GuocoLand Limited

Statement Pursuant to SGX Listing Rule 705(4) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim consolidated financial results of GuocoLand Limited for the half year ended 31 December 2008, to be false or misleading in any material respect.

On behalf of the Board of Directors

Sat Pal Khattar
Chairman

Quek Chee Hoon
Group President &
Chief Executive Officer

Singapore
6 February 2009

GuocoLand Limited
(REG. NO. 197600660W)

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2008

1(a) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Increase/ (Decrease) %	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000	Increase/ (Decrease) %
Revenue	94,636	211,083	(55)	247,742	402,064	(38)
Cost of sales	(75,564)	(170,875)	(56)	(195,909)	(310,969)	(37)
Gross profit	19,072	40,208	(53)	51,833	91,095	(43)
Other income	7,017	29,273	(76)	10,609	45,119	(76)
Administrative expenses	(8,981)	(7,827)	15	(18,012)	(16,438)	10
Other expenses	(8,268)	(12,887)	(36)	(30,581)*	(16,889)	81
Finance costs	(7,899)	(8,507)	(7)	(15,009)	(21,133)	(29)
Share of profit (net of tax)						
- associates	4,248	1,554	173	4,521	1,194	279
- jointly-controlled entities	322	1,400	(77)	1,995	2,299	(13)
Profit before income tax	5,511	43,214	(87)	5,356	85,247	(94)
Income tax expense	(3,642)	(9,291)	(61)	(5,820)	(22,775)	(74)
Profit/(Loss) for the period	1,869	33,923	(94)	(464)	62,472	(101)
Attributable to:						
Equity holders of the Company	**861**	**32,953**	**(97)**	**(1,966)**	**60,640**	**(103)**
Minority interests	1,008	970	4	1,502	1,832	(18)
Profit/(Loss) for the period	1,869	33,923	(94)	(464)	62,472	(101)

* Please refer to Notes 1 and 2 under Section 1(a)(i) on Page 3.

1(a)(i) Breakdown and explanatory notes to the income statement:-

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Increase/ (Decrease) %	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000	Increase/ (Decrease) %
Investment (loss)/profit	-	(7)	N/M	132	959	(86)
Other income including interest income	2,406	5,342	(55)	3,996	12,169	(67)
Depreciation of property, plant and equipment	(989)	(761)	30	(1,969)	(1,484)	33
(Loss)/Gain on disposal of property, plant and equipment	-	(7)	N/M	34	(6)	N/M
Loss on disposal of available-for-sale securities	-	(224)	N/M	-	(112)	N/M
Provision for doubtful receivables	-	(8)	N/M	(9)	(8)	13
Writeback of provision for foreseeable losses on development properties	-	791	(100)	-	2,085	(100)
Mark-to-market loss on derivative financial instruments	(4,912)	(12,236)	(60)	(7,550)[1]	(16,125)	(53)
Net foreign exchange (loss)/gain	(2,856)	21,587	(113)	(22,090)[2]	34,686	(164)
Adjustments for (under)/overprovision of tax in respect of prior years	(1)	271	(100)	42	258	(84)

N/M : Not meaningful.

Notes:-

1. The Group had entered into SGD interest rate swaps and foreign exchange forward contracts to hedge its interest rate and foreign exchange risks arising from its SGD floating rate loans and USD bank loans.

   This mark-to-market loss on derivative financial instruments is classified as other expenses in the income statement.

2. The net foreign exchange loss of $22.1 million comprised primarily unrealised translation loss on USD300 million bank loans as the USD had appreciated against the SGD. In the financial year ended 30 June 2008, the Group had a net foreign exchange gain of $28.0 million. These bank loans were deployed to fund the Group's investments in China.

   The RMB is closely pegged to the USD and both currencies had moved in tandem against SGD. Hence, the underlying RMB assets had appreciated in this half year ended 31 December 2008, resulting in a corresponding unrealised gain of $25.6 million recognised in the exchange translation reserve in the balance sheet.

   This net foreign exchange loss is classified as other expenses in the income statement.

Exceptional and Extraordinary Items

There were no exceptional and extraordinary items during the financial period.

