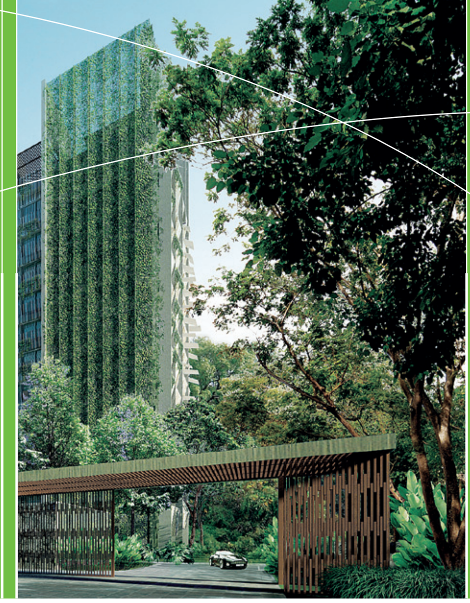


annual report **2011**

GuocoLand Limited
A Member of the Hong Leong Group
(Reg. No. 197600660W)

Contents

Corporate Information

BOARD OF DIRECTORS

Sat Pal Khattar, *Chairman*
Quek Chee Hoon, *Group President & Chief Executive Officer*
Quek Leng Chan
Kwek Leng Hai
Reggie Thein
Timothy Teo Lai Wah
Francis Siu Wai Keung

AUDIT COMMITTEE

Reggie Thein, *Chairman*
Timothy Teo Lai Wah
Francis Siu Wai Keung

NOMINATING COMMITTEE

Sat Pal Khattar, *Chairman*
Kwek Leng Hai
Timothy Teo Lai Wah

REMUNERATION COMMITTEE

Sat Pal Khattar, *Chairman*
Quek Leng Chan
Reggie Thein

GROUP COMPANY SECRETARY

Dawn Pamela Lum

REGISTERED OFFICE

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

WEBSITE

http://www.guocoland.com.sg

AUDITORS

KPMG LLP
Public Accountants and Certified Public Accountants
Partner-in-charge : Lee Sze Yeng
(since FY ended June 2008)
Auditor's Registration No : 01037

REGISTRAR

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

PRINCIPAL BANKERS

Affin Bank Berhad
Alliance Bank Malaysia Berhad
AmBank (M) Berhad
Bank of Communications Co., Ltd.
Bank of Shanghai Co., Ltd
China Merchants Bank Co., Ltd.
CIMB Bank Berhad
Citibank N.A.
DBS Bank Ltd
Industrial and Commerical Bank of China Limited
Malayan Banking Berhad
Oversea-Chinese Banking Corporation Limited
Public Bank Berhad
RHB Bank Berhad
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited

STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

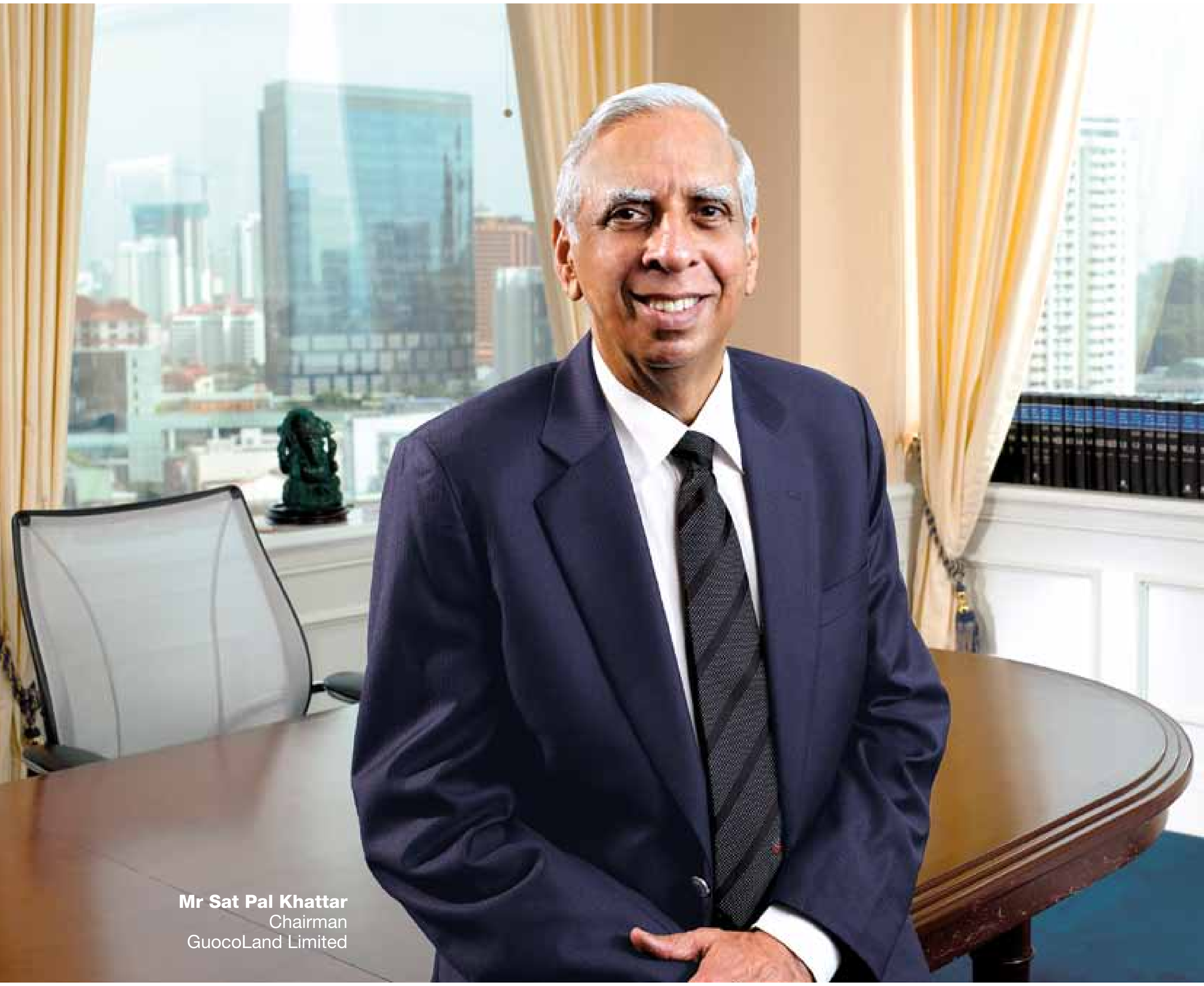
DATE OF INCORPORATION

31 March 1976

DATE OF CONVERSION TO A PUBLIC COMPANY

30 September 1978

Chairman's Statement



Mr Sat Pal Khattar
Chairman
GuocoLand Limited

"The Group needs to remain vigilant and nimble. With sound financial and investment management disciplines in place, we believe that we will continue to grow in the geographical markets in which we operate."

FINANCIAL PERFORMANCE

The volatilities in many economies portend dislocations for some time to come. Singapore will not be able to avoid the uncertainties that are on the horizon. Property markets, like stock markets, all have a local geographical risk relationship and also an international one. The scenario is challenging and companies in Singapore will have to face these challenges.

On the back of a patchy global economic recovery, the Group performed reasonably well for the financial year ended 30 June 2011 (the "Year"). We had a turnover of $647.26 million and a net profit after tax of $130.22 million, as compared with a turnover of $732.76 million and a net profit after tax of $134.31 million, a year ago. Earnings per share fell from 15.13 cents as at 30 June 2010 to 12.79 cents as at 30 June 2011. The Group's performance for the Year was driven mainly by profits from our Singapore development projects, namely *Goodwood Residence* and *Sophia Residence*. Revaluation gains of $58.80 million from the Group's investment properties portfolio including *Tung Centre* contributed to the bottom line. Lower profit from China offset the bottom line. Weakened market sentiments in China dampened sales as oversupply looms, and the government tries to rein in an overheated market.

During the Year, our balance sheet improved by a rights issue of 295.84 million new shares issued at $1.80 per share. This exercise was completed in December 2010, and raised about $532.52 million. Shareholders' funds increased from $2.01 billion as at 30 June 2010 to $2.43 billion as at 30 June 2011. The net asset value per share adjusted from $2.42 to $2.19.

The Group's total assets increased to $8.28 billion as at 30 June 2011, as against $5.71 billion previously attributable mainly to a substantial land acquisition in Singapore during the Year. Arising primarily from this acquisition, loans and borrowings also increased by $2.57 billion as at 30 June 2011. Net gearing naturally went up as well. We expect gearing and cashflow to improve as collections are progressively received from sales.

