GuocoLand Limited
(REG. NO. 197600660W)

UNAUDITED SECOND QUARTER AND HALF YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2005

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 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000 (Restated)	Increase/ (Decrease) %	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000 (Restated)	Increase/ (Decrease) %
Revenue	**168,186**	**124,161**	**35**	**224,516**	**213,768**	**5**
Cost of sales	(143,128)	(96,345)	49	(193,457)	(173,757)	11
Gross profit	**25,058**	**27,816**	**(10)**	**31,059**	**40,011**	**(22)**
Other operating income	13,060	2,020	547	23,794	23,717	-
Administrative expenses	(2,880)	(2,138)	35	(4,918)	(4,658)	6
Other operating expenses	(3)	(920)	(100)	(3)	(1,263)	(100)
Finance costs	(5,241)	(3,486)	50	(9,285)	(6,772)	37
Share of profit of associated companies (net of tax)	4,604	4,697	(2)	7,442	5,238	42
Profit before taxation	**34,598**	**27,989**	**24**	**48,089**	**56,273**	**(15)**
Income tax expense	(2,733)	(12,847)	(79)	(4,025)	(14,003)	(71)
Profit for the period	**31,865**	**15,142**	**110**	**44,064**	**42,270**	**4**
Attributable to:						
Equity holders of the Company	31,652	14,686	116	43,508	40,938	6
Minority interests	213	456	(53)	556	1,332	(58)
Profit for the period	**31,865**	**15,142**	**110**	**44,064**	**42,270**	**4**

The comparative profit and loss accounts for the second quarter and half year ended 31 December 2004 have been restated to take into account retrospective adjustments relating to FRS 102 *Share-based Payment*.

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

	Group Second Quarter Ended 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000	Increase/ (Decrease) %	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000	Increase/ (Decrease) %
Investment profit[1]	11,009	1,099	902	17,804	20,361	(13)
Other income including interest income	1,781	1,249	43	3,342	2,290	46
Depreciation of plant and equipment	(199)	(181)	10	(400)	(381)	5
Gain on disposal of plant and equipment	61	-	N/M	61	-	N/M
Writeback of allowance for doubtful receivables	-	-	-	-	82	(100)
Writeback of allowance/ (Allowance) for foreseeable losses on development properties (net)	21,567	(568)	N/M	23,353	1,238	N/M
Net foreign exchange gain/(loss)	608	(452)	N/M	1,776	(521)	N/M
Adjustments for over/(under) provision of tax in respect of prior years	213	718	(70)	252	(71)	N/M

N/M : Not meaningful.

Note:

1. The investment profits comprised mainly mark-to-market gains of the Group's financial assets.

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 31/12/2005 S$'000	Group As At 30/06/2005 S$'000	Company As At 31/12/2005 S$'000	Company As At 30/06/2005 S$'000 (Restated)
Non-Current Assets				
Plant and Equipment	2,170	1,864	-	-
Investment Properties	308,000	308,000	-	-
Interests in Subsidiaries	-	-	1,726,445	1,578,495
Interests in Associated Companies	205,832	223,541	9,848	9,964
Amounts due from Minority Shareholders of Subsidiaries	18,729	18,729	-	-
Investment Securities	187,253	154,184	-	-
	721,984	706,318	1,736,293	1,588,459
Current Assets				
Development Properties	1,134,252	958,800	-	-
Trade and Other Receivables	44,839	55,017	1,730	822
Cash and Cash Equivalents	477,513	403,981	1,071	874
	1,656,604	1,417,798	2,801	1,696
Total Assets	**2,378,588**	**2,124,116**	**1,739,094**	**1,590,155**
Equity attributable to equity holders of the Company				
Share Capital	665,647	665,540	665,647	665,540
Reserves	429,083	417,537	180,083	234,983
	1,094,730	1,083,077	845,730	900,523
Minority Interests	44,710	43,943	-	-
Total Equity	1,139,440	1,127,020	845,730	900,523
Non-Current Liabilities				
Amounts due to Subsidiaries	-	-	336,188	344,264
Amounts due to Minority Shareholders of Subsidiaries	5,638	5,638	-	-
Interest Bearing Loans and Borrowings	440,000	567,073	305,000	287,750
Deferred Tax Liabilities	3,200	9,663	-	-
	448,838	582,374	641,188	632,014
Current Liabilities				
Trade and Other Payables	101,387	131,865	6,056	6,674
Interest Bearing Loans and Borrowings – Current Portion	645,557	242,772	235,151	36,497
Current Tax Payable	43,366	40,085	10,969	14,447
	790,310	414,722	252,176	57,618
Total Liabilities	1,239,148	997,096	893,364	689,632
Total Equity and Liabilities	**2,378,588**	**2,124,116**	**1,739,094**	**1,590,155**

