GUOCO GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 53)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

Please refer to the attached announcement on the next page.

The board of directors of Guoco currently comprises Mr. Quek Leng Chan as Executive Chairman; Mr. Kwek Leng Hai as President, CEO; Mr. Tan Lim Heng and Mr. James Eng, Jr. as executive directors; Mr. Kwek Leng San as non-executive director and Mr. Sat Pal Khattar, Mr. Volker Stoeckel and Mr. Ding Wai Chuen as independent non-executive directors.

Print this page

Full Year * Financial Statement And Dividend Announcement

* Asterisks denote mandatory information

Name of Announcer *	GUOCOLAND LIMITED
Company Registration No.	197600660W
Announcement submitted on behalf of	GUOCOLAND LIMITED
Announcement is submitted with respect to *	GUOCOLAND LIMITED
Announcement is submitted by *	DAWN PAMELA LUM
Designation *	GROUP COMPANY SECRETARY
Date & Time of Broadcast	22-Aug-2008 18:21:47
Announcement No.	00105

>> Announcement Details

The details of the announcement start here ...

For the Financial Period Ended *	30-06-2008

Attachments

SGX-June08.pdf
Total size = **88K**
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GuocoLand Limited
(REG. NO. 197600660W)

AUDITED FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 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 Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Increase/ (Decrease) %
Revenue	670,893	702,479	(4)
Cost of sales	(535,593)	(548,065)	(2)
Gross profit	135,300	154,414	(12)
Other income	130,776	194,708	(33)
Administrative expenses	(41,086)	(30,053)	37
Other expenses	(9,455)	(369)	N/M
Finance costs	(39,438)	(32,379)	22
Share of profit (net of tax)			
- associates	11,545	13,108	(12)
- jointly-controlled entities	6,784	2,808	142
Profit before income tax	194,426	302,237	(36)
Income tax expense	(29,145)	(12,896)	126
Profit for the year	165,281	289,341	(43)
Attributable to:			
Equity holders of the Company	**161,840**	**281,892**	**(43)**
Minority interests	3,441	7,449	(54)
Profit for the year	165,281	289,341	(43)

N/M : Not meaningful.

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

	Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Increase/ (Decrease) %
Investment profit[1]	1,811	14,588	(88)
Other income including interest income	17,793	12,693	40
Depreciation of property, plant and equipment	(3,731)	(3,138)	19
Gain on disposal of property, plant and equipment	148	296	(50)
(Loss)/Gain on disposal of available-for-sale securities	(225)	19,325	(101)
Gain on disposal of interests in jointly-controlled entities	-	627	(100)
Gain on disposal of interest in a subsidiary	-	16,901	(100)
Gain on revaluation of investment properties	88,060	116,520	(24)
Writeback of provision/(Provision) for doubtful receivables	27	(61)	N/M
Writeback of provision for foreseeable losses on development properties	8,375	61,889	(86)
Mark-to-market (loss)/gain on derivative financial instruments	(2,416)	761	(417)
Net foreign exchange gain	27,988	12,732	120
Adjustments for (under)/overprovision of tax in respect of prior years	(240)	5,394	(104)

N/M : Not meaningful.

Note:-

1. The decrease in investment profit was mainly due to a non-recurring profit of $10.3 million from the unwinding of an equity swap transaction in the previous financial year.