DIVIDENDS

In line with the Group's objectives to deliver stable and reasonable returns to shareholders, the Board is pleased to recommend a first and final dividend of 8 cents per share for the Year. This dividend is subject to shareholders' approval at the Annual General Meeting scheduled for 14 October 2011 and if approved, shall be paid to shareholders on 10 November 2011. This dividend in percentage terms is in line with what we have paid over many years but is higher in absolute terms in view of the increased capital.

BUSINESS REVIEW

The Group is focused on maintaining business sustainability for long-term growth. Over the years, we have gradually transformed ourselves into a more diversified property group, having expanded our property portfolio to include large-scale integrated developments. We are now undertaking 5 integrated developments in Singapore, China, Malaysia and Vietnam. These projects, which comprise a mix of development and investment properties, will contribute to our core earnings, and in the longer term, create a base for recurrent income from the commercial components which we hope to lease out.

1. SINGAPORE

Singapore enjoyed an impressive economic growth of 14.5% in 2010. The relatively strong economic growth, coupled with high job rates and low interest, helped boost the private residential property market. Home sales hit a record high of 16,292 units, surpassing the previous peak of 14,811 units in 2007. The private home price index climbed 17.6% in 2010. Subsequently, the Government introduced various measures to temper sentiments and rein in speculation. Demand for private homes moderated to 8,039 units in the first half of 2011, down from the 8,413 units sold in the same period of 2010. In 2Q 2011, prices of private homes also increased by a slower 2.0% as against the 2.2% increase in the previous quarter. The efforts by the Government seem to have worked. For developers with landbanks at high prices, the challenges would have increased. We have not been bidding at what we consider unreasonable prices and hence, are in a good position to take advantage of a lowering of prices for land if this comes about.

On the back of the strong Singapore economy and low interest rates, the Group will continue to identify new opportunities.

New landbank – acquisition of the *Tanjong Pagar site*

The Group was awarded the tender for the purchase of the white site at Peck Seah Street / Choon Guan Street in November 2010 for a consideration of $1.7 billion. This 15,023 square metre *Tanjong Pagar site* occupies a prime location above the Tanjong Pagar MRT station to which it will have access. The total development cost (including land cost) is expected to be about $3.2 billion. This iconic development within the Central Business District will comprise Grade A office and retail space, quality residences and an international hotel. The project will transform Tanjong Pagar into a live-work-play precinct in the CBD, in line with the Planner's vision for the area and Singapore's position as a leading global financial and business hub.

In June 2011, the Group signed a joint venture with Employees Provident Fund ("EPF") of Malaysia to sell a 20% stake in the *Tanjong Pagar site*. We are happy with this strategic alliance with a solid partner like EPF, which is Malaysia's premier pension fund, managing about US$149 billion worth of assets (as at 31 March 2011). We look forward to a fruitful collaboration with EPF in the years ahead.

Projects under development

The Group also has, in the pipeline, *Leedon Residence*, which is likely to be launched in the current year. Its freehold status located next to the Leedon Good Class Bungalow area will ensure that this prestigious project will be an upmarket classic residential project in a highly desirable area in Singapore.

In addition, we have 4 other projects currently under development. As construction progresses, we will be able to recognise ongoing profits from these projects when temporary occupation permits are obtained. These include:

- *Goodwood Residence*, a freehold and luxurious 210-unit development located next to Goodwood Hill in District 10. The project is now about 60% sold. We are preparing to relaunch the remaining units in the current year.
- *Sophia Residence*, a 272-unit development located in Mount Sophia in District 9, which is 99% sold.
- *The Waterline*, a 103-unit condominium off Yio Chu Kang Road, officially launched in November 2010. The project is about 60% sold.
- *Elliot at the East Coast*, a freehold residential development comprising 119 units in the popular East Coast area, which is fully sold.

As an eco-friendly aspiring developer, the Group has in the last few years, received recognition for its "green" features in its various development projects from the Building and Construction Authority ("BCA") under its

Green Mark Awards programme. We are pleased that *Leedon Residence* and *The Waterline* have won the BCA Green Mark Gold^{Plus} Award and the BCA Green Mark Gold Award, respectively. These awards bear testament to our commitment as an award-winning developer.

2. CHINA

After ending 2010 with a solid 10.3% economic growth, China's economy eased to a 9.5% growth in the second quarter. In June this year, inflation hit a 3-year high of 6.4%, fueled by rising food and property prices. Despite the government's curbs on property to rein in speculation, home sales appeared to remain robust, especially in China's third and fourth-tier cities. In June 2011, home transactions increased 31% from May 2011. For the first half of 2011, sales climbed 22% from a year earlier. More cooling measures may possibly be implemented. Aggressive monetary tightening measures could also lead to heightened caution by homebuyers.