The Company's comparative balance sheet as at 30 June 2005 has been restated to take into account retrospective adjustments relating to FRS 102 *Share-based Payment*.

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

Amount repayable in one year or less, or on demand

As at 31/12/2005 (S$'000)		As at 30/06/2005 (S$'000)	
Secured	Unsecured	Secured	Unsecured
343,820	301,737	156,275	86,497

Amount repayable after one year

As at 31/12/2005 (S$'000)		As at 30/06/2005 (S$'000)	
Secured	Unsecured	Secured	Unsecured
135,000	305,000	279,323	287,750

Details of any collateral

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

	Group As At 31/12/2005 S$'000	**Group As At 30/06/2005 S$'000**
Investment properties, at book value	123,000	123,000
Development properties, at book value	616,605	747,509
Investment securities, at market value	147,606	119,037

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 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000 (Restated)	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000 (Restated)
Operating activities				
Profit before taxation	34,598	27,989	48,089	56,273
Adjustments for:-				
Depreciation of plant and equipment	199	181	400	381
Gain on disposal of plant and equipment	(61)	-	(61)	-
Share of profit of associated companies (net of tax)	(4,604)	(4,697)	(7,442)	(5,238)
Finance costs	5,241	3,486	9,285	6,772
Interest income	(1,781)	(1,249)	(3,342)	(2,290)
Dividend income	(3,500)	(2,500)	(3,500)	(2,500)
(Writeback of allowance)/ Allowance for foreseeable losses on development properties (net)	(21,567)	568	(23,353)	(1,238)
Mark-to-market gain in respect of equity swap	(7,500)	-	(13,500)	(17,625)
Mark-to-market loss/(gain) on trading securities	-	949	-	(903)
Mark-to-market (gain)/loss on derivative financial instruments	(9)	452	(728)	672
Plant and equipment written off	2	16	2	70
Share option expense	171	80	342	80
	(33,409)	(2,714)	(41,897)	(21,819)
Operating profit before working capital changes	1,189	25,275	6,192	34,454
Changes in working capital:-				
Development properties	(186,802)	170,070	(166,800)	313,521
Trade and other receivables	88,312	(29,884)	20,140	(95,494)
Trade and other payables	(1,512)	6,830	(6,028)	296
Balances with holding company and related corporations	994	812	(1,700)	(1,831)
	(99,008)	147,828	(154,388)	216,492
Cash generated from operations	(97,819)	173,103	(148,196)	250,946
Income taxes (paid)/refunded	(741)	2,607	(6,777)	(4,151)
Purchase of shares by the Trust for Executives' Share Option Scheme	(21,513)	(15,411)	(21,513)	(15,411)
Cash flows from operating activities	(120,073)	160,299	(176,486)	231,384

	Group Second Quarter Ended 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000 (Restated)	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000 (Restated)
Investing activities				
Proceeds from disposal of plant and equipment	50	-	51	-
Purchase of plant and equipment	(801)	(34)	(831)	(404)
Dividends received	3,500	2,500	3,500	2,500
Interests in associated companies	17,011	787	26,126	1,518
Settlement of equity swap	750	5,250	9,000	16,875
Acquisition of interest in a subsidiary	-	(50,208)	-	(50,208)
Acquisition of interest in an associated company	(1,624)	(3,122)	(2,898)	(3,351)
Net proceeds from disposal of interest in an associated company	-	-	-	334,286
Proceeds from liquidation of an associated company	-	-	-	10
Cash flows from investing activities	18,886	(44,827)	34,948	301,226
Financing activities				
Balances with minority shareholders of subsidiaries	-	(980)	-	(6,934)
Dividends paid	(40,949)	(42,596)	(40,949)	(42,596)
Interest paid	(9,051)	(5,940)	(18,329)	(12,418)
Interest received	1,289	1,171	2,710	2,833
Share buy-back	-	-	-	(11,013)
Proceeds from bank loans	257,486	113,732	312,159	117,812
Repayment of bank loans	(80,450)	(190,122)	(101,450)	(352,078)
Proceeds from medium-term notes	50,000	36	85,000	72
Repayment of medium-term notes	-	-	(19,997)	(20,000)
Cash flows from financing activities	178,325	(124,699)	219,144	(324,322)
Net increase/(decrease) in cash and cash equivalents	77,138	(9,227)	77,606	208,288
Cash and cash equivalents at beginning of the period	384,854	478,692	382,418	246,372
Exchange differences on translation of balances held in foreign currency	(792)	(6,119)	1,176	(7,627)
Cash and cash equivalents at end of the period	461,200	463,346	461,200	447,033

