US$0.10	Nil	Nil	40,000 (Class B Shares)	40,000 (Class B Shares)

DIRECTORS' INTERESTS (CONT'D)

		Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares or *New shares to be issued arising from the exercise of warrants/options/ convertible unsecured loan stocks			
		As at 1 July 2006	As at 30 June 2007	As at 1 July 2006	As at 30 June 2007
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Oil Basins Limited	US$0.10	Nil	Nil	1,000 (Class D Shares)	1,000 (Class D Shares)
Bondway Properties Limited	GBP1.00	Nil	Nil	1,134,215 (Ordinary-Voting Shares)	1,134,215 (Ordinary-Voting Shares)
Bondway Properties Limited	GBP1.00	Nil	Nil	10,332 (Ordinary-Non Voting Shares)	10,332 (Ordinary-Non Voting Shares)
Denarau Corporation Limited	FJ$1.00	Nil	Nil	1 (Ordinary A Share)	1 (Ordinary A Share)
Denarau Corporation Limited	FJ$1.00	Nil	Nil	30,000 (Ordinary C Shares)	30,000 (Ordinary C Shares)
Denarau Corporation Limited	FJ$1.00	Nil	Nil	5,000 (Ordinary D Shares)	5,000 (Ordinary D Shares)
Denarau Corporation Limited	FJ$1.00	Nil	Nil	14,632 (Ordinary E Shares)	14,632 (Ordinary E Shares)
Denarau Corporation Limited	FJ$1.00	Nil	Nil	5,000 (Ordinary F Shares)	5,000 (Ordinary F Shares)
Interests of Kwek Leng Hai in Related Corporations					
Hong Leong Industries Berhad	RM0.50	163,200 52,112*	189,812 Nil	Nil Nil	Nil Nil
Hong Leong Financial Group Berhad	RM1.00	2,156,000 160,800*	2,316,800 Nil	Nil Nil	Nil Nil
HLG Capital Berhad	RM1.00	500,000	500,000	Nil	Nil

DIRECTORS' INTERESTS (CONT'D)

		Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares or *New shares to be issued arising from the exercise of warrants/options/ convertible unsecured loan stocks			
		As at 1 July 2006	As at 30 June 2007	As at 1 July 2006	As at 30 June 2007
Interests of Kwek Leng Hai in Related Corporations (cont'd)					
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
GuocoLand (Malaysia) Berhad	RM0.50	226,800	226,800	Nil	Nil
Interests of Sat Pal Khattar in Related Corporations					
Hong Leong Bank Berhad	RM1.00	294,000	294,000	Nil	Nil
Hong Leong Industries Berhad	RM0.50	208,580	198,580	Nil	Nil
Malaysian Pacific Industries Berhad	RM0.50	210,000	210,000	Nil	Nil
Hume Industries (Malaysia) Berhad	RM1.00	200,000	200,000	Nil	Nil
GuocoLand (Malaysia) Berhad	RM0.50	152,700	152,700	Nil	Nil

∞ Concept of par value was abolished with effect from 30 January 2006 pursuant to the Singapore Companies (Amendment) Act, 2005.
^ Capital contribution in RMB.
# Capital contribution in US$.
Ω Capital contribution in HK$.
◆ Dissolved by members' voluntary liquidation.

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

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

DIRECTORS' INTERESTS (CONT'D)

Mr Quek Leng Chan's deemed shareholding in Guoco Group Limited, the Company's intermediate holding company, has changed from 220,036,309 as at 30 June 2007 to 223,854,391 as at 21 July 2007. Saved as disclosed above, there were no changes in any of the above-mentioned directors' interests in the Company and its related corporations between the end of the financial year and 21 July 2007.

As at 30 July 2007, the Company has issued and allotted 221,882,489 new ordinary shares in the capital of the Company ("Rights Shares") at an issue price of S$2.50 for each Rights Share on the basis of one Rights Share for every 3 shares held by entitled shareholders.

Following the allotment of the Rights Shares on 30 July 2007, Directors' interests in the shares and options of the Company are set out in the following table:-

	Shareholdings in which Directors have a Direct Interest As at 30 July 2007	Shareholdings in which Directors are Deemed to have an interest As at 30 July 2007
	Fully paid Ordinary Shares	
Sat Pal Khattar	6,666,666	7,189,816
Quek Chee Hoon	9,150,299	Nil
Quek Leng Chan	20,062,965	567,148,320
Kwek Leng Hai	26,468,186	Nil

	Options to subscribe for Ordinary Shares			
	Before Adjustment		After Adjustment ▲	
	No. of Share Options	Exercise Price per share	No. of Share Options	Exercise Price per share
Quek Chee Hoon				
Granted on (1 November 2004)	6,500,000	S$1.19	7,398,300	S$1.045
Granted on (19 January 2007)	10,000,000	S$2.65	11,382,000	S$2.328

▲ Adjustments made to both the number and the exercise price of the outstanding Share Options arising from GuocoLand Limited's Rights Issue 2007.

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 24, 25, 27, 30 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

The GuocoLand Limited Executives' Share Option Scheme

a. The GuocoLand Limited ("GLL") Executives' Share Option Scheme (the "ESOS") was approved by shareholders of the Company at an Extraordinary General Meeting held on 31 December 1998. The ESOS 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 ESOS (the "Rules") to inter alia alter the structure of the ESOS 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 ESOS is administered by a Committee of Directors (the "ESOS Committee") comprising Mr Sat Pal Khattar and Mr Quek Leng Chan who were not participants in the ESOS during the financial year.

d. The following options were granted to selected key executives of the Company ("Participants") in respect of an aggregate of 42,250,000 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
19 January 2007	Selected key executives of GLL	23,750,000	S$2.65	3

e. During the financial year, 2,000,000 options were exercised and 23,750,000 options were granted. However, no options were vested, or had lapsed. Further, no Shares were issued pursuant to the ESOS.

SHARE OPTIONS (CONT'D)

f. The status relating to Options under the ESOS 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 ESOS to End of Financial Year under Review	Aggregate Options Exercised/ Lapsed since Commencement of ESOS to End of Financial Year under Review	Aggregate Options Outstanding as at End of Financial Year under Review
(i) Executive Director				
Quek Chee Hoon	-	2,000,000	(2,000,000) (lapsed)	-
	-	6,500,000[1]	-	6,500,000
	10,000,000	10,000,000[3]	-	10,000,000
(ii) Directors of Subsidiaries				
Violet Lee Hui Min	-	3,000,000[1]	-	3,000,000
	-	6,000,000[2]	(2,000,000) (exercised)	4,000,000
	6,000,000	6,000,000[3]	-	6,000,000
Trina Loh nee Ng Soh Yong	-	250,000	(250,000) (lapsed)	-
	-	1,000,000[1]	-	1,000,000
	3,000,000	3,000,000[3]	-	3,000,000
Jerry Lee Yang Chiang	-	500,000	(500,000) (lapsed)	-
	-	1,000,000[1]	-	1,000,000
	2,000,000	2,000,000[3]	-	2,000,000
Dawn Pamela Lum nee Lim Siew Fah	-	500,000	(500,000) (lapsed)	-
	-	1,000,000[1]	-	1,000,000
	2,000,000	2,000,000[3]	-	2,000,000
(iii) Other Executives	-	2,130,000	(2,130,000) (lapsed)	-
	750,000	750,000[3]	-	750,000
Total	**23,750,000**	**47,630,000**	**(7,380,000) (exercised/lapsed)**	**40,250,000**

g. Statutory information regarding the above Options is as follows:-

(i) The exercise price per Share is the average of the closing prices of the Company's share on Singapore Exchange Securities Trading Limited for each of the last five market days immediately prior to the date of grant of the option.

(ii) An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for 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 Option, in a share issue of any other company, except in the Share Scheme(s) of companies within the Group.

SHARE OPTIONS (CONT'D)

h. Since the commencement of the ESOS, no Options have been granted to controlling shareholders of the Company and their associates or parent group employees.

i. None of the Options which were offered since the commencement of the ESOS was granted at a discount.

j. Following the Company's Rights Issue, adjustments were made to the exercise price and number of the outstanding Share Options granted to participants under ESOS, arising from the Company's Rights Issue.

Note:-

1. The exercise price was determined based on the average closing price for the five days preceding 1 November 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 2004/2005 to 2006/2007, 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 the grant.

2. The exercise price was determined based on the average closing price for the five days preceding 30 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 was exercised during the financial year 2006/2007. Subject to certain financial and performance targets being met by the Participant during the performance period for the financial years 2005/2006 to 2006/2007, 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.

3. The exercise price was determined based on the average closing price for the five days preceding 19 January 2007. The closing market price per Share on 18 January 2007 (the trading date immediately before the date of grant) was S$2.75. Subject to certain financial and performance targets being met by the Participants during the performance periods for the financial years 2005/06 to 2007/08 and 2008/09 to 2010/11, the Participants may at the end of each performance period be notified by the ESOS Committee of the vesting of the options and the number of Shares comprised in the vested options. Thereafter, the Participants shall have a phased period of between 6 to 30 months to exercise the vested options in accordance with the terms of the grant.

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.

DIRECTORS' REPORT
For the year ended 30 June 2007

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 SGX Listing Manual and the Code of Corporate Governance.

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

The Audit Committee also reviewed the following:-

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

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

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG, 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
24 August 2007

STATEMENT BY DIRECTORS

For the year ended 30 June 2007

In our opinion:-

a. the financial statements set out on pages 67 to 133 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 2007 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 in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

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

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

On behalf of the Board of Directors

SAT PAL KHATTAR
Director

QUEK CHEE HOON
Director

Singapore
24 August 2007

INDEPENDENT AUDITORS' REPORT

Members of the Company
GuocoLand Limited

We have audited the accompanying financial statements of GuocoLand Limited (the Company) and its subsidiaries (the Group), which comprise the balance sheets of the Group and the Company as at 30 June 2007, the income statement, statement of changes in equity and statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 67 to 133.

Directors' responsibility for the financial statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

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

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

Opinion

In our opinion:

(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 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 2007 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) 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
24 August 2007

BALANCE SHEETS
As at 30 June 2007

	Note	Group 2007 $'000	Group 2006 $'000	Company 2007 $'000	Company 2006 $'000
Non-Current Assets					
Property, Plant and Equipment	3	130,065	127,161	-	-
Goodwill on Consolidation	4	1,094	1,064	-	-
Investment Properties	5	363,976	246,224	-	-
Interests in Subsidiaries	6	-	-	2,248,409	1,860,079
Interests in Associates and Jointly-Controlled Entities	7	438,113	190,462	8,780	9,083
Amounts due from Minority Shareholders of Subsidiaries	8	20,617	18,725	-	-
Investment Securities	9	31,781	54,204	-	-
Deferred Tax Assets	10	551	365	-	-
		986,197	638,205	2,257,189	1,869,162
Asset Held for Sale	11	-	140,000	-	-
Current Assets					
Inventories	12	1,555,849	1,288,334	-	-
Trade and Other Receivables	15	326,348	91,415	2,768	2,825
Cash and Cash Equivalents	17	1,092,564	542,876	438,632	356
		2,974,761	1,922,625	441,400	3,181
Total Assets		**3,960,958**	**2,700,830**	**2,698,589**	**1,872,343**
Equity attributable to equity holders of the Company					
Share Capital	18	839,716	839,716	839,716	839,716
Reserves	19	566,299	284,949	71,887	19,216
		1,406,015	1,124,665	911,603	858,932
Minority Interests		165,200	153,356	-	-
Total Equity		1,571,215	1,278,021	911,603	858,932
Non-Current Liabilities					
Amounts due to Subsidiaries	6	-	-	257,625	268,456
Amount due to Minority Shareholder of Subsidiary	8	-	3,141	-	-
Interest Bearing Loans and Borrowings	20	1,931,868	786,526	1,459,099	557,640
Deferred Tax Liabilities	10	7,644	5,138	-	-
		1,939,512	794,805	1,716,724	826,096
Current Liabilities					
Trade and Other Payables	22	326,458	224,063	19,070	13,751
Interest Bearing Loans and Borrowings – Current Portion	20	74,420	371,007	35,000	162,750
Current Tax Payable		49,353	32,934	16,192	10,814
		450,231	628,004	70,262	187,315
Total Liabilities		2,389,743	1,422,809	1,786,986	1,013,411
Total Equity and Liabilities		**3,960,958**	**2,700,830**	**2,698,589**	**1,872,343**

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

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2007

	Note	Group 2007 $'000	Group 2006 $'000
Revenue	24	702,479	361,327
Cost of sales		(548,065)	(318,750)
Gross profit		154,414	42,577
Other income	25	194,708	146,938
Administrative expenses		(30,053)	(14,595)
Other expenses		(369)	(935)
Finance costs	26	(32,379)	(22,837)
Share of profit (net of tax)			
- associates		13,108	13,609
- jointly-controlled entities		2,808	-
Profit before income tax	27	302,237	164,757
Income tax expense	28	(12,896)	(9,102)
Profit for the year		**289,341**	**155,655**
Attributable to:			
Equity holders of the Company		281,892	155,630
Minority interests		7,449	25
Profit for the year		**289,341**	**155,655**
Earnings per ordinary share (cents)	29		
Basic		46.15	24.43
Diluted		44.30	24.20