Notwithstanding the current challenges in the China real estate sector, the Group is optimistic on the growth potential and opportunities. We are a long-term investor in China and will continue to maintain our presence there and will focus on developing quality projects. We are pleased that our 2 integrated developments, namely, *Guoson Centre* in Beijing and *Guoson Centre* in Shanghai were conferred the "Best International Mixed Use Development" at the International Property Awards held in association with Bloomberg Television in United Kingdom in November 2010.

New landbank

During the Year, the Group added another choice site to its property portfolio, after having won the tender for a 47,675 square metre site in the Shanghai Changfeng Ecological Business District in September 2010. The acquisition is a 50-50 joint venture with our parent company, Guoco Group Limited. The site, which has a plot ratio of 2.57, is planned for residential use.

Projects under development

The Group has made good progress for its 2 integrated projects in Shanghai and Beijing, as well as its residential development in Tianjin.

Shanghai

In Shanghai, construction for the Group's *Guoson Centre*, a 492,272 square metre integrated development, progressed satisfactorily. The 5-star 442-room *Guoman Hotel* commenced operations in July 2010. We also sold the remaining 354 SoHo (small office, home office) units during the Year. *Guoson Mall*, the retail component of *Guoson Centre* in Shanghai opened Phase 1 of about 25,000 square metres of net lettable area in December 2010. The next phase, comprising office and retail, and which has a gross floor area of about 143,000 square metres, is under construction.

Beijing

In Beijing, construction for *Guoson Centre*, located in downtown Beijing, is progressing well. When completed, the 595,812 square metre landmark development will have one of the largest retail complexes in the Dongzhimen area, and its twin office towers of 170 metres will also be amongst the tallest in the vicinity. In addition, the development will also have luxurious residences and a 5-star hotel.

Tianjin

In Tianjin, work is in progress for *Seasons Park*, a 1,176-unit development in the Laochengxiang area in the Nankai District which is partly sold.

3. MALAYSIA

Malaysia's economy posted a 7.2% growth in 2010, a rebound from a 1.7% contraction in 2009. For the first half of this year, the economy grew 4.4%, driven by strong domestic demand. However, growth is expected to ease to 5.2% in 2011, reflecting moderate growth across Asia.

In October 2010, the government announced an ambitious Economic Transformation Programme ("ETP") to upgrade Malaysia into a high-income nation by 2020. Key growth engines of ETP include transforming Greater KL / Klang Valley to be among the top 20 most liveable cities in the world. The property market is expected to benefit from the implementation of the ETP, as it seeks to drive rapid growth in the Greater KL / Klang Valley area.

Business operations

The Group's presence in Malaysia is through GuocoLand (Malaysia) Berhad ("GLM"), its 64.98% subsidiary which is listed on Bursa Malaysia. GLM's portfolio of residential and commercial properties include *Damansara City*, an integrated development in Damansara Heights, the *Emerald* in Rawang and *Commerce One* in Old Klang Road. *Commerce One*, an office tower, was launched for sale during the Year. Take-up was positive and the 21-storey tower of office suites is to-date 67% sold. We are also pleased that *Ebony Parkhomes*, comprising 109 double-storey link homes, and which is part of *Emerald*, a sprawling master-planned residential site, is fully sold.

GLM also owns about 21.7% of Tower Real Estate Investment Trust ("Tower REIT"), which is listed on Bursa Malaysia. Tower REIT has an investment portfolio of 3 quality commercial assets in the heart of Kuala Lumpur. These commercial buildings – *Menara HLA*, *Menara ING* and *HP Towers* combine to yield a net lettable area of approximately 84,000 square metres.

4. VIETNAM

Vietnam's economy grew 6.8% in 2010, beating the government's forecast of 6.5% but growth is expected to moderate to 6.1% for 2011, according to the Asian Development Bank. While the economic outlook is positive, challenges lie ahead as the government faces soaring inflation and widening trade deficit. The government has adopted tightening monetary and fiscal measures to curb inflation which is expected to climb to 17% in 2011.

The Group's integrated development in Vietnam - *The Canary*, is located next to the Vietnam Singapore Industrial Park in Binh Duong Province, north of Ho Chi Minh City. *Homez @ The Canary*, comprising 237 units which is Phase 1 of the residential component has been completed and the temporary occupation permits obtained. Work is now underway for Phase 2 of the residential component.