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.

The comparative cash flow statement for the second quarter and half year ended 31 December 2004 have been restated to take into account retrospective adjustments relating to FRS 102 *Share-based Payment*.

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 2005

	Group Second Quarter Ended 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000	Company Second Quarter Ended 31/12/2005 S$'000	Company Second Quarter Ended 31/12/2004 S$'000
Share Capital				
At 1 October	665,540	665,525	665,540	665,525
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	15	107	15
At 31 December	665,647	665,540	665,647	665,540
Share Premium				
At 1 October	161,176	161,191	161,176	161,191
Issue of shares to holders of NCCPS 2005 who exercised their conversion rights and upon mandatory conversion of their preference shares	(107)	(15)	(107)	(15)
At 31 December	161,069	161,176	161,069	161,176
Reserve for Own Shares*				
At 1 October	(19,850)	-	(19,850)	-
Purchase of shares by the Trust for Executives' Share Option Scheme	(21,513)	(15,411)	(21,513)	(15,411)
At 31 December	(41,363)	(15,411)	(41,363)	(15,411)
Share Option Reserve				
At 1 October	671	-	671	-
Value of employee services received for issue of share options	171	80	171	80
At 31 December	842	80	842	80

*In October 2004, the Company established a Trust for GuocoLand Limited Executives' Share Option Scheme (the "Scheme"). Pursuant to the trust deed, the Trust had acquired issued shares of the Company for the purpose of satisfying outstanding options granted to eligible employees under the Scheme. Subject to certain financial and performance targets being met by these employees, shares held under the Trust will be transferred to these employees upon exercise of their share options. As at 31 December 2005, the Company had granted a loan amounting to $40.4 million to the Trust and the Trust had acquired 30,094,000 shares.

	Group Second Quarter Ended 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000	Company Second Quarter Ended 31/12/2005 S$'000	Company Second Quarter Ended 31/12/2004 S$'000
Capital Reserve				
At 1 October and 31 December	1,300	1,300	1,300	1,300
Exchange Translation Reserve				
At 1 October	(2,230)	(5,159)	-	-
Net translation differences on foreign subsidiaries, associated companies and foreign currency assets forming part of net investments in such entities	(6,650)	(13,972)	-	-
At 31 December	(8,880)	(19,131)	-	-
Investment Revaluation Reserve				
At 1 October and 31 December	7,969	680	-	-
Capital Redemption Reserve				
At 1 October and 31 December	13,083	13,083	13,000	13,000
Mark-to-market Reserve				
At 1 October	30,602	(28,685)	-	-
Net unrealised gains/(losses) on:-				
- available-for-sale securities	2,500	3,345	-	-
- available-for-sale securities held by an associated company	(413)	(222)	-	-
At 31 December	32,689	(25,562)	-	-
Unappropriated Profits				
At 1 October	271,670	253,210	81,147	86,085
Profit/(Loss) for the period	31,652	14,686	5,036	(5,819)
Dividends	(40,948)	(42,595)	(40,948)	(42,595)
At 31 December	262,374	225,301	45,235	37,671
Equity attributable to equity holders of the Company	**1,094,730**	**1,007,056**	**845,730**	**863,356**
Minority Interests				
At 1 October	44,662	42,472	-	-
Profit for the period	213	456	-	-
Acquisition of interest in a subsidiary	-	489	-	-
Exchange differences on translation	(165)	(560)	-	-
At 31 December	44,710	42,857	-	-
Total Equity	**1,139,440**	**1,049,913**	**845,730**	**863,356**