1(b)(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group As At 31/12/2008 S$'000	Group As At 30/06/2008 S$'000	Company As At 31/12/2008 S$'000	Company As At 30/06/2008 S$'000
Non-current assets				
Property, plant and equipment	141,901	141,304	-	-
Investment properties	448,910	449,086	-	-
Interests in subsidiaries	-	-	3,194,168	3,214,105
Interests in associates and jointly-controlled entities	194,112	189,531	8,072	7,837
Amounts due from minority shareholders of subsidiaries	16,536	16,419	-	-
Investment securities	1,705	2,504	-	-
Deferred tax assets	539	485	-	-
	803,703	799,329	3,202,240	3,221,942
Current assets				
Inventories	4,601,121	4,461,662	-	-
Trade and other receivables	108,637	77,522	435	747
Cash and cash equivalents	572,170	654,461	219,502	282,717
	5,281,928	5,193,645	219,937	283,464
Total assets	**6,085,631**	**5,992,974**	**3,422,177**	**3,505,406**
Equity attributable to equity holders of the Company				
Share capital	1,394,047	1,394,047	1,394,047	1,394,047
Reserves	610,003	581,528	94,504	191,614
	2,004,050	1,975,575	1,488,551	1,585,661
Minority interests	153,052	152,956	-	-
Total equity	2,157,102	2,128,531	1,488,551	1,585,661
Non-current liabilities				
Amounts due to subsidiaries	-	-	466,087	469,537
Interest bearing loans and borrowings	2,215,747	2,127,334	873,804	857,066
Deferred tax liabilities	24,553	22,109	-	-
	2,240,300	2,149,443	1,339,891	1,326,603
Current liabilities				
Trade and other payables	812,848	771,884	19,009	13,931
Interest bearing loans and borrowings – current portion	835,450	905,657	570,395	572,444
Current tax payable	39,931	37,459	4,331	6,767
	1,688,229	1,715,000	593,735	593,142
Total liabilities	3,928,529	3,864,443	1,933,626	1,919,745
Total equity and liabilities	**6,085,631**	**5,992,974**	**3,422,177**	**3,505,406**

1(b)(ii) Aggregate amount of Group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/12/2008 (S$'000)		As at 30/06/2008 (S$'000)	
Secured	Unsecured	Secured	Unsecured
135,220	700,230	251,804	653,853

Amount repayable after one year

As at 31/12/2008 (S$'000)		As at 30/06/2008 (S$'000)	
Secured	Unsecured	Secured	Unsecured
1,339,043	876,704	1,266,108	861,226

Details of any collateral

The Group's assets pledged/mortgaged to secure loan facilities granted to the Group are as follows:-

	Group As At 31/12/2008 S$'000	**Group As At 30/06/2008 S$'000**
At carrying amounts:-		
Property, plant and equipment	104,890	105,284
Investment properties	15,329	15,390
Inventories	2,661,977	2,748,331

1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000
Operating activities				
Profit before income tax	5,511	43,214	5,356	85,247
Adjustments for:-				
Amortisation of transaction costs of convertible bonds	250	249	500	500
Depreciation of property, plant and equipment	989	761	1,969	1,484
Loss/(Gain) on disposal of property, plant and equipment	-	7	(34)	6
Share of profit of associates (net of tax)	(4,248)	(1,554)	(4,521)	(1,194)
Share of profit of jointly-controlled entities (net of tax)	(322)	(1,400)	(1,995)	(2,299)
Finance costs	7,899	8,507	15,009	21,133
Interest income	(2,406)	(5,342)	(3,996)	(12,169)
Dividend income	-	7	(132)	(959)
Writeback of provision for foreseeable losses on development properties	-	(791)	-	(2,085)
Loss on disposal of available-for-sale securities	-	224	-	112
Mark-to-market loss on derivative financial instruments	4,912	12,236	7,550	16,125
Property, plant and equipment written off	-	29	-	89
Share option expense	123	1,002	978	2,005
	7,197	13,935	15,328	22,748
Operating profit before working capital changes	12,708	57,149	20,684	107,995
Changes in working capital:-				
Inventories	(17,919)	(979,009)	22,147	(1,223,737)
Trade and other receivables	11,802	(269,545)	(30,150)	(221,206)
Trade and other payables	14,700	(29,240)	(13,813)	(10,772)
Balances with holding companies and related corporations	(5,080)	(8,694)	(4,055)	(6,644)
	3,503	(1,286,488)	(25,871)	(1,462,359)
Cash from/(used in) operations	16,211	(1,229,339)	(5,187)	(1,354,364)