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

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2007

	Group		Company	
	2007 $'000	2006 $'000	2007 $'000	2006 $'000
Share Capital				
At 1 July	839,716	665,540	839,716	665,540
Issue of shares to holders of non-redeemable convertible cumulative preference shares ("NCCPS") 2005 who exercised their conversion rights and upon mandatory conversion of their preference shares	-	107	-	107
Effect of implementing the Companies (Amendment) Act 2005	-	174,069	-	174,069
At 30 June	839,716	839,716	839,716	839,716
Share Premium				
At 1 July	-	161,176	-	161,176
Issue of shares to holders of NCCPS 2005 who exercised their conversion rights and upon mandatory conversion of their preference shares	-	(107)	-	(107)
Effect of implementing the Companies (Amendment) Act 2005	-	(161,069)	-	(161,069)
At 30 June	-	-	-	-
Reserve for Own Shares				
At 1 July	(88,387)	(19,850)	(88,387)	(19,850)
Purchase of shares by the Trust for Executives' Share Option Scheme (see Note 30)	(18,952)	(68,537)	(18,952)	(68,537)
Transfer of shares to an employee upon exercise of share options	2,852	-	2,852	-
At 30 June	(104,487)	(88,387)	(104,487)	(88,387)
Share Option Reserve				
At 1 July	1,185	500	1,185	500
Value of employee services received for issue of share options	2,689	685	2,689	685
At 30 June	3,874	1,185	3,874	1,185

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2007

	Group		Company	
	2007 $'000	2006 $'000	2007 $'000	2006 $'000
Capital Reserve				
At 1 July	1,383	1,300	1,300	1,300
Excess of purchase cost over consideration received from employee upon exercise of share options	(212)	-	(212)	-
Equity portion of convertible bonds	63,825	-	63,825	-
Effect of implementing Companies (Amendment) Act 2005	-	83	-	-
At 30 June	64,996	1,383	64,913	1,300
Exchange Translation Reserve				
At 1 July	(34,374)	(6,338)	-	-
Translation differences relating to financial statements of foreign subsidiaries and associates	29,659	786	-	-
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	(20,668)	(28,822)	-	-
Transfer to income statement upon disposal of interest in subsidiary	(1,290)	-	-	-
At 30 June	(26,673)	(34,374)	-	-
Revaluation Reserve				
At 1 July	8,522	-	-	-
Increase in fair value of property, plant and equipment and development properties from previously held interests in associates	-	8,522	-	-
Transfer to income statement upon disposal of interest in subsidiary	(181)	-	-	-
At 30 June	8,341	8,522	-	-
Capital Redemption Reserve				
At 1 July	-	13,083	-	13,000
Effect of implementing the Companies (Amendment) Act 2005	-	(13,083)	-	(13,000)
At 30 June	-	-	-	-

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2007

	Group		Company	
	2007	2006	2007	2006
	$'000	$'000	$'000	$'000
Mark-to-market Reserve				
At 1 July	19,524	(118)	-	-
Change in fair value of:-				
- available-for-sale securities	9,874	54,947	-	-
- available-for-sale securities held by an associate	-	(561)	-	-
Transfer to income statement upon disposal of available-for-sale securities	(25,750)	(34,744)	-	-
At 30 June	3,648	19,524	-	-
Unappropriated Profits				
At 1 July	377,096	267,784	105,118	78,857
Transfer to income statement upon disposal of available-for-sale securities	6,425	(5,369)	-	-
Profit attributable to equity holders of the Company	281,892	155,630	51,282	67,210
Dividends (see Note 32)	(48,813)	(40,949)	(48,813)	(40,949)
At 30 June	616,600	377,096	107,587	105,118
Equity attributable to equity holders of the Company	**1,406,015**	**1,124,665**	**911,603**	**858,932**
Minority Interests				
At 1 July	153,356	43,943	-	-
Profit attributable to minority interests	7,449	25	-	-
Exchange differences on translation	3,533	(308)	-	-
Change in fair value of available-for-sale securities	3,036	-	-	-
Acquisition of interests in subsidiaries	(1,999)	114,658	-	-
Disposal of interest in subsidiary	(626)	-	-	-
Capital contribution	1,841	392	-	-
Dividends	(1,390)	(5,354)	-	-
At 30 June	165,200	153,356	-	-
Total Equity	**1,571,215**	**1,278,021**	**911,603**	**858,932**

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2007

Note:-

		Group		Company	
		2007	2006	2007	2006
		$'000	$'000	$'000	$'000
a.	**Attributable to equity holders of the Company**				
	Net losses recognised directly in equity	(1,931)	(5,241)	-	-
	Profit attributable to equity holders of the Company	281,892	155,630	51,282	67,210
	Total recognised income and expense for the year	279,961	150,389	51,282	67,210
b.	**Attributable to minority interests**				
	Net gains/(losses) recognised directly in equity	6,569	(308)	-	-
	Profit attributable to minority interests	7,449	25	-	-
	Total recognised income and expense for the year	14,018	(283)	-	-

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2007

	Note	Group 2007 $'000	2006 $'000
Operating activities			
Profit before income tax		302,237	164,757
Adjustments for:-			
Amortisation of transaction costs of convertible bonds		150	-
Depreciation of property, plant and equipment		3,138	838
Gain on disposal of property, plant and equipment		(296)	(43)
Gain on disposal of interest in subsidiary		(16,901)	-
Gain on disposal of interest in jointly-controlled entities		(627)	-
Share of profit of associates (net of tax)		(13,108)	(13,609)
Share of profit of jointly-controlled entities (net of tax)		(2,808)	-
Finance costs		32,379	22,837
Impairment loss on available-for-sale securities		-	500
Interest income		(12,693)	(8,912)
Dividend income		(4,330)	(3,500)
Gain on disposal of available-for-sale securities		(19,325)	(40,113)
Gain on revaluation of investment properties		(116,520)	(32,000)
Writeback of allowance for foreseeable losses on development properties (net)		(61,889)	(26,563)
Mark-to-market gain in respect of equity swap		-	(15,000)
Mark-to-market gain on derivative financial instruments		(761)	(1,189)
Negative goodwill arising from acquisition of subsidiary		-	(31,969)
Gain on unwinding of equity swap		(10,258)	-
Property, plant and equipment written off		-	2
Share option expense		2,689	685
		(221,160)	(148,036)
Operating profit before working capital changes		81,077	16,721
Changes in working capital:-			
Inventories		(96,718)	(225,079)
Trade and other receivables		(213,514)	(13,922)
Trade and other payables		61,587	36,445
Balances with holding companies and related corporations		561	2,012
		(248,084)	(200,544)
Cash used in operations		(167,007)	(183,823)
Income taxes received/(paid)		3,762	(21,550)
Purchase of shares by the Trust for Executives' Share Option Scheme		(18,952)	(68,537)
Consideration received upon exercise of share options		2,640	-
Cash flows from operating activities		(179,557)	(273,910)

STATEMENT OF CASH FLOWS

For the year ended 30 June 2007

	Note	Group 2007 $'000	2006 $'000
Investing activities			
Proceeds from disposal of property, plant and equipment		581	48
Purchase of property, plant and equipment		(10,541)	(1,224)
Net proceeds from disposal of asset held for sale		130,500	-
Dividends received		4,330	3,500
Net proceeds from disposal of available-for-sale securities		38,500	168,984
Purchase of available-for-sale securities		(2,559)	-
Settlement of equity swap		24,321	21,750
Interests in associates and jointly-controlled entities		(20,820)	35,532
Net cash outflow on acquisition of additional interest in associate		(138,731)	-
Proceeds from disposal of interest in jointly-controlled entities		14,133	-
Net cash outflow on acquisition of additional interest in subsidiary		(1,248)	-
Net cash outflow on acquisition of interests in subsidiaries	34	(90,797)	(63,238)
Net proceeds from disposal of interest in subsidiary	34	20,899	-
Cash flows from investing activities		(31,432)	165,352
Financing activities			
Balances with minority shareholders of subsidiaries		(33,039)	34,665
Capital contribution from minority shareholder of a subsidiary		1,841	392
Dividends paid		(48,813)	(40,949)
Dividends paid to minority shareholders of subsidiaries		(1,390)	(5,354)
Interest paid		(59,245)	(39,353)
Interest received		13,860	9,574
Net proceeds from convertible bonds		684,995	-
Proceeds from bank loans		409,503	782,745
Repayment of bank loans		(193,462)	(573,209)
Proceeds from medium-term notes		170,000	85,000
Repayment of medium-term notes		(132,750)	(19,997)
Proceeds from short-term notes		-	30,000
Repayment of short-term notes		(30,000)	-
Cash flows from financing activities		781,500	263,514
Net increase in cash and cash equivalents		570,511	154,956
Cash and cash equivalents at 1 July		525,831	382,418
Exchange differences on translation of balances held in foreign currency		(4,298)	(11,543)
Cash and cash equivalents at 30 June	17	1,092,044	525,831

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 24 August 2007.

1. DOMICILE AND ACTIVITIES

GuocoLand Limited (the "Company") is incorporated in the Republic of Singapore and has its registered office at 20 Collyer Quay, #20-01 Tung Centre, Singapore 049319.

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

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

The immediate holding company is GuocoLand Assets Pte. Ltd. (formerly known as 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 associates and jointly-controlled entities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

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

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities: investment properties, certain financial assets and financial liabilities and non-current asset held for sale, the basis of measurement of which are indicated in the accounting policies set out below.

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

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

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

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:-

Note 2d – measurement of recoverable amounts of property, plant and equipment
Note 30 – measurement of share-based payments
Note 34 – valuation of assets, liabilities and contingent liabilities acquired in business combinations
Note 35 – valuation of financial instruments

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a. Basis of Preparation (cont'd)

Accounting policy relating to financial guarantees (described in Note 2g(iv)) was adopted during the year arising from the adoption of Amendments to FRS39 *Financial Instruments: Recognition and Measurement – Financial Guarantee Contracts.* The adoption of this new policy did not have any material impact on the financial statements.

Except for the above change, the accounting policies set out below have been applied consistently by the Group and have been applied consistently to all periods presented in these financial statements.

b. Consolidation

(i) *Business combinations*
Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Any excess or deficiency of the purchase consideration over the net fair value of the identifiable assets, liabilities and contingent liabilities is accounted for as goodwill or negative goodwill (see Note 2e).

(ii) *Subsidiaries*
Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(iii) *Associates and jointly-controlled entities*
Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies. Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and jointly-controlled entities (collectively referred to as "equity accounted investees") are accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of associates and jointly-controlled entities, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an associate or a jointly-controlled entity, the carrying amount of that interest (including any long-term investment) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

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

(v) *Accounting for subsidiaries and associates by the Company*
Investments in subsidiaries and associates are stated in the Company's balance sheet at cost less accumulated impairment losses.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c. Foreign Currencies

(i) *Foreign currency transactions*

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency").

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date on which the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the income statement, except for differences arising on the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation (see Note 2c(iii)) and available-for-sale investment securities (see Note 2g(i)).

(ii) *Foreign operations*

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates prevailing at the dates of the transactions. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated at the closing rate.

Foreign currency differences are recognised in the exchange translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the exchange translation reserve is transferred to the income statement.

(iii) *Net investment in a foreign operation*

Exchange differences arising from monetary items that in substance form part of the Company's net investment in a foreign operation are recognised in the Company's income statement. Such exchange differences are reclassified to equity in the consolidated financial statements. When the net investment is disposed of, the cumulative amount in equity is transferred to the income statement as an adjustment to the profit or loss on disposal.

d. Property, Plant and Equipment

Freehold land and freehold land under development are not depreciated. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is provided on a straight-line basis over the estimated useful lives of each component of property, plant and equipment as follows:-

	Number of Years
Freehold buildings	50
Leasehold land and buildings	19 – 83
Furniture and fittings	3 – 5
Office and other equipment	2 – 5
Motor vehicles	5

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

Freehold land under development are stated at cost. Expenditure relating to freehold land under development (including borrowing costs) are capitalised when incurred. Upon completion of the development, the amount is reclassified to investment properties. This will be stated at fair value on the basis stated in Note 2f.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

e. Goodwill

Goodwill and negative goodwill arise on the acquisition of subsidiaries, associates and jointly-controlled entities.

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. Negative goodwill represents the excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition.

Goodwill arising on the acquisition of subsidiaries is presented in intangible assets. Goodwill arising on the acquisition of associates and jointly-controlled entities is presented together with investments in associates and jointly-controlled entities.

(i) *Acquisition prior to 1 July 2004*
Prior to 1 July 2001, goodwill and negative goodwill on acquisitions were written off against reserves in the year of acquisition.

From 1 July 2001 to 30 June 2004, goodwill was stated at cost less accumulated amortisation and impairment losses and was amortised from the date of initial recognition over its estimated useful life of up to 15 years. On 1 July 2004, the Group discontinued the amortisation of goodwill. Negative goodwill was derecognised by crediting accumulated profits on 1 July 2004.

(ii) *Acquisitions on or after 1 January 2004*
Goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in note 2k. Negative goodwill is credited to the income statement in the period of the acquisition.

(iii) *Acquisition of minority interests*
Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

f. Investment Properties

Investment properties, including reversionary interests in freehold land, which are not held with the intention of sale in the ordinary course of business, are stated at fair value. The fair value is on an annual basis based on independent professional valuation. Any gain or loss arising from a change in fair value is recognised in the income statement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

g. Financial Instruments

(i) *Non-derivative financial instruments*
Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents, financial liabilities, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus any directly attributable transaction costs except for financial instruments that are measured at fair value through profit and loss. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or transfers substantially all the risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and deposits with financial institutions. Bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows whereas cash collaterals are excluded.

Available-for-sale investment securities
The Group's investments in equity securities are classified as available-for-sale investment securities. Subsequent to initial recognition, they are measured at fair value and changes therein, other than for impairment losses, and foreign exchange gains and losses on available-for-sale monetary items (see note 2c(i)), are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to the income statement.

Other non-derivative financial instruments
Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) *Derivative financial instruments*
The Group uses derivative financial instruments such as interest rate swaps and foreign exchange contracts to hedge its interest rate and foreign currency exposures.

Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the income statement. 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 income statement on an accrual basis using the effective interest method.

(iii) *Convertible bonds*
Convertible bonds that can be converted into share capital where the number of shares issued does not vary with changes in the fair value of the bonds are accounted for as compound financial instruments. The gross proceeds from the bond issue are allocated separately between the liability component which represents the implied fair value of the financial liability and equity component which represents the implied fair value of the conversion rights.