Statement of Changes in Equity for the Half Year Ended 31 December 2005

	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000	Company Half Year Ended 31/12/2005 S$'000	Company Half Year Ended 31/12/2004 S$'000
Share Capital				
At 1 July	665,540	675,524	665,540	675,524
Issue of shares to holders of NCCPS 2005 who exercised their conversion rights and upon mandatory conversion of their preference shares	107	16	107	16
Share buy-back	-	(10,000)	-	(10,000)
At 31 December	665,647	665,540	665,647	665,540
Share Premium				
At 1 July	161,176	161,192	161,176	161,192
Issue of shares to holders of NCCPS 2005 who exercised their conversion rights and upon mandatory conversion of their preference shares	(107)	(16)	(107)	(16)
At 31 December	161,069	161,176	161,069	161,176
Reserve for Own Shares				
At 1 July	(19,850)	-	(19,850)	-
Purchase of shares by the Trust for Executives' Share Option Scheme	(21,513)	(15,411)	(21,513)	(15,411)
At 31 December	(41,363)	(15,411)	(41,363)	(15,411)
Share Option Reserve				
At 1 July, as previously reported	-	-	-	-
Effect of adopting FRS 102	500	-	500	-
At 1 July, as restated	500	-	500	-
Value of employee services received for issue of share options	342	80	342	80
At 31 December	842	80	842	80
Capital Reserve				
At 1 July and 31 December	1,300	1,300	1,300	1,300

	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000	Company Half Year Ended 31/12/2005 S$'000	Company Half Year Ended 31/12/2004 S$'000
Exchange Translation Reserve				
At 1 July, as previously reported	(6,338)	1,180	(3,447)	1,074
Effect of adopting FRS 21 (revised)	-	-	3,447	(1,074)
At 1 July, as restated	(6,338)	1,180	-	-
Net translation differences on foreign subsidiaries, associated companies and foreign currency assets forming part of net investments in such entities	(2,542)	(20,311)	-	-
At 31 December	(8,880)	(19,131)	-	-
Investment Revaluation Reserve				
At 1 July and 31 December	7,969	680	-	-
Capital Redemption Reserve				
At 1 July	13,083	3,083	13,000	3,000
Share buy-back	-	10,000	-	10,000
At 31 December	13,083	13,083	13,000	13,000
Mark-to-market Reserve				
At 1 July	(118)	(37,768)	-	-
Net unrealised gains/(losses) on:-				
- available-for-sale securities	33,069	13,256	-	-
- available-for-sale securities held by an associated company	(262)	(1,050)	-	-
At 31 December	32,689	(25,562)	-	-
Unappropriated Profits				
At 1 July, as previously reported	260,315	237,972	82,304	97,308
Effects of adopting:-				
- FRS 21 (revised)	-	-	(3,447)	1,074
- FRS 102	(500)	-	-	-
At 1 July, as restated	259,815	237,972	78,857	98,382
Share buy-back	-	(11,013)	-	(11,013)
Profit/(Loss) for the period	43,508	40,938	7,327	(7,102)
Dividends	(40,949)	(42,596)	(40,949)	(42,596)
At 31 December	262,374	225,301	45,235	37,671
Equity attributable to equity holders of the Company	**1,094,730**	**1,007,056**	**845,730**	**863,356**

	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000	Company Half Year Ended 31/12/2005 S$'000	Company Half Year Ended 31/12/2004 S$'000
Minority Interests				
At 1 July	43,943	41,852	-	-
Profit for the period	556	1,332	-	-
Acquisition of interest in a subsidiary	-	489	-	-
Exchange differences on translation	211	(816)	-	-
At 31 December	44,710	42,857	-	-
Total Equity	**1,139,440**	**1,049,913**	**845,730**	**863,356**

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 31/12/2005 S$ million
a.	Issued and fully paid ordinary shares of $1.00 each:-	
	At 1 October 2005	665.54
	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	0.11
	At 31 December 2005	665.65
b.	Issue of 101,671,676 NCCPS 2005 of $0.01 each at $1.00 per NCCPS:-	
	At 1 October 2005	*
	Conversion to ordinary shares	*
	At 31 December 2005	-
		million
c.	Issue of Executives' share options:-	
	At 1 October and 31 December 2005	18.50

*Amount is less than $2,000.