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000
Income taxes paid	(2,759)	(10,855)	(1,998)	(12,620)
Subscription of shares by the Trust for Executives' Share Option Scheme	-	-	-	(46,240)
Consideration received upon exercise of share options	-	-	2,974	5,650
Cash flows from operating activities	13,452	(1,240,194)	(4,211)	(1,407,574)
Investing activities				
Proceeds from disposal of property, plant and equipment	1	(18)	42	110
Purchase of property, plant and equipment	(1,444)	(3,221)	(2,996)	(7,985)
Dividends received	-	(7)	132	959
Net proceeds from disposal of available-for-sale securities	-	4,885	-	5,412
Purchase of available-for-sale securities	-	(1,285)	-	(1,285)
Interests in associates and jointly-controlled entities	(168)	(8,346)	(44)	(36,248)
Net cash outflow on acquisition of interests in subsidiaries	-	(26,564)	(81)	(26,564)
Cash flows from investing activities	(1,611)	(34,556)	(2,947)	(65,601)
Financing activities				
Balances with minority shareholders of subsidiaries	-	251	-	(6,343)
Dividends paid	(65,744)	(65,516)	(65,744)	(65,516)
Dividends paid to minority shareholders of subsidiaries	(1,342)	(3,607)	(1,342)	(3,607)
Interest paid	(20,852)	(6,096)	(31,977)	(32,193)
Interest received	2,517	8,098	3,867	13,030
Net proceeds from rights issue	-	-	-	554,331
Proceeds from bank loans	295,960	667,006	406,170	813,573
Repayment of bank loans	(56,906)	(3,000)	(181,966)	(38,000)
Repayment of medium-term notes	(220,000)	-	(220,000)	-
Cash flows from financing activities	(66,367)	597,136	(90,992)	1,235,275

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000
Net decrease in cash and cash equivalents	(54,526)	(677,614)	(98,150)	(237,900)
Cash and cash equivalents at beginning of the period	620,664	1,524,595	651,848	1,092,044
Exchange differences on translation of balances held in foreign currency	3,230	(967)	15,670	(8,130)
Cash and cash equivalents at end of the period	569,368	846,014	569,368	846,014

Cash and cash equivalents comprise cash in hand, bank balances and deposits with financial institutions. For the purpose of the consolidated statement of cash flows, cash and cash equivalents exclude cash collaterals and are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the Second Quarter Ended 31 December 2008

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Company Second Quarter Ended 31/12/2008 S$'000	Company Second Quarter Ended 31/12/2007 S$'000
Share Capital				
At 1 October and 31 December	1,394,047	1,394,047	1,394,047	1,394,047
Reserve for Own Shares				
At 1 October and 31 December	(139,284)	(143,230)	(139,284)	(143,230)
Share Option Reserve				
At 1 October	8,739	4,877	8,739	4,877
Value of employee services received for issue of share options	123	1,002	123	1,002
At 31 December	8,862	5,879	8,862	5,879

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Company Second Quarter Ended 31/12/2008 S$'000	Company Second Quarter Ended 31/12/2007 S$'000
Capital Reserve				
At 1 October and 31 December	62,177	63,149	62,094	63,066
Exchange Translation Reserve				
At 1 October	10,926	(39,976)	-	-
Translation differences relating to financial statements of foreign subsidiaries and associates	3,118	20,534	-	-
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	11,922	(45,957)	-	-
At 31 December	25,966	(65,399)	-	-
Revaluation Reserve				
At 1 October and 31 December	8,341	8,341	-	-
Mark-to-market Reserve				
At 1 October	(1,004)	6,211	-	-
Change in fair value of available-for-sale securities	(269)	(426)	-	-
Transfer to income statement upon disposal of available-for-sale securities	-	(372)	-	-
Exchange differences on translation	-	(25)	-	-
At 31 December	(1,273)	5,388	-	-
Unappropriated Profits				
At 1 October	710,097	644,287	239,802	88,059
Profit/(Loss) attributable to equity holders of the Company	861	32,953	(11,226)	32,948
Dividends	(65,744)	(65,516)	(65,744)	(65,516)
At 31 December	645,214	611,724	162,832	55,491
Equity attributable to equity holders of the Company	**2,004,050**	**1,879,899**	**1,488,551**	**1,375,253**