(iv) *Financial guarantees*
Financial guarantees are accounted for as insurance contracts. Provision is recognised based on the Group's or the Company's estimate of the ultimate cost of settling all claims incurred but unpaid at the balance sheet date.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

g. Financial Instruments (cont'd)

(v) *Impairment of financial assets*

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of available-for-sale investment securities is calculated by reference to its current fair value.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the income statement. Any cumulative loss in respect of available-for-sale investment securities recognised previously in equity is transferred to the income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the income statement. For available-for-sale investment securities that are equity securities, the reversal is recognised directly in equity.

h. Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Where share capital as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is presented as a deduction from equity. Where such shares are subsequently reissued, sold or cancelled, the consideration received is recognised as a change in equity. No gain or loss is recognised in the income statement.

i. Inventories

(i) *Development properties*

Development properties for sale are stated at the lower of cost plus, where appropriate, a portion of the attributable profit, and estimated net realisable value, net of progress billings. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of properties under development comprises specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are also capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development.

(ii) *Construction work-in-progress*

Construction work-in-progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating activity.

Construction work-in-progress is presented as part of inventories in the balance sheet. If payments received from customers exceed the income recognised, the difference is presented as current liabilities in the balance sheet.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

i. Inventories (cont'd)

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

j. Non-Current Assets Held for Sale

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets are remeasured in accordance with the Group's accounting policies. Thereafter, the assets are generally measured at the lower of their carrying amount and fair value less cost to sell. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the income statement. Gains are not recognised in excess of any cumulative impairment loss.

k. Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets, other than investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, recoverable amount is estimated at each reporting date, and as and when indicators of impairment are identified.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement unless it reverses a previous revaluation, credited to equity, in which case it is charged to equity. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

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

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

l. Employee Benefits

(i) *Short-term employee benefits*
All short-term employee benefits, including accumulated compensated absences, are recognised in the income statement in the period in which the employees render their services.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

l. Employee Benefits (cont'd)

(ii) *Defined contribution plans*
Contributions to post-employment benefits under defined contribution plans are recognised as an expense in the income statement as incurred.

(iii) *Share-based payment*
The GuocoLand Limited Executives' Share Option Scheme allows Group employees to acquire shares of the Company. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. At each balance sheet date, the Company revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates in employee expense and in a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised.

m. Provision

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

n. Operating Leases

(i) *When entities within the Group are lessees of an operating lease*
Where the Group has the use of assets under operating leases, payments made under the leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease payments made. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

(ii) *When entities within the Group are lessors of an operating lease*
Assets leased out under operating leases are included in investment properties and are stated at revalued amounts and are not depreciated.

o. Income Tax Expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

o. Income Tax Expense (cont'd)

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries, associates and jointly-controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

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

p. Revenue Recognition

(i) *Development properties for sale*
The Group recognises income on property development projects when the risks and rewards of ownership have been transferred to the buyer through either the transfer of legal title or an equitable interest in a property. In cases where the Group is obliged to perform any significant acts after the transfer of legal title or equitable interest, revenue is recognised as the acts are performed based on the percentage of completion method, which is an allowed alternative method under Recommended Accounting Practice 11 *Pre-completion Contracts for the Sale of Development Property* ("RAP 11") issued by the Institute of Certified Public Accountants of Singapore in October 2005. Under the percentage of completion method, profit is brought into the income statement only in respect of sales procured and to the extent that such profit relates to the progress of construction work. The stage of completion is assessed by reference to surveys of work performed. Allowance for foreseeable losses is made in the period in which such loss is determined.

(ii) *Completed properties held for sale*
Revenue from disposal of completed 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 period in which such loss is determined.

(iii) *Construction revenue*
When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively in the income statement by reference to the stage of completion of the contract activity at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately in the income statement. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

(iv) *Rental income*
Rental income receivable under operating leases is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

p. Revenue Recognition (cont'd)

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

(vi) *Management fee income*
Management fee income is recognised in the income statement when services are rendered.

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

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

q. Finance Costs

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

r. Segment Reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

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

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 borrowings, taxation and fixed deposits.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (property, plant and equipment) that are expected to be used for more than one period.

3. PROPERTY, PLANT AND EQUIPMENT

	Freehold land & building $'000	Leasehold land & buildings $'000	Freehold land under development $'000	Furniture & fittings $'000	Office & other equipment $'000	Motor vehicles $'000	Total $'000
Group							
Cost							
At 1 July 2005	-	-	-	1,823	2,008	1,900	5,731
Acquisition of subsidiaries	27,379	46,226	39,873	1,666	2,836	557	118,537
Additions	-	-	-	872	352	-	1,224
Disposals	-	-	-	(520)	(146)	(144)	(810)
Increase in fair value from previously held interests in associates	3,725	1,437	1,503	-	-	-	6,665
Written off	-	-	-	(41)	(49)	-	(90)
Exchange differences on translation	-	-	-	(10)	(9)	(6)	(25)
At 30 June 2006	31,104	47,663	41,376	3,790	4,992	2,307	131,232
At 1 July 2006	31,104	47,663	41,376	3,790	4,992	2,307	131,232
Acquisition of subsidiary	-	-	-	-	1	-	1
Additions	673	-	6,650	609	903	1,706	10,541
Disposal of subsidiary	-	(6,682)	-	(109)	(961)	(6)	(7,758)
Disposals	-	-	-	(6)	(42)	(1,034)	(1,082)
Transfer in/(out)	-	557	-	-	(557)	-	-
Written off	-	-	-	(1)	(169)	-	(170)
Exchange differences on translation	840	1,162	1,217	44	(89)	17	3,191
At 30 June 2007	32,617	42,700	49,243	4,327	4,078	2,990	135,955

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land & building $'000	Leasehold land & buildings $'000	Freehold land under development $'000	Furniture & fittings $'000	Office & other equipment $'000	Motor vehicles $'000	Total $'000
Group							
Accumulated Depreciation							
At 1 July 2005	-	-	-	1,246	1,641	980	3,867
Depreciation charge for the year	-	-	-	310	228	309	847
Disposals	-	-	-	(436)	(108)	-	(544)
Written off	-	-	-	(40)	(48)	-	(88)
Exchange differences on translation	-	-	-	(4)	(3)	(4)	(11)
At 30 June 2006	-	-	-	1,076	1,710	1,285	4,071
At 1 July 2006	-	-	-	1,076	1,710	1,285	4,071
Depreciation charge for the year	403	1,189	-	661	424	486	3,163
Disposal of subsidiary	-	(327)	-	(75)	(157)	(4)	(563)
Disposals	-	-	-	-	(11)	(903)	(914)
Written off	-	-	-	(1)	(169)	-	(170)
Exchange differences on translation	6	13	-	6	271	7	303
At 30 June 2007	409	875	-	1,667	2,068	871	5,890
Carrying Amount							
At 1 July 2005	-	-	-	577	367	920	1,864
At 30 June 2006	31,104	47,663	41,376	2,714	3,282	1,022	127,161
At 1 July 2006	31,104	47,663	41,376	2,714	3,282	1,022	127,161
At 30 June 2007	32,208	41,825	49,243	2,660	2,010	2,119	130,065

The Group's property, plant and equipment with a book value of $91.1 million (2006 : $42.7 million) has been mortgaged to secure loan facilities granted to the Group (see Note 20).

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

	2007 $'000	2006 $'000
Capitalised as cost of development properties	25	9
Cost of sales	1,522	666
Administrative expenses	1,616	172
	3,163	847

4. GOODWILL ON CONSOLIDATION

	Group	
	2007	2006
	$'000	$'000
Cost		
At 1 July	1,064	-
Acquisition of subsidiary	-	1,064
Exchange differences on translation	30	-
At 30 June	1,094	1,064
Accumulated impairment loss		
At 1 July and 30 June	-	-
Carrying amount		
At 1 July	1,064	-
At 30 June	1,094	1,064

5. INVESTMENT PROPERTIES

Movements in the investment properties are as follows:-

	Group	
	2007	2006
	$'000	$'000
At 1 July	246,224	308,000
Acquisition of subsidiary	-	46,224
Increase in fair values	116,520	32,000
Transfer to asset held for sale	-	(140,000)
Exchange differences on translation	1,232	-
At 30 June	363,976	246,224

Investment properties comprise commercial properties and reversionary interests in freehold land. The commercial properties are leased mainly to external parties for a period of one to three years.

5. INVESTMENT PROPERTIES (CONT'D)

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

Investment Property	Description	Tenure of Land	Open Market Value	
			2007	2006
			$'000	$'000
Singapore				
Tung Centre 20 Collyer Quay Singapore 049319	24-storey office building	999-year lease with effect from 5.11.1862	312,750	200,000
Lots 99951A, 99952K and 99953N Part of 61 Robinson Road Singapore 068893	Reversionary interests in freehold land	Note (d)	3,770	-
Malaysia				
Bangunan Hong Leong No. 117 Jalan Tun H.S. Lee 50000 Kuala Lumpur	16-storey office building	Freehold	16,410	15,984
Menara Pandan Persiaran MPAJ Jalan Pandan Utama Pandan Indah 55100 Kuala Lumpur	Two blocks of 10-storey office tower building	99-year lease with effect from 25.03.2002	31,046	30,240
			363,976	246,224

b. In accordance with the Group's accounting policy, the Group's investment properties in Singapore were valued on 30 June 2007 and 30 June 2006 on an open market basis by independent firms of professional valuers, namely, CB Richard Ellis and DTZ Debenham Tie Leung (SEA) Pte Ltd respectively. The Group's investment properties in Malaysia were valued on 30 June 2007 and 30 April 2006 on an open market basis by independent firms of professional valuers, namely, Raine & Horne International Zaki & Partners Sdn Bhd and KS Dhillon respectively.

c. The Group's investment properties with a book value of $16.4 million (2006 : $46.2 million) have been mortgaged to secure loan facilities granted to the Group (see Note 20).

d. The Group disposed its interests in a 98-year lease (with effect from 19 March 1998) in the freehold land in July 2006 to a third party. Accordingly, the Group recognised its reversionary interests in the freehold land during the financial year.

6. INTERESTS IN SUBSIDIARIES

		Company	
		2007	2006
		$'000	$'000
a.	Unquoted shares, at cost	1,196,690	1,172,787
	Less : Impairment loss	(262,046)	(327,672)
		934,644	845,115
	Amounts due from subsidiaries	1,494,103	1,214,847
	Less : Allowance for doubtful receivables	(180,338)	(199,883)
		1,313,765	1,014,964
		2,248,409	1,860,079
	Non-current amounts due to subsidiaries	(257,625)	(268,456)

The amounts due from subsidiaries consist of $821.1 million (2006 : $536.4 million) interest-free loans and $673.0 million (2006 : $678.4 million) interest bearing loans.

The amounts due to subsidiaries are interest-free.

The amounts due from/(to) subsidiaries form part of the Company's net investments in these subsidiaries. The amounts are unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

The amounts due from subsidiaries comprise foreign currency loans amounting to $883.9 million (2006 : $591.0 million) which form part of the Company's net investments in these subsidiaries. In accordance with FRS 21 *(revised)*, the exchange differences arising from these loans are recognised in the Company's income statement and reclassified to equity in the Group's consolidated financial statements.

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

	2007	2006
	%	%
Amounts due from subsidiaries	4.00 to 6.00	3.80 to 5.80

The above interest rates reprice monthly.

6. 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	
		2007 %	2006 %
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	Singapore	100	100
Everian 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
Sophia Residence Development Pte. Ltd. (formerly known as First Capital Asia Land Pte Ltd)	Singapore	-	100
First Capital Assets Pte Ltd and its subsidiaries:-	Singapore	100	100
#^First Capital Assets (BVI) Ltd.	British Virgin Islands	100	100
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

6. INTERESTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
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
First Capital Hotels 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. and its subsidiaries:-	Singapore	100	100
[@]GuocoLand (Malaysia) Berhad and its subsidiaries:-	Malaysia	67.88	67.35
[@]Guoman Hotel & Resort Holdings Sdn. Bhd. and its subsidiaries:-	Malaysia	77.52	77.15
[▲]PD Resort Sdn. Bhd.	Malaysia	77.52	77.15
[@]Kiapeng Development Sdn. Bhd.	Malaysia	77.52	77.15
[#]Guoman Hotels Limited and its subsidiaries:-	Bermuda	77.52	77.15
[#]Guoman (Hanoi) Limited and its subsidiary:-	Jersey, Channel Islands	-	77.15
[Ω]HLL-Guoco Vietnam Co. Limited	Vietnam	-	57.16
[∞]Guoman Philippines, Inc.	Philippines	77.52	77.15

6. INTERESTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
#Guoman International Limited and its subsidiary:-	Jersey, Channel Islands	77.52	77.15
@Guoman International Sdn. Bhd.	Malaysia	77.52	77.15
@JB Parade Sdn. Bhd. and its subsidiary:-	Malaysia	46.51	46.29
@JB Parade Condominium Sdn. Bhd.	Malaysia	46.51	46.29
@Bedford Development Sdn. Bhd. and its subsidiaries:-	Malaysia	67.88	67.35
@Hong Leong Housing Sdn. Bhd.	Malaysia	67.88	67.35
@Bedford Industrial Development Sdn. Bhd.	Malaysia	67.88	67.35
▲Pembinaan Sri Jati Sdn. Berhad	Malaysia	67.88	67.35
^Evergreen Direction Sdn. Bhd.	Malaysia	67.88	67.35
@Sabna Development Sdn. Bhd. (see Note 7)	Malaysia	67.88	-
@Ace Acres Sdn. Bhd.	Malaysia	67.88	-
@Hong Leong Real Estate Holdings Sdn. Bhd. and its subsidiaries:-	Malaysia	67.88	67.35
▲Bedford Land Sdn. Bhd. and its subsidiaries:-	Malaysia	67.88	67.35
@BLV Fashions Sdn. Bhd.	Malaysia	67.88	67.35
▲Guobena Development Sdn. Bhd.	Malaysia	67.88	67.35
@HL Bandar Sdn. Bhd.	Malaysia	67.88	67.35
@Prophills Development Sdn. Bhd.	Malaysia	67.88	67.35
@Damansara City Sdn. Bhd. (formerly known as Orithree Sdn. Bhd.)	Malaysia	67.88	67.35
@Orifour Sdn. Bhd.	Malaysia	67.88	67.35

6. INTERESTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
@Orifive Sdn. Bhd.	Malaysia	67.88	67.35
^Resource Properties Sdn. Bhd.	Malaysia	67.88	67.35
^Bedford Excel Venture Sdn. Bhd.	Malaysia	67.88	67.35
^Bedford Leisure Ventures Sdn. Bhd. and its subsidiary:-	Malaysia	67.88	67.35
^BLV Entertainment Sdn. Bhd.	Malaysia	67.88	67.35
#HLL Overseas Limited	Jersey, Channel Islands	67.88	67.35
@HLP Equities Sdn. Bhd.	Malaysia	67.88	67.35
▲Hong Leong Real Estate Management Sdn. Bhd.	Malaysia	67.88	67.35
▲Hong Leong Property Services Sdn. Bhd.	Malaysia	67.88	67.35
▲Hong Leong Property Management Co Sdn. Bhd. and its subsidiary:-	Malaysia	67.88	67.35
^Online Ventures Sdn. Bhd.	Malaysia	67.88	67.35
*GLM REIT Management Sdn. Bhd.	Malaysia	67.88	67.35
GLL Holdings (UK) Pte. Ltd.	Singapore	100	100
GLL Investments Ltd.	Singapore	100	100
GLL Land Pte. Ltd.	Singapore	100	100
GLL Ventures Pte. Ltd.	Singapore	-	100
Goodwood Residence Development Pte. Ltd. (formerly known as Fasidon Holdings Pte Ltd)	Singapore	-	100
*GuocoLand (China) Limited and its subsidiaries:-	Bermuda	100	100
*Beijing Jiang Sheng Property Development Co., Ltd	The People's Republic of China	99.04	99.04
*Beijing Minghua Property Development Co., Ltd	The People's Republic of China	75	75

6. INTERESTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
*Guo Xiang Property Co., Limited	Hong Kong	100	100
Guoco Property Management Pte Ltd	Singapore	100	100
*Hainan Jinghao Asset Ltd	The People's Republic of China	100	-
*Nanjing Mahui Property Development Co., Ltd (formerly known as Nanjing Docker Club Realestate Co., Ltd)	The People's Republic of China	94.93	94.93
*Nanjing Xinhaoning Property Development Co., Ltd	The People's Republic of China	99	99
*Nanjing Xinhaoxuan Property Development Co., Ltd	The People's Republic of China	99	99
*Shanghai Xinhaolong Property Development Co., Ltd	The People's Republic of China	100	100
*Shanghai Xinhaozhong Property Development Co., Ltd	The People's Republic of China	98	98
*Tianjin Zhong Xin Ming Shi Real Estate Development Co., Ltd	The People's Republic of China	100	-
GuocoLand (Singapore) Pte. Ltd. and its subsidiaries:-	Singapore	100	100
First Bedok Land Pte Ltd	Singapore	100	100
First Capital Holdings Pte Ltd	Singapore	100	-
GLL Ventures Pte. Ltd.	Singapore	100	-
Goodwood Residence Development Pte. Ltd.	Singapore	100	-
Hedover Holdings Pte Ltd	Singapore	100	-
Perfect Eagle Pte. Ltd.	Singapore	100	-
Rivaldo Investments Pte Ltd	Singapore	100	100
Sophia Residence Development Pte. Ltd.	Singapore	100	-
Winterhall Pte Ltd	Singapore	100	100
GuocoLand China (S) Pte. Ltd.	Singapore	100	100

6. INTERESTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
GuocoLand Management Pte. Ltd.	Singapore	100	100
GuocoLand Property Management Pte. Ltd.	Singapore	100	100
GuocoLand Retail Management Pte. Ltd. (formerly known as GLL Property Fund Pte. Ltd.)	Singapore	100	100
GuocoLand Vietnam (S) Pte. Ltd. and its subsidiary:-	Singapore	100	100
*GuocoLand Binh Duong Property Co., Ltd	Vietnam	100	-
Harbour View Development Pte Ltd	Singapore	100	100
Hedover Holdings Pte Ltd	Singapore	-	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
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.
@ Audited by Ernst & Young, Malaysia.
▲ Audited by Ling Kam Hoong & Co.
Ω Audited by Grant Thornton.
∞ Audited by SyCip Gorres Velayo & Co.
^ In members' voluntary liquidation.

The rest of the subsidiaries are audited by KPMG Singapore.

7. INTERESTS IN ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES

	Group		Company	
	2007 $'000	2006 $'000	2007 $'000	2006 $'000
Investments in associates	243,156	8,630	3,684	3,684
Investments in jointly-controlled entities	145,852	169,451	-	-
	389,008	178,081	3,684	3,684
Amounts due from associates	49,107	12,386	11,996	12,299
Less : Amounts due within 1 year shown under trade and other receivables (see Note 15)	(2)	(5)	-	-
Allowance for doubtful receivables	-	-	(6,900)	(6,900)
	49,105	12,381	5,096	5,399
Amounts due from jointly-controlled entities	5,654	4,893	-	-
Less : Amounts due within 1 year shown as trade and other receivables (see Note 15)	(5,654)	(4,893)	-	-
	-	-	-	-
	438,113	190,462	8,780	9,083

The amounts due from associates are unsecured and interest-free, and form part of the Company's net investments in associates. The amounts due from associates comprise a foreign currency loan amounting to $8.4 million (2006 : $8.7 million) which forms part of the Company's net investment in an associate. In accordance with FRS 21 *(revised)*, the exchange differences arising from the loan are recognised in the Company's income statement and reclassified to equity in the Group's consolidated financial statements.

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

Name of Associates/ Jointly-Controlled Entities	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
Associates			
*Beijing Cheng Jian Dong Hua Real Estate Development Company Limited	The People's Republic of China	45	-
◆Crawforn Pte Ltd	Singapore	40	40
◆First Capital Property Ventures Pte Ltd	Singapore	35	35
∞Luck Hock Venture Holdings, Inc	Philippines	31.01	30.86
◆Razgrad Pte Ltd	Singapore	40	40

7. INTERESTS IN ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES (CONT'D)

Name of Associates/ Jointly-Controlled Entities	Country of Incorporation	Effective Equity Interest held by the Group	
		2007 %	2006 %
Associates (cont'd)			
◆Stockton Investments Pte Ltd	Singapore	38.27	38.27
#Tiara Investment Holdings Limited and its subsidiary:-	Mauritius	40	40
**Purearth Infrastructure Limited	India	20.26	23.64
Jointly-Controlled Entities			
@Bedford Damansara Heights Development Sdn. Bhd. and its subsidiaries:-	Malaysia	33.94	33.68
@Promakmur Development Sdn. Bhd.	Malaysia	33.94	33.68
▲Kota Selatan Indah Sdn. Bhd.	Malaysia	33.94	33.68
@Continental Estates Sdn. Bhd.	Malaysia	33.94	33.68
@Positive Properties Sdn. Bhd.	Malaysia	33.94	33.68
@Putrajaya Properties Sdn. Bhd. and its subsidiaries:-	Malaysia	-	33.68
@Sabna Development Sdn. Bhd.	Malaysia	^	33.68
@HLP Bina Sdn. Bhd.	Malaysia	-	33.68
@Vintage Heights Sdn. Bhd.	Malaysia	32.15	31.94

* Audited by other member firms of KPMG International.
◆ Audited by KPMG Singapore.
@ Audited by Ernst & Young, Malaysia.
∞ Audited by SyCip Gorres Velayo & Co.
Audited by Sui Chong Ng Fuk Chong.
▲ Audited by Ling Kam Hoong & Co.
^ During the financial year ended June 2007, the Group increased its investment in Sabna Development Sdn. Bhd. from 33.68% to 67.88% (see Note 6).
** Audited by M/s S.R. Bathliboi & Associates.

7. INTERESTS IN ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES (CONT'D)

The financial information of the associates and the Group's share of its interests in the jointly-controlled entities are as follows:-

	Associates		Jointly-Controlled Entities	
	2007	2006	2007	2006
	$'000	$'000	$'000	$'000
Assets and liabilities				
Non-current assets			2,653	2,959
Current assets			213,746	254,857
Total assets	1,051,626	139,091	216,399	257,816
Current liabilities			(28,598)	(40,834)
Non-current liabilities			(41,949)	(47,531)
Total liabilities	(788,612)	(100,063)	(70,547)	(88,365)
Results				
Revenue	93,101	133,914	15,357	-
Expenses			(12,549)	-
Profit after income tax and minority interests	30,034	31,685	2,808	-

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

The amounts due from/(to) minority shareholders of subsidiaries form part of their net investments in these subsidiaries. The amounts are unsecured and interest-free, and settlement is neither planned nor likely to occur in the foreseeable future.

9. INVESTMENT SECURITIES

Available-for-sale Securities

	Group	
	2007	2006
	$'000	$'000
Quoted equity securities, at market value	31,766	54,189
Unquoted equity securities, at cost	21	21
Less : Impairment loss	(6)	(6)
	15	15
	31,781	54,204

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 the balance sheet date reflects the corresponding fair value.

10. DEFERRED TAX

a. Deferred Tax Assets and Liabilities

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

	Property, plant and equipment $'000	Investment properties $'000	Development properties $'000	Unutilised tax losses $'000	Others $'000	Total $'000
Deferred tax liabilities						
Group						
At 1 July 2005	-	3,100	6,463	-	100	9,663
Credited to income statement	-	-	(6,472)	-	(55)	(6,527)
Charged to equity	351	-	238	-	-	589
Acquisition of subsidiary	596	-	808	-	-	1,404
Exchange differences on translation	-	-	9	-	-	9
At 30 June 2006	947	3,100	1,046	-	45	5,138
(Credited)/ Debited to income statement	(7)	-	2,376	-	-	2,369
Disposal of subsidiary	(21)	-	-	-	-	(21)
Reclassification from interest in jointly-controlled entities	-	-	172	-	-	172
Exchange differences on translation	21	-	(35)	-	-	(14)
At 30 June 2007	940	3,100	3,559	-	45	7,644
Deferred tax assets						
Group						
At 1 July 2005	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	365	-	365
At 30 June 2006	-	-	-	365	-	365
Acquisition of subsidiary	-	-	-	178	-	178
Exchange differences on translation	-	-	-	8	-	8
At 30 June 2007	-	-	-	551	-	551

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the balance sheet as follows:-

	Group	
	2007 $'000	2006 $'000
Deferred tax liabilities	7,644	5,138
Deferred tax assets	(551)	(365)

10. DEFERRED TAX (CONT'D)

b. Unrecognised Deferred Tax Assets

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

	Group	
	2007	2006
	$'000	$'000
Deductible temporary differences	46,354	268,561
Unutilised tax losses/capital allowances	225,136	239,177
	271,490	507,738
Deferred tax assets	49,088	110,559

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 2007, 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.

11. ASSET HELD FOR SALE

In June 2006, a wholly-owned subsidiary of the Group entered into a Sale and Purchase Agreement to sell Robinson Centre, a 20-storey office building at 61 Robinson Road for a consideration of $145 million. The sale was completed in July 2006.

As at 30 June 2006, the investment property was valued at $140 million based on the sale consideration net of the provision for a property income undertaking for a yield of 4.5% on the property in favour of the purchaser.

12. INVENTORIES

		Group	
		2007	2006
	Note	$'000	$'000
Saleable merchandise		246	291
Operating supplies		303	284
		549	575
Development properties	13	1,554,465	1,286,571
Construction work-in-progress	14	835	1,188
		1,555,300	1,287,759
		1,555,849	1,288,334

13. DEVELOPMENT PROPERTIES

	Note	Group 2007 $'000	2006 $'000
Properties in the course of development		1,501,953	1,166,121
Properties held for sale		52,512	120,450
	12	1,554,465	1,286,571

a. Properties in the course of development

Costs		1,921,916	1,674,150
Allowance for foreseeable losses		(6,750)	(52,502)
Attributable profit		27,374	5,724
Progress instalments received and receivable		(510,606)	(461,251)
		1,431,934	1,166,121
Comprising:-			
Properties in the course of development		1,501,953	1,166,121
Excess of progress billings over work-in-progress	22	(70,019)	-
		1,431,934	1,166,121

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

Interest expense	28,851	19,639
Interest income	(1,313)	(552)
Depreciation of property, plant and equipment	25	9

b. Properties held for sale

Properties held for sale	57,737	140,902
Allowance for foreseeable losses	(5,225)	(20,452)
	52,512	120,450

Certain development properties with a book value of $891.2 million (2006 : $583.7 million) are under legal mortgages with banks (see Note 20).