LOOKING AHEAD

Singapore grew an impressive 8.3% in 1Q 2011. However, 2Q 2011 growth took a sharp turn downwards and in the light of the uncertainties in the global economy, the Government has now projected a slower growth of 5% - 6% for the whole year.

With worries ensuing from the debt crises in the United States ("US") and Europe, the outlook for the global economy is of necessity cautious. A troubled Eurozone and concerns of a US double-dip recession emerging have raised the threat of a sharp global economic slowdown although a dreaded recession is not expected.

Given the volatile international environment, the Group expects business conditions in the countries in which we operate to continue to be challenging. We are mindful that in our home market, government measures to maintain a stable and sustainable property market will affect demand and prices for private homes. In the region, the Group continues to monitor country risks which could affect demand for private housing. The Group remains reasonably optimistic that growth in the major Asian economies in which it operates will continue and demand for quality housing will also be sustained.

The Group needs to remain vigilant and nimble. With sound financial and investment management disciplines in place, we believe that we will continue to grow in the geographical markets in which we operate.

NEW DIRECTOR

I would like to welcome Mr. Francis Siu Wai Keung, our new non-executive independent director, who was appointed to the Board in December 2010. Mr. Siu is also an independent member of the Audit Committee, and brings with him many years of valuable experience in the areas of audit and finance and a detailed knowledge about China.

A NOTE OF APPRECIATION

I wish to thank my fellow directors for their guidance and counsel during the past year. On behalf of the Board, I am also grateful to the Management and staff for their hard work and dedication. Last but not least, my deep appreciation to our bankers, shareholders, customers and business associates for their continued support.

SAT PAL KHATTAR

2 September 2011

Highlights Of The Year

1. Building agreement signing ceremony for Tanjong Pagar white site 2. Signing with Employees Provident Fund in June 2011
3. International Property Awards ceremony in London

AUGUST 2010

The Company ("GuocoLand") undertook a one-for-three rights issue of 295.84 million new shares at $1.80 each. The rights issue which raised gross proceeds of about $532.52 million was completed in December 2010.

SEPTEMBER 2010

GuocoLand signed a $50.0 million Islamic Financing Facility for 3 years. The Islamic Financing will strengthen the Group's financial position to tap into the regional real estate opportunities.

GuocoLand China together with a wholly-owned subsidiary of Guoco Group Limited tendered successfully on a 50-50 basis for a land parcel known as *Plot 9* in Changfeng District of Shanghai at a price of RMB3.04 billion. The site of approximately 47,675 square metres is for residential use and has a tenure of 70 years.

NOVEMBER 2010

GuocoLand Singapore was awarded the tender for a prime white site at Peck Seah Street / Choon Guan Street at a bid price of $1.7 billion. When completed, the 1.7 million square feet integrated development in the Tanjong Pagar area will comprise Grade A office and retail space, an international hotel and exclusive residential apartments.

GuocoLand Singapore officially launched *The Waterline*, a freehold residential development of 103 units located along Yio Chu Kang Road.

Guoson Centre in Beijing and *Guoson Centre* in Shanghai won the International Property Awards for "Best International Mixed Use Development", a first for a Chinese project since the Awards' inception in 1995.

FEBRUARY 2011

GuocoLand Singapore signed the building agreement with the Government of Singapore for the Tanjong Pagar white site at Peck Seah Street / Choon Guan Street.

MAY 2011

At the annual Building and Construction Authority ("BCA") Awards, the Group was awarded a Green Mark Gold[Plus] Award and a Green Mark Gold Award for *Leedon Residence* and *The Waterline* respectively. The BCA Green Mark Awards seek to recognise developers and building owners with a strong commitment towards environmental sustainability.

JUNE 2011

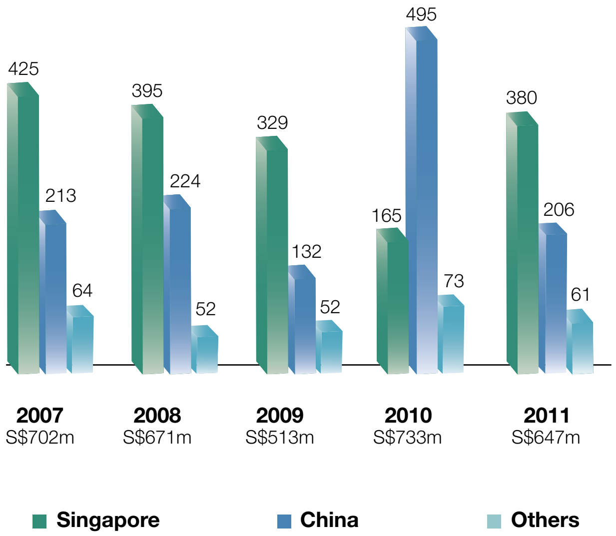
GuocoLand Singapore signed an agreement with Employees Provident Fund of Malaysia ("EPF") to jointly develop the Tanjong Pagar white site at Peck Seah Street / Choon Guan Street. Following the completion, GuocoLand (Singapore) Pte. Ltd. holds 80% and the EPF subsidiaries hold 20% of the shares in the joint developers undertaking the development.