	Group Second Quarter Ended 31/12/2008 S$'000	Group Second Quarter Ended 31/12/2007 S$'000	Company Second Quarter Ended 31/12/2008 S$'000	Company Second Quarter Ended 31/12/2007 S$'000
Minority Interests				
At 1 October	153,647	165,120	-	-
Profit attributable to minority interests	1,008	970	-	-
Change in fair value of available-for-sale securities	(126)	(202)	-	-
Disposal of available-for-sale securities	-	595	-	-
Acquisition of interests in subsidiaries	(217)	(4,368)	-	-
Dividends	(1,342)	(3,607)	-	-
Exchange differences on translation	82	(778)	-	-
At 31 December	153,052	157,730	-	-
Total Equity	**2,157,102**	**2,037,629**	**1,488,551**	**1,375,253**
Note:-				
a. Attributable to equity holders of the Company				
Net gains/(losses) recognised directly in equity	14,771	(26,246)	-	-
Profit/(Loss) attributable to equity holders of the Company	861	32,953	(11,226)	32,948
Total recognised income and expense for the period	15,632	6,707	(11,226)	32,948
b. Attributable to minority interests				
Net losses recognised directly in equity	(44)	(385)	-	-
Profit attributable to minority interests	1,008	970	-	-
Total recognised income and expense for the period	964	585	-	-

Statement of Changes in Equity for the Half Year Ended 31 December 2008

	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000	Company Half Year Ended 31/12/2008 S$'000	Company Half Year Ended 31/12/2007 S$'000
Share Capital				
At 1 July	1,394,047	839,716	1,394,047	839,716
Issue of 221,882,489 ordinary shares at $2.50 each ("Rights Issue")	-	554,706	-	554,706
Rights Issue expenses	-	(375)	-	(375)
At 31 December	1,394,047	1,394,047	1,394,047	1,394,047
Reserve for Own Shares				
At 1 July	(143,230)	(104,487)	(143,230)	(104,487)
Transfer of shares to employees upon exercise of share options	3,946	7,497	3,946	7,497
Subscription of shares under Rights Issue by the Trust for Executives' Share Option Scheme	-	(46,240)	-	(46,240)
At 31 December	(139,284)	(143,230)	(139,284)	(143,230)
Share Option Reserve				
At 1 July	7,884	3,874	7,884	3,874
Value of employee services received for issue of share options	978	2,005	978	2,005
At 31 December	8,862	5,879	8,862	5,879
Capital Reserve				
At 1 July	63,149	64,996	63,066	64,913
Excess of purchase cost over consideration received from employees upon exercise of share options	(972)	(1,847)	(972)	(1,847)
At 31 December	62,177	63,149	62,094	63,066

	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000	Company Half Year Ended 31/12/2008 S$'000	Company Half Year Ended 31/12/2007 S$'000
Exchange Translation Reserve				
At 1 July	(66,805)	(26,673)	-	-
Translation differences relating to financial statements of foreign subsidiaries and associates	11,832	24,478	-	-
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	80,939	(63,204)	-	-
At 31 December	25,966	(65,399)	-	-
Revaluation Reserve				
At 1 July and 31 December	8,341	8,341	-	-
Mark-to-market Reserve				
At 1 July	(735)	3,648	-	-
Change in fair value of available-for-sale securities	(539)	2,371	-	-
Transfer to income statement upon disposal of available-for-sale securities	-	(484)	-	-
Exchange differences on translation	1	(147)	-	-
At 31 December	(1,273)	5,388	-	-
Unappropriated Profits				
At 1 July	712,924	616,600	263,894	107,587
(Loss)/Profit attributable to equity holders of the Company	(1,966)	60,640	(35,318)	13,420
Dividends	(65,744)	(65,516)	(65,744)	(65,516)
At 31 December	645,214	611,724	162,832	55,491
Equity attributable to equity holders of the Company	**2,004,050**	**1,879,899**	**1,488,551**	**1,375,253**