If the Group had adopted the completion of construction method, the effects on the financial statements for the financial year ended 30 June 2007 would have been as follows:-

	Increase/(Decrease) 2007 $'000	2006 $'000
Unappropriated profits as at 1 July	(57,538)	(46,758)
Revenue	(100,022)	(71,389)
Profit for the year	(17,254)	(10,780)
Properties in the course of development as at 1 July	(81,784)	(463)
Properties in the course of development as at 30 June	(16,731)	(81,784)
Excess of progress billings over work-in-progress as at 1 July	-	69,780
Excess of progress billings over work-in-progress as at 30 June	71,520	-

13. DEVELOPMENT PROPERTIES (CONT'D)

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						
Paterson Residence Situated at Paterson Road	Residential	Superstructure & architectural works in progress	7/2008	7,774	16,327	100
The View @ Meyer Situated at Meyer Road	Residential	Substructure & superstructure works in progress	2/2009	3,352	7,039	100
The Stellar Situated at West Coast Road	Residential	Substructure & superstructure works in progress	10/2008	13,245	18,543	100
The Quartz Situated at Sengkang Central	Residential	Superstructure & architectural works in progress	3/2009	21,985	65,956	100
Goodwood Residence Situated at Bukit Timah Road	Residential	Planning	*	24,845	39,752	100
Malaysia						
Notting Hill Situated at Mukim of Sg. Buloh, Selangor Darul Ehsan	Residential	TOP obtained in 11/2006	N/A	14,050	10,122	67.88
		TOP application in progress	8/2007	15,540	9,731	67.88
Site situated at Lot 322 Mukim of Hulu Kelang, District of Gombak, Selangor Darul Ehsan	Residential	Planning	*	47,307	41,805	67.88
Emerald 1B Situated at Mukim of Rawang, Districts of Gombak and Ulu Selangor, Selangor Darul Ehsan	Residential	Pending building plan approval	*	189,990	108,254	67.88

13. DEVELOPMENT PROPERTIES (CONT'D)

Properties in the course of development (cont'd):-

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Malaysia (cont'd)						
Site situated at Old Klang Road, Mukim of Petaling Jaya, Kuala Lumpur	Residential	Piling works in progress	12/2009	4,047	29,479	67.88
Bukit Rahman Putra Situated at Mukim of Sg. Buloh, Selangor Darul Ehsan	Residential	Various stages of completion	3/2008 to 3/2010	146,090	91,358	67.88
Site situated at Lot 3059, Mukim of Hulu Kelang, District of Gombak, Selangor Darul Ehsan	Residential	Planning	*	30,351	N/A	67.88
Site situated at Damansara Town Centre, Kuala Lumpur	Commercial	Planning	*	34,438	217,265	67.88
Site situated at Geran No. 20438, Lot 36, Bandar Batu Ferringhi, Pulau Pinang	Residential	Planning	*	18,538	N/A	67.88
Site situated at Seksyen 9, Tempat Sungai Kantan, Kajang, Daerah Hulu Langat, Selangor Darul Ehsan	Residential	Planning	*	35,369	16,329	67.88
Site situated within Taman Mutiara Barat, Off Jalan Cheras, Kuala Lumpur	Residential	Planning	*	65,275	159,323	67.88

13. DEVELOPMENT PROPERTIES (CONT'D)

Properties in the course of development (cont'd):-

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
The People's Republic of China						
West End Point Situated in Xicheng District, Beijing	Residential/ Commercial	Architectural works in progress	6/2008	36,501	140,326	99.04
Hillview Regency Situated in Xuanwu District, Nanjing	Residential/ Commercial	Design planning and land resettlement in progress	*	296,002	484,279	99
Ascot Park Situated in Qixia District, Nanjing	Residential	Piling works completed	3/2009	89,709	233,890	94.93
	Commercial	Design planning in progress	*			
Changfeng Situated in Putuo District, Shanghai	SOHO/ Commercial	Phase 1 – Piling works completed	3/2010	143,845	494,239	100
		Phase 2 – Pending building plan approval	*			
Four Seasons Situated in Nankai District, Tianjin	Residential	Design planning in progress	*	25,866	213,738	100
Vietnam						
Site situated in Thuan An District, Binh Duong Province	Residential/ Commercial	Design planning in progress	*	175,553	285,664	100

* Not applicable as construction for these developments have not commenced.
N/A : Not applicable.

13. DEVELOPMENT PROPERTIES (CONT'D)

Properties held for sale:-

Property	Intended Use	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Singapore				
Le Crescendo Situated at Paya Lebar Road	Residential	12,323	26,176	100
Shop unit at The Gardens at Bishan Situated at Sin Ming Ave/Sin Ming Walk	Commercial	N/A	59	90
Malaysia				
3 Kia Peng Situated at No. 3 Jalan Kia Peng 50450 Kuala Lumpur	Commercial	13,442	77,299	77.52
Sri Sentosa Situated at Jalan Taman Sri Sentosa 58000 Kuala Lumpur	Residential	14,717	40,000	67.88
Mutiara Kompleks Situated at 3 1/2 Jalan Ipoh 51200 Kuala Lumpur	Office	732	732	67.88
Bukit Rahman Putra Situated at Mukim of Sg. Buloh, Selangor Darul Ehsan	Residential	9,339	1,649	67.88
The People's Republic of China				
Central Park Situated at Luwan District, Shanghai	Residential	14,841	74,881	98

N/A : Not applicable.

14. CONSTRUCTION WORK-IN-PROGRESS

	Note	Group 2007 $'000	Group 2006 $'000
Cost and attributable profits		26,615	18,062
Progress billings		(26,139)	(17,909)
		476	153
Comprising:-			
Construction work-in-progress	12	835	1,188
Excess of progress billings over work-in-progress	22	(359)	(1,035)
		476	153

15. TRADE AND OTHER RECEIVABLES

	Note	Group 2007 $'000	Group 2006 $'000	Company 2007 $'000	Company 2006 $'000
Trade receivables		162,385	44,727	-	-
Accrued receivables[#]		12,687	2,720	-	-
		175,072	47,447	-	-
Allowance for doubtful receivables		(70)	(56)	-	-
		175,002	47,391	-	-
Other receivables, deposits and prepayments		140,231	40,525	2,768	2,825
Allowance for doubtful receivables		(2,314)	(2,205)	-	-
	16	137,917	38,320	2,768	2,825
Amounts due from:-					
Intermediate holding company		2	8	-	-
Associates	7	2	5	-	-
Jointly-controlled entities	7	5,654	4,893	-	-
Related corporations		106	136	-	-
Minority shareholders of subsidiaries		7,661	653	-	-
Related parties		4	9	-	-
		326,348	91,415	2,768	2,825

The amounts due from intermediate holding company, associates, related corporations, minority shareholders of subsidiaries and related parties are unsecured and interest-free.

The amounts due from jointly-controlled entities are unsecured and consist of $3.7 million (2006 : $2.0 million) interest-free loans and $2.0 million (2006 : $2.9 million) interest-bearing loans. The weighted average effective interest rate per annum for interest-bearing loans at the balance sheet date is 4.78% (2006 : 4.93%) per annum and the interest rate reprises every three months.

[#] 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.

16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2007	2006	2007	2006
	$'000	$'000	$'000	$'000
Deposits	5,094	3,512	-	-
Prepayments	4,013	5,101	1,749	1,636
Tax recoverables	9,239	7,289	-	-
Interest receivables	647	501	209	-
Mark-to-market gain on derivative financial instruments	810	1,189	810	1,189
Land acquisitions				
- Deposits	84,320	15,389	-	-
- Related expenses incurred	28,013	-	-	-
Advance to main contractor	3,782	3,275	-	-
Others	1,999	2,064	-	-
	137,917	38,320	2,768	2,825

17. CASH AND CASH EQUIVALENTS

		Group		Company	
		2007	2006	2007	2006
	Note	$'000	$'000	$'000	$'000
Short-term deposits with banks					
- S$ balances		779,702	223,430	433,232	20
- US$ balances		47	70,716	-	-
- RMB balances		146,468	116,790	-	-
- MYR balances		12,565	12,800	-	-
- VND balances		-	347	-	-
		938,782	424,083	433,232	20
Cash and bank balances		153,782	118,793	5,400	336
		1,092,564	542,876	438,632	356
Bank overdrafts	20	(520)	(732)	-	-
Cash collaterals		-	(16,313)	-	-
Cash and cash equivalents in the statement of cash flows		1,092,044	525,831	438,632	356

17. CASH AND CASH EQUIVALENTS (CONT'D)

Included in the Group's cash and bank balances and short-term deposits with banks are:-

a. Amounts held under the Housing Developers (Project Account) Rules ("Rules") totalling $48.2 million (2006 : $49.4 million), the use of which is subject to restrictions imposed by the above-mentioned Rules;

b. Amounts held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 totalling $4.5 million (2006 : $86,000), the use of which is restricted from other operations;

c. An amount held by solicitor of $14.5 million as at 30 June 2006 was refunded during the financial year upon completion of the sale of an investment property; and

d. Cash collaterals of $16.3 million was deposited with a bank for equity swap transactions in the previous financial year.

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

	Group		Company	
	2007	2006	2007	2006
	%	%	%	%
Short-term deposits with banks				
- S$ balances	0.60 to 2.35	0.60 to 3.36	0.60 to 2.35	0.60 to 0.63
- US$ balances	5.20	1.20 to 5.02	-	-
- RMB balances	1.62 to 2.07	1.62 to 1.71	-	-
- MYR balances	3.20 to 3.43	2.40 to 2.60	-	-
- VND balances	-	5.94	-	-

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

18. SHARE CAPITAL

	Company	
	2007	2006
	No. of shares	No. of shares
Ordinary Shares		
Issued and fully paid ordinary shares		
- At 1 July and 30 June	665,647,468	665,647,468

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

At as 30 June 2007, the Trust for GuocoLand Limited Executives' Share Option Scheme (the "ESOS") had acquired 57,488,000 (2006 : 49,482,000) of the Company's shares from the market for the purpose of satisfying outstanding share options granted or to be granted to eligible employees under the ESOS and 2,000,000 shares had been transferred to an employee upon exercise of share options pursuant to the ESOS (see Note 30).

19. RESERVES

	Note	Group 2007 $'000	Group 2006 $'000	Company 2007 $'000	Company 2006 $'000
Reserve for own shares	(a)	(104,487)	(88,387)	(104,487)	(88,387)
Share option reserve	(b)	3,874	1,185	3,874	1,185
Capital reserve	(c)	64,996	1,383	64,913	1,300
Exchange translation reserve	(d)	(26,673)	(34,374)	-	-
Revaluation reserve	(e)	8,341	8,522	-	-
Mark-to-market reserve	(f)	3,648	19,524	-	-
Unappropriated profits		616,600	377,096	107,587	105,118
		566,299	284,949	71,887	19,216

a. Reserve for Own Shares

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

b. Share Option Reserve

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

c. Capital Reserve

This comprises mainly allocated value of the warrants issued with debt securities and the value of the options granted to bondholders to convert their convertible bonds into ordinary shares of the Company.

d. Exchange Translation Reserve

This comprises:-

i. foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries and associates whose functional currencies are different from the functional currency of the Company.

ii. the exchange differences on monetary items which form part of the Group's net investment in the foreign subsidiaries and associates.

e. Revaluation Reserve

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

f. Mark-to-market Reserve

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

20. INTEREST BEARING LOANS AND BORROWINGS

	Note	Group 2007 $'000	Group 2006 $'000	Company 2007 $'000	Company 2006 $'000
Non-Current Liabilities					
Long-term bank loans					
- secured		468,334	224,566	-	-
- unsecured		464,005	356,960	459,570	352,640
Convertible bonds (unsecured)	21	624,529	-	624,529	-
Medium-term notes (unsecured)		375,000	205,000	375,000	205,000
		1,931,868	786,526	1,459,099	557,640
Current Liabilities					
Bank overdrafts	17				
- secured		508	707	-	-
- unsecured		12	25	-	-
Short-term bank loans (unsecured)		-	10,800	-	-
Short-term notes (unsecured)		-	30,000	-	30,000
Current portion of long-term bank loans					
- secured		38,900	190,245	-	-
- unsecured		35,000	6,480	35,000	-
Current portion of long-term notes (unsecured)		-	132,750	-	132,750
		74,420	371,007	35,000	162,750
Total loans and borrowings		2,006,288	1,157,533	1,494,099	720,390

Maturity of loans and borrowings :-

	Group 2007 $'000	Group 2006 $'000	Company 2007 $'000	Company 2006 $'000
Within 1 year	74,420	371,007	35,000	162,750
After 1 year but within 5 years	1,929,429	783,286	1,459,099	557,640
After 5 years	2,439	3,240	-	-
Total borrowings	2,006,288	1,157,533	1,494,099	720,390

20. INTEREST BEARING LOANS AND BORROWINGS (CONT'D)

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

	Note	Group 2007 $'000	2006 $'000
Property, plant and equipment	3	91,068	42,686
Investment properties	5	16,410	46,224
Asset held for sale	11	-	140,000
Development properties	13	891,232	583,746
		998,710	812,656

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

Group	Effective Interest Rate %	Floating Interest Rate $'000	Fixed Interest Rate Maturing Within 1 Year $'000	Fixed Interest Rate Maturing 1 to 5 Years $'000	Total $'000
2007					
Secured					
- S$ floating rate loans	3.16 to 4.44	467,097	-	-	467,097
- MYR floating rate loans	4.22 to 5.21	40,137	-	-	40,137
- MYR bank overdraft	7.50	508	-	-	508
Unsecured					
- S$ floating rate note	3.25	30,000	-	-	30,000
- US$ floating rate loans	5.85 to 6.08	459,570	-	-	459,570
- MYR floating rate loan	4.80	4,435	-	-	4,435
- S$ fixed rate loan	3.23	-	35,000	-	35,000
- S$ fixed rate notes	3.45 to 4.42	-	-	345,000	345,000
- S$ fixed rate convertible bonds	3.25	-	-	624,529	624,529
- MYR bank overdrafts	7.75	12	-	-	12
		1,001,759	35,000	969,529	2,006,288
2006					
Secured					
- S$ floating rate loans	4.26 to 5.12	258,994	-	-	258,994
- MYR floating rate loans	5.05 to 5.36	14,337	-	-	14,337
- S$ fixed rate loans	3.23 to 3.41	-	135,000	-	135,000
- MYR fixed rate loans	4.00	-	6,480	-	6,480
- MYR bank overdrafts	7.75	707	-	-	707
Unsecured					
- S$ floating rate notes	5.04 to 5.12	40,000	-	-	40,000
- US$ floating rate loan	5.99	317,640	-	-	317,640
- MYR floating rate loans	4.60	21,600	-	-	21,600
- S$ fixed rate loan	3.23	-	-	35,000	35,000
- S$ fixed rate notes	3.37 to 5.20	-	122,750	205,000	327,750
- MYR bank overdrafts	7.75 to 8.00	25	-	-	25
		653,303	264,230	240,000	1,157,533