Exceptional and Extraordinary Items

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

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 30/06/2008 S$'000	Group As At 30/06/2007 S$'000	Company As At 30/06/2008 S$'000	Company As At 30/06/2007 S$'000
Non-current assets				
Property, plant and equipment	141,304	130,065	-	-
Goodwill on consolidation	-	1,094	-	-
Investment properties	449,086	363,976	-	-
Interests in subsidiaries	-	-	3,214,105	2,248,409
Interests in associates and jointly-controlled entities	189,531	438,113	7,837	8,780
Amounts due from minority shareholders of subsidiaries	16,419	20,617	-	-
Investment securities	2,504	31,781	-	-
Deferred tax assets	485	551	-	-
	799,329	986,197	3,221,942	2,257,189
Current assets				
Inventories	4,461,662	1,555,849	-	-
Trade and other receivables	77,522	326,348	747	2,768
Cash and cash equivalents	654,461	1,092,564	282,717	438,632
	5,193,645	2,974,761	283,464	441,400
Total assets	**5,992,974**	**3,960,958**	**3,505,406**	**2,698,589**
Equity attributable to equity holders of the Company				
Share capital	1,394,047	839,716	1,394,047	839,716
Reserves	581,528	566,299	191,614	71,887
	1,975,575	1,406,015	1,585,661	911,603
Minority interests	152,956	165,200	-	-
Total equity	2,128,531	1,571,215	1,585,661	911,603
Non-current liabilities				
Amounts due to subsidiaries	-	-	469,537	257,625
Interest bearing loans and borrowings	2,127,334	1,931,868	857,066	1,459,099
Deferred tax liabilities	22,109	7,644	-	-
	2,149,443	1,939,512	1,326,603	1,716,724
Current liabilities				
Trade and other payables	771,884	326,458	13,931	19,070
Interest bearing loans and borrowings – current portion	905,657	74,420	572,444	35,000
Current tax payable	37,459	49,353	6,767	16,192
	1,715,000	450,231	593,142	70,262
Total liabilities	3,864,443	2,389,743	1,919,745	1,786,986
Total equity and liabilities	**5,992,974**	**3,960,958**	**3,505,406**	**2,698,589**

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

Amount repayable in one year or less, or on demand

As at 30/06/2008 (S$'000)		As at 30/06/2007 (S$'000)	
Secured	Unsecured	Secured	Unsecured
251,804	653,853	39,408	35,012

Amount repayable after one year

As at 30/06/2008 (S$'000)		As at 30/06/2007 (S$'000)	
Secured	Unsecured	Secured	Unsecured
1,266,108	861,226	468,334	1,463,534

Details of any collateral

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

	Group As At 30/06/2008 S$'000	Group As At 30/06/2007 S$'000
At carrying amounts:-		
Property, plant and equipment	105,284	91,068
Investment properties	15,390	16,410
Inventories	2,748,331	891,232

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 Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000
Operating activities		
Profit before income tax	194,426	302,237
Adjustments for:-		
Amortisation of transaction costs of convertible bonds	1,001	150
Depreciation of property, plant and equipment	3,731	3,138
Gain on disposal of property, plant and equipment	(148)	(296)
Gain on disposal of interest in subsidiary	-	(16,901)
Gain on disposal of interests in jointly-controlled entities	-	(627)
Share of profit of associates (net of tax)	(11,545)	(13,108)
Share of profit of jointly-controlled entities (net of tax)	(6,784)	(2,808)
Finance costs	39,438	32,379
Interest income	(17,792)	(12,693)
Dividend income	(1,811)	(4,330)
Loss/(Gain) on disposal of available-for-sale securities	225	(19,325)
Gain on revaluation of investment properties	(88,060)	(116,520)
Writeback of provision for foreseeable losses on development properties	(8,375)	(61,889)
Mark-to-market loss/(gain) on derivative financial instruments	2,416	(761)
Gain on unwinding of equity swap	-	(10,258)
Property, plant and equipment written off	85	-
Goodwill written off	1,064	-
Share option expense	4,010	2,689
	(82,545)	(221,160)
Operating profit before working capital changes	111,881	81,077
Changes in working capital:-		
Inventories	(1,834,452)	(96,718)
Trade and other receivables	134,104	(213,514)
Trade and other payables	(42,452)	61,587
Balances with holding companies and related corporations	(2,678)	561
	(1,745,478)	(248,084)
Cash used in operations	(1,633,597)	(167,007)
Income taxes (paid)/received	(34,259)	3,762
Subscription/Purchase of shares by the Trust for Executives' Share Option Scheme	(46,240)	(18,952)
Consideration received upon exercise of share options	5,650	2,640
Cash flows from operating activities	(1,708,446)	(179,557)

	Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000
Investing activities		
Proceeds from disposal of property, plant and equipment	287	581
Purchase of property, plant and equipment	(23,831)	(10,541)
Net proceeds from disposal of asset held for sale	-	130,500
Dividends received	1,811	4,330
Net proceeds from disposal of available-for-sale securities	5,672	38,500
Purchase of available-for-sale securities	(8,047)	(2,559)
Settlement of equity swap	-	24,321
Interests in associates and jointly-controlled entities	(35,811)	(20,820)
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	(4,190)	(1,248)
Net cash outflow on acquisition of interests in subsidiaries	(45,130)	(90,797)
Net proceeds from disposal of interest in subsidiary	-	20,899
Cash flows from investing activities	(109,239)	(31,432)
Financing activities		
Balances with minority shareholders of subsidiaries	(8,379)	(33,039)
Capital contribution from minority shareholder of a subsidiary	-	1,841
Dividends paid	(65,516)	(48,813)
Dividends paid to minority shareholders of a subsidiary	(3,756)	(1,390)
Interest paid	(71,671)	(59,245)
Interest received	19,071	13,860
Fixed deposits pledged	(2,613)	-
Net proceeds from rights issue	554,331	-
Net proceeds from convertible bonds	-	684,995
Proceeds from bank loans	1,113,032	409,503
Repayment of bank loans	(144,399)	(193,462)
Proceeds from medium-term notes	-	170,000
Repayment of medium-term notes	-	(132,750)
Repayment of short-term notes	-	(30,000)
Cash flows from financing activities	1,390,100	781,500
Net (decrease)/increase in cash and cash equivalents	(427,585)	570,511
Cash and cash equivalents at 1 July	1,092,044	525,831
Exchange differences on translation of balances held in foreign currency	(12,611)	(4,298)
Cash and cash equivalents at 30 June	651,848	1,092,044

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.

For the financial year ended 30 June 2008, the Group recorded cash outflows of $1.7 billion from the operating activities arising from the acquisitions of new land in Singapore and the Dongzhimen project in Beijing. These acquisitions are financed mainly by bank loans and proceeds from the rights issue.

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.

	Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Company Year Ended 30/06/2008 S$'000	Company Year Ended 30/06/2007 S$'000
Share Capital				
At 1 July	839,716	839,716	839,716	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 30 June	1,394,047	839,716	1,394,047	839,716
Reserve for Own Shares				
At 1 July	(104,487)	(88,387)	(104,487)	(88,387)
Transfer of shares to employees upon exercise of share options	7,497	2,852	7,497	2,852
Subscription of shares under Rights Issue by the Trust for Executives' Share Option Scheme	(46,240)	-	(46,240)	-
Purchase of shares by the Trust for Executives' Share Option Scheme	-	(18,952)	-	(18,952)
At 30 June	(143,230)	(104,487)	(143,230)	(104,487)
Share Option Reserve				
At 1 July	3,874	1,185	3,874	1,185
Value of employee services received for issue of share options	4,010	2,689	4,010	2,689
At 30 June	7,884	3,874	7,884	3,874
Capital Reserve				
At 1 July	64,996	1,383	64,913	1,300
Excess of purchase cost over consideration received from employees upon exercise of share options	(1,847)	(212)	(1,847)	(212)
Equity portion of convertible bonds	-	63,825	-	63,825
At 30 June	63,149	64,996	63,066	64,913

	Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Company Year Ended 30/06/2008 S$'000	Company Year Ended 30/06/2007 S$'000
Exchange Translation Reserve				
At 1 July	(26,673)	(34,374)	-	-
Translation differences relating to financial statements of foreign subsidiaries and associates	64,864	29,659	-	-
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	(104,996)	(20,668)	-	-
Transfer to income statement upon disposal of interest in subsidiary	-	(1,290)	-	-
At 30 June	(66,805)	(26,673)	-	-
Revaluation Reserve				
At 1 July	8,341	8,522	-	-
Transfer to income statement upon disposal of interest in subsidiary	-	(181)	-	-
At 30 June	8,341	8,341	-	-
Mark-to-market Reserve				
At 1 July	3,648	19,524	-	-
Change in fair value of available-for-sale securities	487	9,766	-	-
Transfer to income statement upon disposal of available-for-sale securities	(347)	(25,750)	-	-
Transfer to interests in associates	(4,210)	-	-	-
Exchange differences on translation	(313)	108	-	-
At 30 June	(735)	3,648	-	-
Unappropriated Profits				
At 1 July	616,600	377,096	107,587	105,118
Transfer to income statement upon disposal of available-for-sale securities	-	6,425	-	-
Profit attributable to equity holders of the Company	161,840	281,892	221,823	51,282
Dividends	(65,516)	(48,813)	(65,516)	(48,813)
At 30 June	712,924	616,600	263,894	107,587
Equity attributable to equity holders of the Company	**1,975,575**	**1,406,015**	**1,585,661**	**911,603**

	Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Company Year Ended 30/06/2008 S$'000	Company Year Ended 30/06/2007 S$'000
Minority Interests				
At 1 July	165,200	153,356	-	-
Profit attributable to minority interests	3,441	7,449	-	-
Change in fair value of available-for-sale securities	230	3,036	-	-
Disposal of available-for-sale securities	576	-	-	-
Transfer to interests in associates	(1,833)	-	-	-
Acquisition of interests in subsidiaries	(3,203)	(1,999)	-	-
Disposal of interest in subsidiary	-	(626)	-	-
Capital contribution	-	1,841	-	-
Dividends	(3,756)	(1,390)	-	-
Exchange differences on translation	(7,699)	3,533	-	-
At 30 June	152,956	165,200	-	-
Total Equity	**2,128,531**	**1,571,215**	**1,585,661**	**911,603**

Note:-

	Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Company Year Ended 30/06/2008 S$'000	Company Year Ended 30/06/2007 S$'000
a. Attributable to equity holders of the Company				
Net losses recognised directly in equity	(40,305)	(1,931)	-	-
Profit attributable to equity holders of the Company	161,840	281,892	221,823	51,282
Total recognised income and expense for the year	121,535	279,961	221,823	51,282
b. Attributable to minority interests				
Net (losses)/gains recognised directly in equity	(6,893)	6,569	-	-
Profit attributable to minority interests	3,441	7,449	-	-
Total recognised income and expense for the year	(3,452)	14,018	-	-

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.

		Fourth Quarter Ended 30/06/2008
(a)	Issued and fully paid ordinary shares (S$'000):-	
	At 1 April and 30 June 2008	1,394,047
(b)	Issue of Executives' share options ('000):-	
	At 1 April 2008	40,406
	Options lapsed	(569)
	At 30 June 2008	39,837

	As At 30/06/2008 '000	As At 30/06/2007 '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 year	165,132	40,250
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	(39,837)	(40,250)
	125,295	-

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

The figures have been audited by our auditors.

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

We have audited the 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 2008, 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.

Management's responsibility for the financial statements

Management is 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:

(a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) 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 management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion:

(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 2008 and the results, changes in equity and cash flows of the Group and 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
Public Accountants and
Certified Public Accountants
Singapore
22 August 2008

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 Standards issued by the Council on Corporate Disclosure and Governance, which were applicable for financial statements covering periods beginning on or after 1 November 2006 (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 Standards and Interpretations issued by the Council on Corporate Disclosure and Governance:

- FRS 107 *Financial Instruments: Disclosures* and the Amendments to FRS 1 *Presentation of Financial Statements: Capital Disclosures*
- INT FRS 110 *Interim Financial Reporting and Impairment*
- INT FRS 111 *FRS 102 - Group and Treasury Share Transactions*

FRS 107 and the amendments to FRS 1 will require extensive additional disclosures with respect to the Group's and Company's financial instruments and share capital. The standard does not have any impact on the Group and the Company's financial results or positions.