	Group Half Year Ended 31/12/2008 S$'000	Group Half Year Ended 31/12/2007 S$'000	Company Half Year Ended 31/12/2008 S$'000	Company Half Year Ended 31/12/2007 S$'000
Minority Interests				
At 1 July	152,956	165,200	-	-
Profit attributable to minority interests	1,502	1,832	-	-
Change in fair value of available-for-sale securities	(254)	1,121	-	-
Disposal of available-for-sale securities	-	595	-	-
Acquisition of interests in subsidiaries	(217)	(4,368)	-	-
Dividends	(1,342)	(3,607)	-	-
Exchange differences on translation	407	(3,043)	-	-
At 31 December	153,052	157,730	-	-
Total Equity	**2,157,102**	**2,037,629**	**1,488,551**	**1,375,253**
Note:-				
a. Attributable to equity holders of the Company				
Net gains/(losses) recognised directly in equity	92,233	(36,986)	-	-
(Loss)/Profit attributable to equity holders of the Company	(1,966)	60,640	(35,318)	13,420
Total recognised income and expense for the period	90,267	23,654	(35,318)	13,420
b. Attributable to minority interests				
Net gains/(losses) recognised directly in equity	153	(1,327)	-	-
Profit attributable to minority interests	1,502	1,832	-	-
Total recognised income and expense for the period	1,655	505	-	-

1(d)(ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

		Second Quarter Ended 31/12/2008
(a)	Issued and fully paid ordinary shares (S$'000):-	
	At 1 October and 31 December 2008	1,394,047
(b)	Issue of Executives' share options ('000):-	
	At 1 October 2008	36,992
	Options lapsed	(2,277)
	At 31 December 2008	34,715

	As At 31/12/2008 '000	As At 31/12/2007 '000
No. of shares that would be issued on exercise of all share options and assumed conversion of convertible bonds outstanding at end of the period	160,010	165,701
Less : No. of shares that would be transferred by the Trust to eligible employees to satisfy the outstanding share options under the Executives' Share Option Scheme	(34,715)	(40,406)
	125,295	125,295

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by our auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except for the adoption of various new/revised Financial Reporting Standard and Interpretations issued by the Accounting Standards Council, which were applicable for financial statements covering periods beginning on or after 1 January 2008 (refer to Section 5), the accounting policies and methods of computation adopted are consistent with those applied in the most recently audited financial statements of the Group.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the following new/revised Financial Reporting Standard and Interpretations issued by the Accounting Standards Council:

- Amendments to FRS 39 *Financial Instruments: Recognition and Measurement* and FRS 107 *Financial Instruments: Disclosures – Reclassification of Financial Assets*
- INT FRS 112 *Service Concession Arrangements*
- INT FRS 113 *Customer Loyalty Programmes*
- INT FRS 114 *FRS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

The adoption of the above Financial Reporting Standard and Interpretations does not have a significant impact on the financial statements of the Group and the Company.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

		Group Second Quarter Ended 31/12/2008	Group Second Quarter Ended 31/12/2007	Group Half Year Ended 31/12/2008	Group Half Year Ended 31/12/2007
Earnings per ordinary share for the period based on the Group's net profit/(loss):-					
a.	Based on weighted average number of ordinary shares in issue after adjusting for the shares acquired by the Trust for Executives' Share Option Scheme (cents)	0.10	4.02	(0.24)	7.69
	Weighted average number of ordinary shares ('000)	821,798	818,952	820,985	788,352
b.	On a fully diluted basis (cents)	0.10	3.91	(0.24)	7.47
	Adjusted weighted average number of ordinary shares ('000)*	823,276	843,660	825,011	811,937

* The Group's net profit/(loss) and weighted average number of ordinary shares have been adjusted for the dilutive effect of potential ordinary shares arising from the exercise of outstanding share options. The convertible bonds were not dilutive for the second quarters and half years ended 31 December 2008 and 2007. Certain share options were also not dilutive for the second quarter and half year ended 31 December 2008.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group As At 31/12/2008 S$	Group As At 30/06/2008 S$	Company As At 31/12/2008 S$	Company As At 30/06/2008 S$
Net asset value per ordinary share based on existing issued share capital after adjusting for the shares acquired by the Trust for Executives' Share Option Scheme	2.44	2.41	1.81	1.94