20. INTEREST BEARING LOANS AND BORROWINGS (CONT'D)

	Effective Interest Rate %	Floating Interest Rate $'000	Fixed Interest Rate Maturing Within 1 Year $'000	Fixed Interest Rate Maturing 1 to 5 Years $'000	Total $'000
Company					
2007					
Unsecured					
- S$ floating rate note	3.25	30,000	-	-	30,000
- US$ floating rate loans	5.85 to 6.08	459,570	-	-	459,570
- S$ fixed rate loan	3.23	-	35,000	-	35,000
- S$ fixed rate notes	3.45 to 4.42	-	-	345,000	345,000
- S$ fixed rate convertible bonds	3.25	-	-	624,529	624,529
		489,570	35,000	969,529	1,494,099
2006					
Unsecured					
- S$ floating rate notes	5.04 to 5.12	40,000	-	-	40,000
- US$ floating rate loan	5.99	317,640	-	-	317,640
- S$ fixed rate loan	3.23	-	-	35,000	35,000
- S$ fixed rate notes	3.37 to 5.20	-	122,750	205,000	327,750
		357,640	122,750	240,000	720,390

21. CONVERTIBLE BONDS (UNSECURED)

	Note	Group and Company 2007 $'000	Group and Company 2006 $'000
Proceeds from issue of convertible bonds		690,000	-
Transaction costs		(5,005)	-
Net proceeds		684,995	-
Equity portion of convertible bonds		(63,825)	-
Accreted interests	26	1,294	-
Amortisation of bond discount	26	1,915	-
Amortisation of transaction costs capitalised		150	-
		624,529	-

On 7 May 2007, the Company issued $690 million in principal amount of convertible bonds (the "Bonds") comprising $345 million in principal amount of unsecured Tranche 1 Convertible Bonds ("Tranche 1 Bonds") and $345 million in principal amount of unsecured Tranche 2 Convertible Bonds ("Tranche 2 Bonds"). The Bonds are due on 7 May 2012 (the "Maturity Date").

The Bonds are convertible by the holders thereof (the "Bondholders") into new ordinary shares in the capital of the Company ("Shares") at any time on or after 6 July 2007 and up to the close of business (at the place where the certificate evidencing such Bonds is deposited for conversion) on 27 April 2012 or if such Bonds shall have been called for redemption by the Company before 27 April 2012, then up to the close of business (at the place aforesaid) on a date no later than seven business days prior to the date fixed for redemption thereof. The conversion price of the Bonds was adjusted from the initial conversion price of $6.216 per Share to $5.507 per Share with effect from 30 July 2007 following the issue of 221,882,489 new Shares on that day pursuant to a renounceable rights issue undertaken by the Company (see Note 38).

21. CONVERTIBLE BONDS (UNSECURED) (CONT'D)

At any time on or after 7 May 2009 and prior to the date falling 7 business days prior to the Maturity Date of the Bonds, the Bonds may be redeemed in whole at the option of the Company if the volume weighted average price of the Shares for each of 10 consecutive trading days was at least 120% of the principal amount of the Bonds plus interest equal to the applicable early redemption interest amount divided by the conversion ratio.

On 7 May 2010, in respect of the Tranche 1 Bonds only, the Company may at the option of any Bondholder, redeem all or some of that Bondholder's Tranche 1 Bonds, at their principal amount plus interest equal to the applicable early redemption interest amount.

Unless previously redeemed, converted, or purchased and cancelled, the Tranche 1 Bonds shall be redeemed on the Maturity Date at its principal amount plus interest of 0.6% p.a. on a semi-annual basis of its principal amount and the Tranche 2 Bonds shall be redeemed on the Maturity Date at its principal amount plus interest of 1.9% p.a. on a semi-annual basis of its principal amount.

As at 30 June 2007, approximately $218.0 million of the net proceeds from the Bond issue had been utilised to fund the Group's acquisitions in Singapore and China, and for its working capital requirements of various projects.

22. TRADE AND OTHER PAYABLES

		Group		Company	
		2007	2006	2007	2006
	Note	$'000	$'000	$'000	$'000
Trade payables and accrued operating expenses		92,781	54,050	1,149	487
Excess of progress billings over work-in-progress					
- Development properties	13	70,019	-	-	-
- Construction work-in-progress	14	359	1,035	-	-
Amounts due to:-					
Ultimate holding company		-	428	-	-
Intermediate holding company		8,732	4,972	8,732	4,972
Associate		51	45	-	-
Jointly-controlled entities		1,538	2,661	-	-
Related corporations		643	3,418	-	-
Minority shareholders of subsidiaries		14,134	35,936	-	-
Other payables	23	138,201	121,518	9,189	8,292
		326,458	224,063	19,070	13,751

The amounts due to holding companies, associate, jointly-controlled entities, related corporations and minority shareholders of subsidiaries are unsecured and interest-free.

23. OTHER PAYABLES

	Group		Company	
	2007 $'000	2006 $'000	2007 $'000	2006 $'000
Advance receipts	488	472	-	-
Rental deposits	5,608	5,993	-	-
Deposits received	1,839	25,233	-	-
Interest payable	12,454	13,392	9,140	7,783
Mark-to-market loss on derivative financial instruments	49	2,250	49	-
Real estate tax payable	49,007	16,174	-	-
Land cost payable	51,305	32,368	-	-
Others	17,451	25,636	-	509
	138,201	121,518	9,189	8,292

Included in deposits received in the previous financial year was an amount of $14.5 million being deposit received from purchaser in connection with the sale of an investment property (see Note 11).

24. REVENUE

	Group	
	2007 $'000	2006 $'000
Revenue from sale of development properties	645,293	345,772
Revenue from hotel operations	23,874	-
Revenue from construction operations	7,280	-
Gross rental from investment properties	17,606	11,321
Net profit on sale of trading securities	-	76
Dividend income from equity securities	4,330	3,500
Interest income from fixed deposits with banks	987	163
Management fee income from -		
Immediate holding company	1	4
Related corporations	28	32
Related parties	5	22
Others	3,029	168
Others	46	269
	702,479	361,327

25. OTHER INCOME

	Group	
	2007	2006
	$'000	$'000
Gain on disposal of available-for-sale securities	19,325	40,113
Gain on disposal of property, plant and equipment	296	43
Gain on revaluation of investment properties	116,520	32,000
Gain on disposal of interest in subsidiary	16,901	-
Gain on disposal of interest in jointly-controlled entities	627	-
Gain on unwinding of equity swap	10,258	-
Interest income from -		
Deposits		
- Related corporation	-	112
- Others	11,179	8,611
Others	527	26
Mark-to-market gain in respect of equity swap	-	15,000
Mark-to-market gain on derivative financial instruments	761	1,189
Net exchange gain	12,732	3,761
Negative goodwill arising from acquisition of subsidiary	-	31,969
Real estate tax rebate income	1,213	7,029
Others	4,369	7,085
	194,708	146,938

26. FINANCE COSTS

		Group	
		2007	2006
	Note	$'000	$'000
Interest paid and payable:-			
Financial institutions		55,560	38,953
Convertible bonds			
- Interest expense	21	1,294	-
- Amortisation of bond discount	21	1,915	-
		3,209	-
Others		2,461	3,523
		61,230	42,476
Less : Interest capitalised as cost of development properties	13	(28,851)	(19,639)
		32,379	22,837

The finance costs have been capitalised at a rate of 3.23% to 6.00% p.a. (2006 : 2.99% to 5.38% p.a.) for development properties.

27. PROFIT BEFORE INCOME TAX

		Group	
		2007 $'000	2006 $'000
a.	The following items have been included in arriving at profit before income tax:-		
	Allowance/(Writeback of allowance) for doubtful receivables	61	(3)
	Depreciation of property, plant and equipment	3,138	838
	Impairment loss on available-for-sale securities	-	500
	Management fees paid and payable to intermediate holding company	8,852	5,099
	Non-audit fees paid to Auditors of the Company	18	17
	Operating lease expenses	1,817	714
	Property, plant and equipment written off	-	2
	Writeback of allowance for foreseeable losses on development properties (net)	(61,889)	(26,563)
	Staff costs -		
	Wages and salaries	24,020	12,603
	Contributions to defined contribution plans	1,574	707
	Value of employee services received for issue of share options	2,689	685
	(Reversal of liability)/Liability for short-term accumulating compensated absences	(31)	31
		28,252	14,026

b. Key Management Personnel

The key management personnel compensation is as follows:-

	Group	
	2007 $'000	2006 $'000
Short-term employee benefits	4,143	4,180
Equity compensation benefits	2,626	685
	6,769	4,865

c. The remuneration of directors of the Company under each remuneration band is as follows:-

	Group	
	2007	2006
Remuneration of:-		
$500,000 and above	1	1
$250,000 to $499,999	1	1
$249,999 and below	5	5
	7	7

27. PROFIT BEFORE INCOME TAX (CONT'D)

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

	Group	
	2007	2006
Remuneration of:-		
$500,000 and above	-	1
$250,000 to $499,999	6	3
$249,999 and below	-	-
	6	4

28. INCOME TAX EXPENSE

	Group	
	2007 $'000	2006 $'000
Current tax		
Current year	15,921	13,186
(Over)/Underprovision in respect of previous financial years	(5,394)	2,443
	10,527	15,629
Deferred tax		
Movements in temporary differences	2,369	(6,527)
	12,896	9,102
A reconciliation of the effective tax rate is as follows:-		
Profit before income tax	302,237	164,757
Income tax calculated using the Singapore tax rate of 18% (2006 : 20%)	54,403	32,951
Deferred tax benefit not recognised	(2,545)	1,142
Effect of different tax rates in foreign jurisdiction	9,977	1,634
Effect of change in tax rate	2,125	-
Non-chargeable income	(39,871)	(19,950)
Non deductible expenses	7,920	4,736
Utilisation of previously unrecognised deferred tax assets	(22,171)	(15,817)
Tax effect of losses not allowed to be set off against future taxable profits	7,505	2,438
(Over)/Underprovision in respect of previous financial years	(5,394)	2,443
Others	947	(475)
	12,896	9,102

29. EARNINGS PER SHARE AND FULLY DILUTED EARNINGS PER SHARE

Earnings per share ("EPS") is calculated based on the Group's profit of $281,892,000 (2006 : $155,629,000 derived at after deducting preference dividends), and on the weighted average number of 610,802,930 (2006 : 637,164,116) 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	
	2007	**2006**
	$'000	**$'000**
Group's profit used in the computation of EPS	281,892	155,629
Add : Profit impact of assumed conversion	3,209	1
Adjusted Group's profit used in the computation of fully diluted EPS	285,101	155,630
Weighted average number of ordinary shares used in the computation of EPS	610,803	637,164
Assumed exercise of share options	15,717	5,777
Assumed conversion of convertible bonds	17,066	-
Assumed conversion of NCCPS	-	42
Adjusted weighted average number of ordinary shares used in the computation of fully diluted EPS	643,586	642,983

30. EMPLOYEE BENEFITS

a. The GuocoLand Limited ("GLL") Executives' Share Option Scheme (the "ESOS") was approved by shareholders of the Company at an Extraordinary General Meeting held on 31 December 1998. The ESOS 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 ESOS (the "Rules") to *inter alia* alter the structure of the ESOS 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 ESOS is administered by a Committee of Directors (the "ESOS Committee") comprising Mr Sat Pal Khattar and Mr Quek Leng Chan who were not participants in the ESOS during the financial year.

d. The following options were granted to selected key executives of the Company ("Participants") in respect of an aggregate of 42,250,000 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
19 January 2007	Selected key executives of GLL	23,750,000	S$2.65	3

30. EMPLOYEE BENEFITS (CONT'D)

e. Except as disclosed in this note and elsewhere in the financial statements, during the financial year, 2,000,000 options were exercised and 23,750,000 options were granted. However, no options were vested or had lapsed. Further, no Shares were issued pursuant to the ESOS.

f. The status relating to Options under the ESOS 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 ESOS to End of Financial Year under Review	Aggregate Options Exercised/ Lapsed since Commencement of ESOS to End of Financial Year under Review	Aggregate Options Outstanding as at End of Financial Year under Review
(i) Executive Director				
Quek Chee Hoon	-	2,000,000	(2,000,000) (lapsed)	-
	-	6,500,000[1]	-	6,500,000
	10,000,000	10,000,000[3]	-	10,000,000
(ii) Director of Subsidiaries				
Violet Lee Hui Min	-	3,000,000[1]	-	3,000,000
	-	6,000,000[2]	(2,000,000) (exercised)	4,000,000
	6,000,000	6,000,000[3]	-	6,000,000
Trina Loh nee Ng Soh Yong	-	250,000	(250,000) (lapsed)	-
	-	1,000,000[1]	-	1,000,000
	3,000,000	3,000,000[3]	-	3,000,000
Jerry Lee Yang Chiang	-	500,000	(500,000) (lapsed)	-
	-	1,000,000[1]	-	1,000,000
	2,000,000	2,000,000[3]	-	2,000,000
Dawn Pamela Lum nee Lim Siew Fah	-	500,000	(500,000) (lapsed)	-
	-	1,000,000[1]	-	1,000,000
	2,000,000	2,000,000[3]	-	2,000,000
(iii) Other Executives	-	2,130,000	(2,130,000) (lapsed)	-
	750,000	750,000[3]	-	750,000
Total	**23,750,000**	**47,630,000**	**(7,380,000) (exercised/ lapsed)**	**40,250,000**

30. EMPLOYEE BENEFITS (CONT'D)

g. Statutory information regarding the above Options is as follows:-

i. The exercise price per Share is the average of the closing prices of the Company's share on Singapore Exchange Securities Trading Limited for each of the last five market days immediately prior to the date of grant of the option.

ii. An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for 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 Option, in a share issue of any other company, except in the Share Scheme(s) of companies within the Group.

h. Following the Company's Rights Issue, adjustments were made to the exercise price and number of the outstanding Share Options granted to participants under ESOS, arising from the Company's Rights Issue.