	As At 31/12/2005 million	As At 31/12/2004 million
No. of shares of $1.00 each that would be issued on exercise of all NCCPS and share options outstanding at end of the period	18.50	12.61
Less : No. of shares of $1.00 each acquired by the Trust for the Executives' Share Option Scheme	(18.50)	(12.50)
	-	0.11

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 as disclosed in Section 5, the Group applied the same accounting policies and methods of computation as in the most recently audited annual financial statements.

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 adopted the following new/revised Financial Reporting Standards ("FRS") issued by the Council on Corporate Disclosure and Governance, which were applicable for financial statements covering periods beginning on or after 1 July 2005:-

(a) FRS 21 *(revised) The Effects of Changes in Foreign Exchange Rates*

The revised FRS requires exchange differences on loans from the Company to its subsidiaries and associated companies which form part of the Company's net investment in the subsidiaries and associated companies to be included in the Company's profit and loss account. These exchange differences were previously recognised as equity in the financial statements of the Company. In the consolidated financial statements, these exchange differences are reclassified to equity only if the functional currency of the loan is denominated in either the functional currency of the Company or the borrowing foreign operation.

(b) FRS 102 *Share-based Payment*

This FRS requires the Company and its subsidiaries to recognise share-based payment transactions with their employees, such as executives' share options, in their financial statements.

In accordance with the transitional provisions, FRS 102 has been applied to the executives' share options granted by the Company's subsidiaries to their employees after 29 October 2004 that were not yet vested as at 1 July 2005. The adoption of FRS 102 has resulted in the Group charging the cost of these share options to the profit and loss account.

The effects of the adoption of FRS 21 (revised) and FRS 102 on the unappropriated profits, exchange translation reserve and share option reserve are set out in item 1(d)(i). The impact on the profit/(loss) for the period is as follows:-

	Group Second Quarter Ended 31/12/2005 S$'000	Group Second Quarter Ended 31/12/2004 S$'000	Company Second Quarter Ended 31/12/2005 S$'000	Company Second Quarter Ended 31/12/2004 S$'000
Profit before changes in accounting policies	32,036	15,222	9,060	1,646
Effects of adopting:-				
- FRS 21 (revised)	-	-	(4,024)	(7,465)
- FRS 102	(171)	(80)	-	-
Profit/(Loss) for the period	31,865	15,142	5,036	(5,819)

	Group Half Year Ended 31/12/2005 S$'000	Group Half Year Ended 31/12/2004 S$'000	Company Half Year Ended 31/12/2005 S$'000	Company Half Year Ended 31/12/2004 S$'000
Profit before changes in accounting policies	44,406	42,350	12,514	3,746
Effects of adopting:-				
- FRS 21 (revised)	-	-	(5,187)	(10,848)
- FRS 102	(342)	(80)	-	-
Profit/(Loss) for the period	44,064	42,270	7,327	(7,102)

The adoption of FRS 102 does not have a material impact on the Group's basic and diluted earnings per share.

The financial effects of adopting FRS 21 (revised) and FRS 102 on the financial statements of the Group and the Company are subject to adjustments when they are audited at the end of the financial year.

Apart from FRS 21 (revised) and FRS 102, the Group adopted revisions in other FRSs, which were applicable for financial statements covering periods beginning on or after 1 July 2005. However, they do not have a significant impact on the financial statements of the Group and the Company.

FRS yet to be adopted

The Group has yet to adopt FRS 40 on investment property, which is applicable for financial statements covering periods beginning on or after 1 July 2007. When FRS 40 is adopted, the Group expects to reclassify its investment revaluation reserve to unappropriated profits at 1 July 2007. At this juncture, the impact of the adoption cannot be reasonably determined as the Group is unable to estimate with reasonable accuracy the changes in fair value of the investment properties in the period to 1 July 2007.