The adoption of INT FRS 110 and INT FRS 111 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 Year Ended 30/06/2008	Group Year Ended 30/06/2007
Earnings per ordinary share for the year based on the Group's net profit:-			
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)	20.17	46.15
	Weighted average number of ordinary shares ('000)	802,476	610,803
b.	On a fully diluted basis (cents)	19.35	44.30
	Adjusted weighted average number of ordinary shares ('000)*	947,336	643,586

* The Group's net profit and weighted average number of ordinary shares have been adjusted for the dilutive effect of potential ordinary shares arising from the exercise of all outstanding share options and conversion of convertible bonds.

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 30/06/2008 S$	Group As At 30/06/2007 S$	Company As At 30/06/2008 S$	Company As At 30/06/2007 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	2.41	2.30	1.94	1.49

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) Income Statement

For the financial year ended 30 June 2008, the Group reported a net profit of $161.8 million, a decrease of 43% compared to the previous corresponding year. The decrease in net profit was mainly due to lower gross profit contribution from sales of property development projects in Singapore, lower revaluation gain on the investment properties and higher income tax expense mainly from the Group's property development projects in China.

The Group's revenue and cost of sales decreased by 4% and 2% respectively compared to the previous corresponding year mainly due to lower revenue and cost of sales recognised for the Group's property development projects in Singapore as a result of lower sales achieved. Gross profit correspondingly decreased by 12% to $135.3 million.

Other income decreased by 33% to $130.8 million comprising mainly a revaluation gain of $88.1 million from investment properties in Singapore and net foreign exchange gains of $28.0 million. Other income in the previous financial year included non-recurring profits of $19.3 million from the sale of the Group's long-term investment, $16.9 million from the sale of a hotel in Hanoi and $10.3 million from the unwinding of an equity swap.

Finance costs increased by 22% to $39.4 million due to an increase in bank borrowings and higher interest rates.

The contribution of $11.5 million from the Group's associates to profit after tax for the financial year ended 30 June 2008 comprised mainly a negative goodwill of $10.6 million arising from the increase in the Group's interest in Tower Real Estate Investment Trust ("Tower REIT") in Malaysia from 15.00% to 19.97% during the financial year. Tower REIT is now an associate of the Group.

(ii) Balance Sheet

Investment properties increased from $364.0 million to $449.1 million mainly due to a revaluation gain of $88.1 million from investment properties in Singapore.

Interests in associates and jointly-controlled entities decreased from $438.1 million to $189.5 million mainly due to the recognition of Beijing Cheng Jian Dong Hua Real Estate Development Company Limited ("CJDH") from a 45% associate to a 90% subsidiary. CJDH, the company undertaking the Dongzhimen project in Beijing ("DZM Project"), was reclassified from an associate to a subsidiary when GuocoLand (China) Limited ("GLC"), a wholly-owned subsidiary of the Company acquired an additional 45% interest in CJDH in November 2007. The decrease was offset by the reclassification of Tower REIT from a long-term investment to an associate when the Group increased its interest in Tower REIT from 15.00% to 19.97%.

Inventories increased from $1.6 billion to $4.5 billion mainly due to an increase in the Group's land bank arising from the completion of the en bloc acquisitions of Sophia Court, Palm Beach Garden, Leedon Heights and Toho Garden condominiums in Singapore and the acquisition of the DZM Project in Beijing.

Arising from the acquisitions of new land in Singapore and China, cash and cash equivalents decreased from $1.1 billion to $0.7 billion as at 30 June 2008. Bank borrowings increased from $2.0 billion to $3.0 billion as at 30 June 2008. The Company raised approximately $555 million via a rights issue in July 2007 to fund the new land acquisitions.

Trade and other receivables decreased from $326.3 million to $77.5 million mainly due to sale proceeds received from development projects in Singapore and China and the reclassification of deposits paid for land acquisitions in Singapore to inventories upon completion of the acquisitions during the financial year ended 30 June 2008.

Trade and other payables increased from $326.5 million to $771.9 million mainly due to accruals for the remaining purchase consideration of Rmb2.58 billion for the acquisition of CJDH.