Note:-

1. The exercise price was determined based on the average closing price for the five days preceding 1 November 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 2004/2005 to 2006/2007, 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 the grant.

2. The exercise price was determined based on the average closing price for the five days preceding 30 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 was exercised during the financial year 2006/2007. Subject to certain financial and performance targets being met by the Participant during the performance period for the financial years 2005/2006 to 2006/2007, 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.

3. The exercise price was determined based on the average closing price for the five days preceding 19 January 2007. The closing market price per Share on 18 January 2007 (the trading date immediately before the date of grant) was S$2.75. Subject to certain financial and performance targets being met by the Participants during the performance periods for the financial years 2005/06 to 2007/08 and 2008/09 to 2010/11, the Participants may at the end of each performance period be notified by the ESOS Committee of the vesting of the options and the number of Shares comprised in the vested options. Thereafter, the Participants shall have a phased period of between 6 to 30 months to exercise the vested options in accordance with the terms of the grant.

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

30. EMPLOYEE BENEFITS (CONT'D)

Date of grant of options	1 November 2004	30 May 2005	19 January 2007
Fair value of share options and assumptions			
Fair value at measurement date	$0.10 to $0.11	$0.09 to $0.10	$0.47 to $0.73
Share price	$1.22	$1.34	$2.78
Exercise price	$1.19	$1.32	$2.65
Expected volatility	21.4%	18.8%	29.5%
Expected option life	3.2 years to 4.2 years	1.5 years to 3.6 years	1.8 years to 6.8 years
Expected dividend yield	6.6%	6.0%	2.9%
Risk-free interest rate	1.8% to 2.2%	2.1% to 2.3%	3.0% to 3.1%

In October 2004, the Company established a Trust in respect of the GuocoLand Limited Executives' Share Option Scheme ("ESOS"). Pursuant to the trust deed, the Trust had acquired issued shares of the Company from the market for the purpose of satisfying options granted or to be granted to eligible employees of the Group. Subject to financial, performance and other targets being met by these employees, shares held under the Trust may be transferred to them upon exercise of their share options. As at 30 June 2007:-

- the Company had granted a loan amounting to $103.8 million (2006 : $86.4 million) to the Trust and the Trust had acquired 57,488,000 (2006 : 49,482,000) shares; and
- 2,000,000 shares had been transferred to an employee upon exercise of share options pursuant to the ESOS during the financial year.

31. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Company has not applied the following accounting standards and interpretations that have been issued as of the balance sheet date but are not yet effective:-

- FRS 107 *Financial Instruments: Disclosures* and the Amendment to FRS 1 *Presentation of Financial Statements: Capital Disclosures*
- FRS 108 *Operating Segments*
- INT FRS 110 *Interim Financial Reporting and Impairment*
- INT FRS 111 *FRS 102 - Group and Treasury Share Transactions*
- INT FRS 112 *Service Concession Arrangements*

FRS 107 and the amendment to FRS 1, which will become effective for the Company's financial statements for the year ending 30 June 2009, will require extensive additional disclosures with respect to the Company's financial instruments and share capital. This standard does not have any impact on the Company's financial result or position.

The initial application of these standards (and its consequential amendments) and interpretations is not expected to have any material impact on the Company's financial statements. The Company has not considered the impact of accounting standards issued after the balance sheet date.

32. DIVIDENDS

	Group and Company	
	2007	2006
	$'000	$'000
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 20% tax	-	1
Final one-tier ordinary dividend paid of 8 cents (2006 : 8 cents less 20% tax) per ordinary share in respect of the previous financial year*	48,813	40,948
	48,813	40,949

After the balance sheet date, the Directors proposed a final one-tier dividend of 8 cents (2006 : 8 cents) per ordinary share amounting to a net dividend of $65,083,677 (2006 : $48,812,757) after taking into account the issue of 221,882,489 new ordinary shares of the Company pursuant to a renounceable rights issue undertaken by the Company on 30 July 2007 (see Note 38). The dividends have not been provided for.

* Dividend payments in respect of 55,488,000 (2006 : 25,759,000) ordinary shares of the Company which were held by the Trust for Executives' Share Option Scheme were eliminated on consolidation.

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 24, 25 and 27, there were the following significant related party transactions between the Group and related parties during the financial year:-

a. Rental income of $1,647,000 (2006 : $972,000) was received for the financial year ended 30 June 2007 and will continue to be receivable by an investment holding subsidiary of the Group pursuant to lease agreements entered into by this subsidiary with companies in which one of the directors has an interest.

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	
	2007	2006
	$'000	$'000
Immediate holding company	1	4
Related corporations	25	32
Related parties	5	22

c. On 6 June 2003, the Company signed a Management Agreement with Guoco Group Limited ("GGL") in respect of the provision of services by GGL to the Company, its subsidiaries and associates ("GLL 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 GLL Group for each financial year ("Annual Fee"). The aggregate of the Monthly Fee and Annual Fee payable by GLL in each financial year shall not exceed 2% of the audited consolidated net tangible assets of the GLL Group for the relevant financial year. No Annual Fee is payable in the event the GLL Group incurs an audited consolidated loss before tax in any financial year. Three directors of the Company are directors and shareholders of GGL.

33. RELATED PARTY TRANSACTIONS (CONT'D)

d. On 8 November 2006, Checkenden Limited, a wholly-owned subsidiary of the Company, entered into a Sales and Purchase Agreement with High Glory Investment Limited ("HGIL"), a wholly-owned subsidiary of Guoco Group Limited, to sell 25 million BIL International Limited ordinary shares to HGIL for a cash consideration of $38.5 million. The sale was completed on 13 November 2006.

34. NOTES TO THE STATEMENT OF CASH FLOWS

a. Acquisition of Subsidiaries

Financial year ended 30 June 2007

On 31 January 2007, the Group acquired a 100% interest in Sabna Development Sdn. Bhd. subsequent to the disposal of a 50% equity interest in Putrajaya Properties Sdn. Bhd., a jointly-controlled entity. On 13 April 2007, the Group acquired a 100% interest in Hainan Jinghao Asset Ltd. The total purchase consideration paid amounted to $117.2 million.

From the dates of acquisitions to 30 June 2007, the above-mentioned acquisitions contributed a net profit of $0.2 million to the Group's results for the financial year. If the acquisitions had occurred on 1 July 2006, the Group's revenue for the financial year ended 30 June 2007 would have increased by $1.8 million and net profit would have increased by $1.1 million.

The effect of acquisitions of subsidiaries is set out below:-

	Recognised values 2007 $'000
Property, plant and equipment	1
Interest in associate	100,281
Deferred tax assets	178
Inventories	6,263
Trade and other receivables	3,824
Cash and cash equivalents	26,384
Trade and other payables	(2,640)
Deferred tax liabilities	(172)
Net identifiable assets and liabilities	134,119
Previously accounted for as interest in jointly-controlled entity	(16,938)
Purchase consideration paid, satisfied in cash	117,181
Cash and cash equivalents of subsidiary acquired	(26,384)
Net cash outflow	90,797

Financial year ended 30 June 2006

On 31 March 2006, the Group acquired a 94.93% interest in Nanjing Docker Club Realestate Co., Ltd ("NDCR") for $29,817,000 in cash. For the three months to 30 June 2006, NDCR contributed a net loss of $15,000 to the consolidated net profit for the year. The impact on the consolidated net profit had the acquisition occurred on 1 July 2005 is not material.

34. NOTES TO THE STATEMENT OF CASH FLOWS (CONT'D)

a. Acquisition of Subsidiaries (cont'd)

Financial year ended 30 June 2006 (cont'd)

On 27 April 2006, the Group announced a mandatory general offer ("Offer") to acquire the shares of GuocoLand (Malaysia) Berhad ("GLM"), a company listed on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities") for a cash consideration of RM0.78 per Offer share. As at 7 June 2006, the closing date of the Offer, the Group had received valid acceptances in respect of 73,532,963 shares. Together with shares acquired through market transactions on Bursa Securities during the financial year ended 30 June 2006, the Group has acquired a total of 142,888,263 shares of GLM for a total cash consideration of $47,724,000. For the financial year ended 30 June 2006, GLM contributed a net profit of $3,414,000 to the consolidated net profit. If the acquisition had occurred on 1 July 2005, the Group's revenue and net profit would have been $419,056,000 and $160,354,000 respectively.

The effect of acquisitions of subsidiaries is set out below:-

	Carrying amounts 2006 $'000	Fair value adjustments 2006 $'000	Recognised values 2006 $'000
Property, plant and equipment	103,382	15,155	118,537
Goodwill on consolidation	1,064	-	1,064
Investment properties	46,224	-	46,224
Investment securities	19,204	-	19,204
Interests in associate and jointly-controlled entities	160,149	3,383	163,532
Deferred tax assets	365	-	365
Inventories	105,357	12,544	117,901
Trade and other receivables	21,669	-	21,669
Cash and cash equivalents	15,035	-	15,035
Trade and other payables	(60,248)	(450)	(60,698)
Current tax payable	(197)	-	(197)
Bank overdrafts	(732)	-	(732)
Other interest bearing loans and borrowings	(42,417)	-	(42,417)
Deferred tax liabilities	(65)	(1,339)	(1,404)
Minority interests	(23,748)	-	(23,748)
Net identifiable assets and liabilities	345,042	29,293	374,335
Previously accounted for as interests in associates			(173,915)
Minority interests acquired			(90,910)
Net identifiable assets and liabilities acquired			109,510
Negative goodwill arising from acquisition of subsidiary			(31,969)
Purchase consideration paid, satisfied in cash*			77,541
Cash and cash equivalents of subsidiary, net of bank overdrafts (acquired)			(14,303)
Net cash outflow			63,238

* Includes legal and professional fees amounting to $268,000.

34. NOTES TO THE STATEMENT OF CASH FLOWS (CONT'D)

b. Disposal of Subsidiaries

On 11 May 2007, the Group disposed Guoman (Hanoi) Limited and HLL-Guoco Vietnam Co. Limited, its indirect subsidiaries, at a cash consideration of US$14.1 million (equivalent to $21.0 million).

The effect of disposal of subsidiaries is set out below:-

	Recognised values 2007 $'000
Property, plant and equipment	7,195
Inventories	110
Trade and other receivables	1,081
Cash and cash equivalents	61
Trade and other payables	(2,270)
Deferred tax liabilities	(21)
Net identifiable assets and liabilities	6,156
Gain on disposal of subsidiary	16,901
Realisation of reserves	(2,097)
Sale consideration received, satisfied in cash	20,960
Cash and cash equivalents of subsidiary disposed	(61)
Net cash inflow	20,899

35. FINANCIAL INSTRUMENTS

a. Financial Risk Management Objectives and Policies

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

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

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

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

b. Foreign Currency Risk

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

The Group'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 foreign exchange contracts and 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 local and international financial institutions.

35. FINANCIAL INSTRUMENTS (CONT'D)

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 2007 $'000	Fair Value 2007 $'000	Carrying Amount 2006 $'000	Fair Value 2006 $'000
Group				
Financial Liabilities (see Note 20)				
Secured				
- S$ floating rate loans	467,097	470,795	258,994	261,398
- S$ fixed rate loans	-	-	135,000	134,374
- MYR floating rate loans	40,137	40,344	14,337	14,398
- MYR fixed rate loans	-	-	6,480	6,476
- MYR bank overdraft	508	509	707	707
Unsecured				
- S$ fixed rate convertible bonds	624,529	624,105	-	-
- S$ floating rate notes	30,000	30,222	40,000	40,816
- S$ fixed rate loan	35,000	35,086	35,000	34,504
- S$ fixed rate notes	345,000	346,980	327,750	323,870
- US$ floating rate loans	459,570	465,904	317,640	320,755
- MYR floating rate loans	4,435	4,494	21,600	21,600
- MYR bank overdrafts	12	12	25	25
	2,006,288	2,018,451	1,157,533	1,158,923
Unrecognised loss		(12,163)		(1,390)
Company				
Financial Liabilities (see Note 20)				
Unsecured				
- S$ fixed rate convertible bonds	624,529	624,105	-	-
- S$ floating rate notes	30,000	30,222	40,000	40,816
- S$ fixed rate loan	35,000	35,086	35,000	34,504
- S$ fixed rate notes	345,000	346,980	327,750	323,870
- US$ floating rate loans	459,570	465,904	317,640	320,755
	1,494,099	1,502,297	720,390	719,945
Unrecognised (loss)/gain		(8,198)		445

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.

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

36. COMMITMENTS

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

	Group	
	2007	2006
	$'000	$'000
Within 1 year	2,596	1,362
After 1 year but within 5 years	3,033	1,109
	5,629	2,471

b. The Group leases out its investment properties (see Note 5). The non-cancellable operating lease rentals are receivable as follows:-

	Group	
	2007	2006
	$'000	$'000
Within 1 year	11,322	7,437
After 1 year but within 5 years	11,720	2,651
	23,042	10,088

c. The commitment in respect of purchase of land by the Group was $1,035,430,000 (2006: $336,764,000).

37. CONTINGENT LIABILITIES (UNSECURED)

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

a. In the previous financial year, the Company has given a guarantee to a financial institution in connection with banking facilities granted to a subsidiary of $105,800,000.

b. The Group's wholly-owned subsidiary, GuocoLand (China) Limited ("GLC"), had signed a conditional share acquisition agreement with Beijing Beida Jade Bird Company Limited ("BBJB Co") and its related corporations to acquire a 90% stake in Beijing Cheng Jian Dong Hua Real Estate Development Company Limited ("Beijing Cheng Jian Project Co") which owns the land use and development rights to a land parcel located along Dongzhimenwai Dajie in the Dong Cheng District of Beijing (the "Dongzhimen Site") for a Purchase Consideration of RMB5.8 billion. GLC had paid RMB1.2 billion of the Purchase Consideration for a 45% interest in Beijing Cheng Jian Project Co.