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 31/12/2005	Group Second Quarter Ended 31/12/2004 (Restated)	Group Half Year Ended 31/12/2005	Group Half Year Ended 31/12/2004 (Restated)
Earnings per ordinary share for the period based on the Group's net profit derived at after deducting provision for preference dividends:-					
a.	Based on weighted average number of ordinary shares in issue after adjusting for the shares acquired by the Trust (cents)	4.89	2.23	6.71	6.17
	Weighted average number of ordinary shares ('000)	647,779	659,282	648,637	663,385
b.	On a fully diluted basis (cents)	4.86	2.23	6.68	6.17
	Adjusted weighted average number of ordinary shares ('000)*	650,741	659,397	651,405	663,505

* The weighted average number of ordinary shares has been adjusted for the dilutive effect of potential ordinary shares arising from the conversion of non-redeemable convertible cumulative preference shares and the exercise of all outstanding share options.

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 31/12/2005 S$	Group As At 30/06/2005 S$	Company As At 31/12/2005 S$	Company As At 30/06/2005 S$ (Restated)
Net asset value per ordinary share based on existing issued share capital after adjusting for the shares acquired by the Trust	1.72	1.67	1.33	1.39

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.

Second Quarter Ended 31 December 2005

For the second quarter ended 31 December 2005, the Group reported a profit of $31.9 million compared to $15.1 million in the previous corresponding period.

The Group's revenue increased by 35% to $168.2 million for the second quarter ended 31 December 2005. The increase was mainly due to higher revenue recognised from the Group's property development projects in Singapore and from completion of the sale of the remaining area in Corporate Square in Beijing to a property fund managed by Pramerica Real Estate Investors (Asia) Pte Ltd in December 2005. The increase was offset by lower revenue from Central Park in Shanghai. Central Park is 99% sold and a significant portion of the revenue for this project had already been recognised in the previous financial year ended 30 June 2005.

The Group's cost of sales increased by 49% to $143.1 million for the second quarter ended 31 December 2005. The increase was mainly attributable to higher cost of sales recognised from the Group's property development projects in Singapore and from Corporate Square. The increase was offset by lower cost of sales from Central Park and a higher writeback of allowance for foreseeable losses on the Group's residential properties in Singapore and China.

The Group's gross profit decreased by 10% to $25.1 million as a significant portion of Central Park's gross profit had already been recognised in the previous financial year. The decrease was offset by a higher writeback of allowance for foreseeable losses on the Group's residential properties in Singapore and China.

Other operating income increased from $2.0 million to $13.1 million for the second quarter ended 31 December 2005 due to a mark-to-market gain on the Group's financial assets.

Finance costs increased from $3.5 million to $5.2 million due to an increase in bank borrowings to finance the Group's land acquisitions in China during the second quarter ended 31 December 2005.

Half Year Ended 31 December 2005

For the half year ended 31 December 2005, the Group reported a profit of $44.1 million compared to $42.3 million in the previous corresponding period.

The Group's revenue increased by 5% to $224.5 million for the half year ended 31 December 2005. The increase was mainly due to higher revenue recognised from the Group's property development projects in Singapore and from Corporate Square offset by lower revenue from Central Park. For the half year ended 31 December 2005, 52% of the revenue was from Singapore and the balance from China.

The Group's cost of sales increased by 11% to $193.5 million for the half year ended 31 December 2005. The increase was mainly due to higher cost of sales recognised from the Group's property development projects in Singapore and from Corporate Square. The increase was offset by lower cost of sales from Central Park and a higher writeback of allowance for foreseeable losses on the Group's residential properties in Singapore and China, in particular from Paterson Residence in Singapore. Paterson Residence was launched in December 2005 and received favourable response with 54% sold as at 31 December 2005.

The Group's gross profit decreased by 22% to $31.1 million as a significant portion of Central Park's gross profit had already been recognised in the previous financial year. The decrease was offset by a higher writeback of allowance for foreseeable losses on the Group's residential properties in Singapore and China.

Finance costs increased by 37% to $9.3 million due to an increase in bank borrowings to finance the Group's land acquisitions in China during the half year ended 31 December 2005.

The profit after tax contribution from the Group's associates increased by 42% to $7.4 million due to higher profit contribution from the Group's 40% associates, Razgrad Pte Ltd (which owns The Ladyhill) and Crawforn Pte Ltd (which owns The Boulevard Residence).

The Group's net asset value per ordinary share increased from $1.67 as at 30 June 2005 to $1.72 as at 31 December 2005.