(iii) Current developments

Singapore

The Group has three launched developments on the market in Singapore: Le Crescendo, The View @ Meyer and The Quartz. As at 21 August 2008, the Group has achieved sales of about 90% for Le Crescendo and The View @ Meyer and 67% for The Quartz. In June 2008, the Group sold 17% of the 210 units in Goodwood Residence.

China

The residential apartments at West End Point, a 810-unit development located within the Second Ring Road in Feng Sheng, Xicheng District of Beijing, are 97% sold. The retail units are currently being launched for sale. This development was completed in August 2008.

Construction is in progress for Phase 1 comprising 1,112 units in Ascot Park, a residential development located in Qixia District of Nanjing.

Construction has commenced for Phase 1 of Changfeng project, the Group's development site situated in Putuo District of Shanghai. Land resettlement has been completed and design planning is in process for Phase 2.

Construction work on the DZM Project continues to be in full progress and structural works have been completed for the residential, hotel, retail, airport terminal and transportation centre. Part of the transportation centre was completed and handed over to the Beijing government in July 2008. Further to the update in the Company's results announcement for the period ended 31 March 2008 and its announcement dated 20 May 2008, the claims by Shenzhen Development Bank and Agricultural Bank of China and the various actions taken by GLC to defend and protect its 90% interest in the DZM Project are pending hearing and adjudication before the PRC courts.

Malaysia

The Group's 64.98% subsidiary, GuocoLand (Malaysia) Berhad ("GLM"), currently has eight ongoing mixed residential development projects located in Rawang, Sungai Buloh, Cheras, Kajang, Sepang, Damansara Heights and Old Klang Road.

In June 2008, GLM completed the acquisition of a piece of freehold land situated at Changkat Kia Peng, Kuala Lumpur.

In July 2008, GLM completed the acquisition of 100% equity interest in Raikon Building Management Co Sdn Bhd ("Raikon") for a total cash consideration of RM1.8 million. Raikon is principally engaged in property services. The acquisition will provide synergistic benefits to the GLM group.

Vietnam

In January 2008, the Group launched Phase 1 of the residential component comprising 237 units in The Canary, a development located next to Vietnam Singapore Industrial Park in Binh Duong Province, 17 kilometres north of Ho Chi Minh City. As at 21 August 2008, the Group has achieved sales of 94% for Phase 1 of this development.

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

Singapore's GDP grew by 2.1% in 2Q2008 compared to 6.9% in 1Q2008. The GDP growth forecast for 2008 has been revised downwards from 4%-6% to 4%-5%. Statistics released by Urban Redevelopment Authority showed that private residential property prices increased by 0.2% in 2Q2008, down from a 3.7% increase in the previous quarter. The cautious sentiment in the property market is evidenced by a slow down and delay in property launches and a lower take-up rate compared to 2007. The ongoing development and subsequent completion of the two integrated resorts and the Marina Bay Financial Centre should help economic growth in the next few years. The Group expects demand for residential properties to remain stable in the medium term.

China

China's GDP growth grew 10.1% in 2Q2008, compared to 10.6% in the previous quarter. Inflation eased to 7.1% in June from 7.7% in the previous month. The property market appears to be cooling down as developers face credit squeeze, slower sales and lower prices. Despite the slowdown in the economy and the property market, the Group believes that the economy will continue to grow within the framework of macro-economic policies and other regulatory measures by the government to prevent overheating of the economy and to curb inflation. Demand for quality housing is expected to be stable in the medium term.

Malaysia

Amid the slowdown in the global economy, global credit crunch and rising inflation, the property market in Malaysia appears to be softening. With rising construction costs, developers are holding back launches and take-up rates have also come down. Despite the weaker demand for housing, the Group remains cautiously optimistic that the property sentiment will remain positive in the medium term in view of government policies to make home ownership more attractive.

Vietnam

The pace of growth in Vietnam is showing signs of moderation. Vietnam achieved a GDP growth of about 6.5% in 1H2008 compared to 7.9% in the same period last year. Inflation reached 27% in July 2008, driven by soaring food and fuel prices. As a result, the property market in Vietnam is showing signs of slowing down. To control the rapid inflation, the State Bank of Vietnam has introduced a series of monetary and credit tightening measures such as raising interest rates and reducing loans for investments in shares and real estate and other regulatory measures. Given the large and young population, the Group expects the medium to long term economic prospects in Vietnam to remain promising and the growth potential to remain bright. The demand for quality housing is expected to remain stable in the medium term.