The balance Purchase Consideration of RMB4.6 billion will be paid in tranches upon, inter alia, receipt of requisite government approvals such as approvals for the increase of the share capital of Beijing Cheng Jian Project Co, transfer of a further 45% stake in Beijing Cheng Jian Project Co to GLC, and extensions of certain licences/approvals relating to the Dongzhimen Site. RMB580 million of the balance Purchase Consideration is payable only after satisfactory settlement of all outstanding and valid claims by Shenzhen Development Bank ("SDB") against Beijing Cheng Jian Project Co.

Beijing Cheng Jian Project Co is a co-defendant in a civil litigation in Beijing brought by SDB. The claim by SDB against Beijing Cheng Jian Project Co appears to have arisen in connection with the claim by SDB against the guarantor of certain alleged loans granted by SDB to certain borrowers. The guarantor was a joint venture company between Beijing Cheng Jian Project Co and another party. The joint venture was subsequently cancelled. SDB has alleged that following the cancellation, the Dongzhimen Site intended to be acquired by the guarantor was instead acquired by Beijing Cheng Jian Project Co thereby reducing the guarantor's paying power under the guarantee. SDB is seeking an order for the transfer of the Dongzhimen Site from Beijing Cheng Jian Project Co to the guarantor. As at the date of this report, the claim by SDB against Beijing Cheng Jian Project Co is still pending adjudication by the People's High Court of Beijing.

37. CONTINGENT LIABILITIES (UNSECURED) (CONT'D)

In connection with the foregoing:-

i. BBJB Co and a subsidiary have given a warranty in the conditional share acquisition agreement that no damage or injury would be caused to Beijing Cheng Jian Project Co and its property due to the claim by SDB and have further agreed to bear all the consequences thereof and to pay for all costs, expenses and economic losses incurred or suffered by Beijing Cheng Jian Project Co arising from the claim by SDB; and

ii. GLC has obtained a legal opinion from PRC lawyers, M/s ZhongLun W&D Law Firm, that SDB's claim against Beijing Cheng Jian Project Co does not have sufficient legal and contractual basis.

SDB had sent a notification dated 24 May 2007 addressed to, inter alia, the Company and BBJB Co, which was received by the Company on 25 May 2007, reiterating its claim and reserving its rights to seek legal redress as it deems appropriate.

Based on the aforesaid and as at the date of this report, the Directors are of the view that SDB's claim is presently not likely to have any material financial impact on the Group.

38. SUBSEQUENT EVENTS

On 30 July 2007, the Company issued 221,882,489 new ordinary shares of the Company ("Rights Shares") at an issue price of $2.50 for each Rights Share for cash, on the basis of one Rights Share for every three ordinary existing shares in the capital of the Company. The net proceeds of approximately $555 million is expected to be utilised to fund the Group's land acquisitions and for working capital purposes.

39. ACCOUNTING ESTIMATES AND JUDGEMENT

a. Key sources of estimation uncertainty

The Group recognises revenue from the sale of properties under development based on the stage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2p(i). Significant assumption is required in determining the stage of completion, the extent of the cost incurred and the estimated total cost. In making the assumption, the Group evaluates by relying on past experience and the work of specialists. Revenue from the sale of properties under development is disclosed in Note 24.

The Group has exposure to income taxes. Significant assumption is required in determining the tax liabilities. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. When the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax in the period in which such determination is made. The carrying amount of taxation and deferred taxation is disclosed in the balance sheet.

b. Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, the management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations.

40. SEGMENT REPORTING

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.
Hotel operations	:	Management and operation of hotels.
Equity investment	:	Investment in shares of other corporate entities.
Other operations	:	Holding investments in subsidiaries, associates and jointly-controlled entities, provision of management services and operation of oil palm estates.

b. Geographical Segments

The Group operates principally in Singapore, China and Malaysia.

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.

40. SEGMENT REPORTING (CONT'D)

Business Segments

	Property Development $'000	Property Investment $'000	Hotel Operations $'000	Equity Investment $'000	Other Operations $'000	Eliminations $'000	Total $'000
Revenue and Expenses							
2007							
Total revenue from external customers	652,813	17,625	23,896	7,097	1,048	-	702,479
Inter-segment revenue	1,424	891	-	-	74,178	(76,493)	-
Total revenue	654,237	18,516	23,896	7,097	75,226	(76,493)	702,479
Segment results	147,603	124,012	18,530	32,461	92,526	(106,721)	308,411
Unallocated income							13,204
Unallocated expenses							(2,915)
Finance costs							(32,379)
Share of profit (net of tax)							
- associates	13,116	-	(8)	-	-	-	13,108
- jointly-controlled entities	882	(4)	-	-	1,930	-	2,808
Income tax expense							(12,896)
Profit for the year							289,341
Revenue and Expenses							
2006							
Total revenue from external customers	345,940	11,544	-	3,576	267	-	361,327
Inter-segment revenue	1,322	1,063	-	-	61,986	(64,371)	-
Total revenue	347,262	12,607	-	3,576	62,253	(64,371)	361,327
Segment results	71,190	42,904	-	58,023	94,109	(101,888)	164,338
Unallocated income							10,308
Unallocated expenses							(661)
Finance costs							(22,837)
Share of profit of associates (net of tax)	13,848	-	-	-	(239)	-	13,609
Income tax expense							(9,102)
Profit for the year							155,655

40. SEGMENT REPORTING (CONT'D)

Business Segments (cont'd)

	Property Development $'000	Property Investment $'000	Hotel Operations $'000	Equity Investment $'000	Other Operations $'000	Total $'000
Assets and Liabilities 2007						
Segment assets	2,283,692	365,195	81,347	36,255	7,775	2,774,264
Interests in associates and jointly-controlled entities	351,895	5,158	321	-	86,395	443,769
Unallocated assets						742,925
Total assets						3,960,958
Segment liabilities	1,253,000	5,228	5,351	1,167	11,827	1,276,573
Unallocated liabilities						
- Bank loans and borrowings						1,001,608
- Tax						55,217
- Others						56,345
Total liabilities						2,389,743
Other Segment Information						
Capital expenditure	7,100	-	1,489	378	1,574	10,541
Depreciation	387	7	1,993	271	480	3,138
Impairment loss	-	-	-	-	-	-
Other non-cash expenses	-	-	-	-	-	-
Assets and Liabilities 2006						
Segment assets	1,698,568	449,055	88,804	70,565	3,939	2,310,931
Interests in associates and jointly-controlled entities	106,783	5,015	323	-	83,239	195,360
Unallocated assets						194,539
Total assets						2,700,830
Segment liabilities	719,116	27,795	4,676	2,260	7,237	761,084
Unallocated liabilities						
- Bank loans and borrowings						608,842
- Tax						38,072
- Others						14,811
Total liabilities						1,422,809
Other Segment Information						
Capital expenditure	369	-	-	-	855	1,224
Depreciation	343	-	-	-	495	838
Impairment loss	-	-	-	500	-	500
Other non-cash expenses	1	-	-	-	1	2

40. SEGMENT REPORTING (CONT'D)

Geographical Segments

	Total Revenue from External Customers	
	2007	2006
	$'000	$'000
Singapore	425,234	235,447
The People's Republic of China	212,980	125,880
Malaysia	59,164	-
Other Regions	5,101	-
	702,479	361,327

	Segment Assets		Capital Expenditure	
	2007	2006	2007	2006
	$'000	$'000	$'000	$'000
Singapore	1,429,389	1,241,477	1,634	877
The People's Republic of China	1,290,128	815,674	323	326
Malaysia	481,355	419,784	8,565	-
Other Regions	17,161	29,356	19	21
	3,218,033	2,506,291	10,541	1,224

SHAREHOLDING STATISTICS

As at 5 September 2007

ISSUED AND FULLY PAID-UP CAPITAL	:	887,529,957 ORDINARY SHARES
VOTING RIGHTS	:	1 VOTE PER SHARE

Size of Shareholdings	No. of Shareholders	No. of Ordinary Shares	% of Ordinary Shares
1 – 999	411	123,002	0.01
1,000 – 10,000	2,864	10,073,183	1.14
10,001 – 1,000,000	504	22,850,071	2.57
1,000,001 & Above	15	854,483,701	96.28
TOTAL	3,794	887,529,957	100.00

Twenty Largest Shareholders

Name of Shareholders	No. of Ordinary Shares	% of Ordinary Shares
GUOCOLAND ASSETS PTE. LTD.	567,148,320	63.90
HSBC (SINGAPORE) NOMINEES PTE LTD	78,217,332	8.81
UOB KAY HIAN PRIVATE LIMITED	74,479,255	8.39
KWEK LENG HAI	26,468,186	2.98
DBS NOMINEES PTE LTD	20,537,879	2.31
ING NOMINEES (SINGAPORE) PTE LTD	20,446,555	2.30
UNITED OVERSEAS BANK NOMINEES PTE LTD	17,386,073	1.96
CITIBANK NOMINEES SINGAPORE PTE LTD	15,865,190	1.79
HL BANK NOMINEES (SINGAPORE) PTE LTD	11,604,982	1.31
DBSN SERVICES PTE LTD	5,606,630	0.63
RAFFLES NOMINEES PTE LTD	5,479,843	0.62
MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	4,711,003	0.53
QUEK CHEE HOON	3,699,150	0.42
KIM ENG SECURITIES PTE. LTD.	1,630,436	0.18
OCBC NOMINEES SINGAPORE PTE LTD	1,202,867	0.14
MERRILL LYNCH (SINGAPORE) PTE. LTD.	890,329	0.10
ANG JWEE HERNG	869,000	0.10
DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	809,999	0.09
LUM DAWN PAMELA NEE LIM SIEW FAH	590,433	0.07
ONG TEONG HWA	580,000	0.07
TOTAL	858,223,462	96.70

SHAREHOLDING IN THE HANDS OF THE PUBLIC AS AT 5 SEPTEMBER 2007

The percentage of shareholding in the hands of the public was approximately 12.89% of the total number of the issued and fully paid-up ordinary shares of the Company.

The Company has complied with Rule 723 of the SGX-ST Listing Manual which requires 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.

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 5 SEPTEMBER 2007

	Substantial Shareholders	Direct Interest No. of Shares	Deemed Interest No. of Shares
1.	GuocoLand Assets Pte. Ltd. (formerly known as Guoco Investment Pte Ltd)	567,148,320	-
2.	Fairbury Pte Ltd#	73,984,000	-
3.	ABN AMRO Bank N.V., London Branch	58,727,985	-
4.	Guoco Group Limited		* 567,148,320
5.	GuoLine Overseas Limited		* 567,148,320
6.	GuoLine Capital Assets Limited		* 567,148,320
7.	Hong Leong Company (Malaysia) Berhad		** 567,148,320
8.	HL Holdings Sdn Bhd		** 567,148,320
9.	Hong Leong Investment Holdings Pte Ltd		** 567,148,320
10.	Quek Leng Chan	20,062,965	** 567,148,320

* deemed interest arising through GuocoLand Assets Pte. Ltd. (formerly known as Guoco Investment Pte Ltd) by virtue of the operation of Section 7 of the Companies Act, Cap 50.

** deemed interest arising through Guoco Group Limited by virtue of the operation of Section 7 of the Companies Act, Cap 50.

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

INTERESTED PERSON TRANSACTIONS

In addition to the transactions set out in Notes 24, 25, 27 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	48,656,739	-

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of GuocoLand Limited will be held at 80 Raffles Place #25-01 UOB Plaza 1, Singapore 048624 on Friday, 19 October 2007 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 2007.

2. To declare a First and Final Tax-Exempt (One-Tier) Dividend of 8 cents per ordinary share for the financial year ended 30 June 2007. **Resolution 1**

3. To approve Directors' fees of $331,000 for the financial year ended 30 June 2007. **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; and **Resolution 4**

   Mr Goh Yong Hong. **Resolution 5**

   (Mr Goh Yong Hong will, upon re-election as a Director of the Company, remain as an independent member of the Audit Committee.)

5. To re-appoint Messrs 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)**

7. To transact any other business of an Annual General Meeting of which due notice shall have been given. **Resolution 8**

By Order of the Board

Dawn Pamela Lum
Group Company Secretary

2 October 2007
Singapore

Notes:
A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote instead of him/her. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 20 Collyer Quay #20-01 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.

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GuocoLand Limited

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

IMPORTANT

1. For investors who have used their CPF monies to buy shares of GuocoLand Limited, this Annual Report is forwarded to them at the request of their 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.

PROXY FORM ~
ANNUAL GENERAL MEETING

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)

or, failing him/her, the Chairman of the 31st Annual General Meeting ("AGM") of the Company as my/our proxy to vote for me/us on my/our behalf at the AGM to be held on Friday, 19 October 2007 at 2.30 pm and at any adjournment thereof. I/We direct my/our proxy/ proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific indication as to voting is given, the proxy/proxies may vote or abstain from voting at his/her discretion, as he/she will on any other matter arising at the AGM. If no person is named in the space above, the Chairman of the Meeting shall be my/our proxy 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 the AGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.

AS ORDINARY BUSINESS			
No.	**Resolutions**	**For**	**Against**
1	To declare a First and Final Tax-Exempt (One-Tier) 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 Goh Yong Hong as a Director		
6	To re-appoint Messrs KPMG as auditors of the Company and to authorise the Directors to fix their remuneration		
AS SPECIAL BUSINESS			
No.	**Resolutions**	**For**	**Against**
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		

Signed this _____ day of _____ 2007.

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

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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.