Current developments

The Group currently has eight launched developments on the market in Singapore: Sanctuary Green, The Gardens at Bishan, Bishan Point, Le Crescendo, Leonie Studio, Paterson Residence, The Ladyhill (in which the Group has 40% interest) and The Boulevard Residence (in which the Group has 40% interest). As at 9 February 2006, the Group has achieved sales of 67% in Sanctuary Green, 99% in The Gardens at Bishan, 96% in Bishan Point, 47% in Le Crescendo, 87% in Leonie Studio, 56% in Paterson Residence, 76% in The Ladyhill and 78% in The Boulevard Residence. The Group's landbank in Singapore, in terms of saleable area, is approximately 144,000 square metres (1.6 million square feet).

In Beijing, the Group has completed the sale of the remaining area in Corporate Square to a property fund managed by Pramerica Real Estate Investors (Asia) Pte Ltd for a consideration of approximately US$48.6 million (S$80.8 million) in December 2005. The Group expects to officially launch West End Point, a 814-unit residential development within the Second Ring Road in Feng Sheng, Xicheng District of Beijing after obtaining the sale permit. Resettlement is currently in progress on the Gujiaying site in the Xuanwu District of Nanjing and the project is expected to be launched in the second half of 2006.

The Group has acquired a site situated in the Changfeng area of the Putuo District in Shanghai with a saleable area of approximately 360,000 square metres (3.9 million square feet). This site can be developed into a modern integrated SOHO, commercial, hotel and retail development. In January 2006, the Group signed a conditional agreement to acquire a site situated in the Maqun area of the Qixia District in Nanjing City with a saleable area of approximately 180,000 square metres (1.9 million square feet). With these two recent acquisitions, the Group's landbank in China, in terms of saleable area, is now approximately 1 million square metres (10.7 million square feet).

In December 2005, the Group entered into a conditional agreement with Vietnam Singapore Industrial Park JV Co. Ltd. to acquire a land parcel of approximately 174,935 square metres (1.9 million square feet) forming part of the Vietnam Singapore Industrial Park in Thuan An district of Binh Duong Province, about 17 kilometres north of Ho Chi Minh City. The Group intends to build an integrated residential, commercial, hotel and retail development on this site.

In Malaysia, the Group has increased its interest in GuocoLand (Malaysia) Berhad to 45.59%.

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.

Singapore's economy is expected to maintain its growth momentum with economists forecasting that full-year GDP growth will exceed the official estimated forecast of between 3 to 5 per cent. With continued positive sentiments over the economic prospects of Singapore and a renewed confidence amongst homebuyers that the local property market is on the path to a firm and broad-based recovery, sales of the Group's property development projects in Singapore should continue to benefit from the up cycle.

GDP growth for China averaged 9.4% in the first three quarters of 2005 and growth for 2006 is expected to remain strong. Underpinned by strong income growth and rapid urbanisation, the Group expects demand for quality residential housing to remain sustainable in the medium and long term. The Group now has a sizeable landbank in the major cities of Shanghai, Beijing and Nanjing and is well positioned to benefit from the strong housing demand in these cities.

The Group has financial assets which are marked to market and market price movements in these financial assets have a financial impact on the Group's reserves and profitability.

Barring unforeseen circumstances, the Group expects to report satisfactory results for the next quarter.

11. Dividend

(a) *Current Financial Period Reported On*

Details of dividends declared for the current financial period reported on are as follows:-

Name of Dividend	Preference (NCCPS 2005)
Dividend Type	Cash
Dividend Amount per Share (in cents)	4.5 cents per annum per preference share (less tax)
Par value of shares	$0.01
Tax Rate	20%

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

Details of dividends declared for the corresponding period of the immediately preceding financial period are as follows:-

Name of Dividend	Preference (NCCPS 2005)
Dividend Type	Cash
Dividend Amount per Share (in cents)	4.5 cents per annum per preference share (less tax)
Par value of shares	$0.01
Tax Rate	20%

In November 2005, the NCCPS 2005 were mandatorily converted into ordinary shares on the basis of one ordinary share for every one NCCPS 2005 held.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

BY ORDER OF THE BOARD

Dawn Pamela Lum
Group Company Secretary
10 February 2006