General

The deepening US financial crisis has led to a global slowdown affecting the Asian property market. Rising inflation due to worldwide hikes in food and fuel prices remain a concern. The property markets in the countries where the Group operates are slowing down as developers and buyers adopt a more cautious stance. In the medium term, the Group expects the economies in these countries to remain resilient and grow. Coupled with the implementation of regulatory measures and macro-economic policies to control inflation and prevent overheating of the economy and property markets, the attraction of Asia as a growth region should have positive effects on the demand for quality housing in these countries.

11. Dividend

(a) *Current Financial Period Reported On*

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

Name of Dividend	Proposed Ordinary (First and Final)
Dividend Type	Cash
Dividend Amount per Share (in cents)	8 cents per ordinary share (one-tier)

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

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

Name of Dividend	Proposed Ordinary (First and Final)
Dividend Type	Cash
Dividend Amount per Share (in cents)	8 cents per ordinary share (one-tier)

(c) Date payable

To be announced with the books closure date.

(d) Books closure date

The announcement relating to the closure of Register of Members for the preparation of dividend warrants will be made at a later date.

12. Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Property Development $'000	Property Investment $'000	Hotel Operations $'000	Equity Investment $'000	Other Operations $'000	Eliminations $'000	Total $'000
Revenue and Expenses							
2008							
Total revenue from external customers	615,730	23,228	19,598	-	12,337	-	670,893
Inter-segment revenue	3,736	880	-	-	115,349	(119,965)	-
Total revenue	619,466	24,108	19,598	-	127,686	(119,965)	670,893
Segment results	90,882	100,395	2,105	-	110,014	(125,290)	178,106
Unallocated income							42,590
Unallocated expenses							(5,161)
Finance costs							(39,438)
Share of profit (net of tax)							
- associates	673	-	(3)	-	10,875	-	11,545
- jointly-controlled entities	884	251	-	-	5,649	-	6,784
Income tax expense							(29,145)
Profit for the year							165,281
2007							
Total revenue from external customers	652,813	17,625	23,896	3,500	4,645	-	702,479
Inter-segment revenue	1,424	891	-	-	74,178	(76,493)	-
Total revenue	654,237	18,516	23,896	3,500	78,823	(76,493)	702,479
Segment results	147,603	124,012	18,530	33,072	91,915	(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

13. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Revenue

The decrease in revenue was mainly due to lower revenue recognised from the Group's property development projects in Singapore as a result of lower sales achieved.

Segment Results

Property development recorded a lower profit for the financial year ended 30 June 2008 mainly due to lower sales achieved.

Property investment recorded a lower profit for the financial year ended 30 June 2008 mainly due to a lower revaluation gain on the investment properties in Singapore.

Hotel operations recorded a lower profit for the financial year ended 30 June 2008 as the previous corresponding financial year included a non-recurring profit from the sale of a hotel in Hanoi.

14. A breakdown of sales.

		Group Year Ended 30/06/2008 S$'000	Group Year Ended 30/06/2007 S$'000	Increase/ (Decrease) %
(a)	Sales reported for first half year	402,064	187,796	114
(b)	Operating profit after tax before deducting minority interests reported for first half year	62,472	53,800	16
(c)	Sales reported for second half year	268,829	514,683	(48)
(d)	Operating profit after tax before deducting minority interests reported for second half year	102,809	235,541	(56)

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Full Year Ended 30/06/2008 S$'000	Full Year Ended 30/06/2007 S$'000
Ordinary dividends paid in respect of previous financial years	65,516	48,813

16. Interested Person Transactions

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

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Hong Leong Group Malaysia	S$7,813,633	N.A.

BY ORDER OF THE BOARD

Dawn Pamela Lum
Group Company Secretary
22 August 2008