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

(i) Half Year Ended 31 December 2008

Income Statement

For the half year ended 31 December 2008, the Group reported a net loss of $2.0 million compared to a net profit of $60.6 million in the previous corresponding period. There was an unrealised translation loss of $22.1 million arising primarily from the revaluation of USD300 million bank loans as the USD appreciated against the SGD. Please refer to Note 2 under Section 1(a)(i) on Page 3 of this announcement.

The Group's revenue and cost of sales decreased by 38% and 37% to $247.7 million and $195.9 million respectively compared to the previous corresponding period mainly due to lower sales for property development projects in China offset by higher sales in Singapore.

Other income decreased from $45.1 milliion to $10.6 million as the previous corresponding period included a net foreign exchange gain of $34.7 million arising mainly from revaluation of USD bank loans.

Finance costs fell by 29% to $15.0 million mainly due to lower interest rates and higher interest capitalised as cost of development for new projects.

Share of profit after tax from associates increased from $1.2 million to $4.5 million as the Group's 19.97% associate, Tower Real Estate Investment Trust ("Tower REIT"), recognised a revaluation gain of RM38.7 million on its investment properties in Malaysia in December 2008.

Income tax expense decreased from $22.8 million to $5.8 milion primarily due to the lower profits from the development projects in China.

(ii) Second Quarter Ended 31 December 2008

Income Statement

For the second quarter ended 31 December 2008, the Group reported a net profit of $0.9 million compared to $33.0 million in the previous corresponding period. The net profit was mainly from sales of development projects in Singapore and was partially offset by unrealised translation loss of $2.9 million and unrealised mark-to-market loss of $4.9 million on derivative financial instruments.

The Group's revenue and cost of sales decreased by 55% and 56% to $94.6 million and $75.6 million respectively as compared to the previous corresponding period mainly due to lower sales for development projects in Singapore and China.

Other income decreased from $29.3 milliion to $7.0 million as the previous corresponding period included a net foreign exchange gain of $21.6 million arising mainly from revaluation of USD bank loans.

Share of profit after tax from associates increased from $1.6 million to $4.2 million as the Group's 19.97% associate, Tower REIT, recognised a revaluation gain of RM38.7 million on its investment properties in Malaysia in December 2008.

Income tax expense decreased from $9.3 million to $3.6 milion primarily due to the lower profits from the property development projects in China.

(iii) Balance Sheet As At 31 December 2008

Inventories increased from $4,461.7 million to $4,601.1 million mainly due to development costs incurred partially offset by progress billings and sale proceeds received for development projects in Singapore and China.

(iv) Current developments

The countries in which we operate viz Singapore, China, Malaysia and Vietnam have all been affected by the effects of the fallout from the deepening financial crisis that is sweeping across the globe. With slower economic growth in the countries in which we operate, sales have been slow. It is difficult to anticipate when the turnaround will happen.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Nil.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The economies of Singapore, China, Malaysia and Vietnam are all expected to contract in 2009. Although various initiatives have been announced by the respective governments to stimulate growth to steer their countries through these turbulent times, it may take time for these economies to stabilise.

Hence, in view of the uncertainties in this economic climate, the Group will continue to adopt measures to protect its cash-flow and strengthen its financial position. Unforeseen circumstances and volatility in the existing operating environment may continue to affect the Group's performance for the financial year ending 30 June 2009.

11. Dividend

(a) ***Current Financial Period Reported On***

No dividend was declared for the current financial period reported on.

(b) ***Corresponding Period of the Immediately Preceding Financial Year***

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. Interested Person Transactions

The aggregate value of Interested Person Transactions (excluding transactions less than S$100,000) entered into during the half year ended 31 December 2008 is as follows:-

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Hong Leong Group Malaysia	S$2,694,089	N.A.

BY ORDER OF THE BOARD

Dawn Pamela Lum
Group Company Secretary
6 February 2009