Financial Highlights

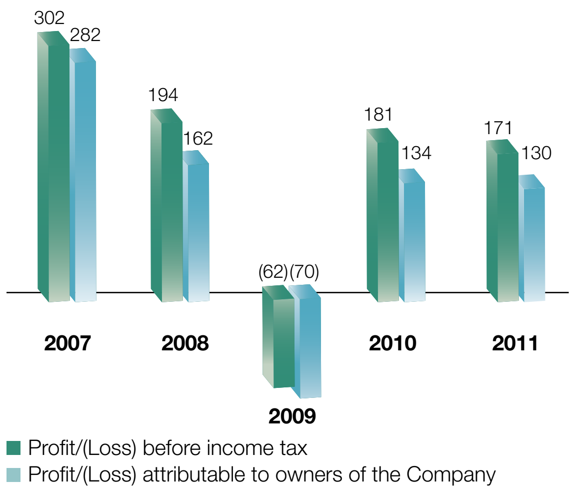
Year ended 30 June	2011 S$'000	2010 S$'000	2009 S$'000	2008 S$'000	2007 S$'000
Income Statements					
Revenue by business segments					
Property development	**597,165**	694,288	478,554	615,730	652,813
Property investment	**16,319**	18,251	19,178	23,228	17,625
Hotel operations	**29,553**	17,001	10,162	19,598	23,896
Other operations	**4,219**	3,222	5,118	12,337	8,145
Total Revenue	**647,256**	732,762	513,012	670,893	702,479
Profit/(Loss) before income tax	**171,432**	180,525	(62,478)	194,426	302,237
Profit/(Loss) attributable to owners of the Company	**130,220**	134,306	(70,203)	161,840	281,892
Proposed dividends (ordinary) [1]	**88,781**	66,586	41,446	65,744	65,516
Statements of Financial Position					
Property, plant and equipment	**361,592**	236,222	159,678	141,304	130,065
Investment properties	**1,651,877**	427,545	367,678	449,086	363,976
Interests in associates and jointly-controlled entities	**195,041**	194,377	187,528	189,531	438,113
Inventories	**4,550,864**	3,946,237	4,397,094	4,461,662	1,555,849
Cash and cash equivalents	**1,188,342**	656,432	581,796	654,461	1,092,564
Other assets	**328,757**	254,031	166,251	96,930	380,391
Total Assets	**8,276,473**	5,714,844	5,860,025	5,992,974	3,960,958
Share capital	**1,926,053**	1,394,047	1,394,047	1,394,047	839,716
Reserves	**508,314**	619,226	549,635	581,528	566,299
Equity attributable to owners of the Company	**2,434,367**	2,013,273	1,943,682	1,975,575	1,406,015
Non-controlling interests	**139,101**	126,944	120,818	152,956	165,200
Total equity	**2,573,468**	2,140,217	2,064,500	2,128,531	1,571,215
Interest bearing loans and borrowings	**5,185,630**	2,614,992	2,886,532	3,032,991	2,006,288
Other liabilities	**517,375**	959,635	908,993	831,452	383,455
Total liabilities	**5,703,005**	3,574,627	3,795,525	3,864,443	2,389,743
Total Equity and Liabilities	**8,276,473**	5,714,844	5,860,025	5,992,974	3,960,958
Ratios					
Net tangible assets per share (S$)	**2.19**	2.42	2.37	2.41	2.30
Net asset value per share (S$)	**2.19**	2.42	2.37	2.41	2.30
Basic earnings per share (cents) [2]	**12.79**	15.13	(7.99)	18.86	37.92
Gross ordinary dividend per share (cents)	**8**	8	5	8	8

Note:-
1. The amount is derived after deducting dividends to be paid in respect of ordinary shares of the Company which were held by the Trust for Executives' Share Option Scheme.
2. Earnings per share were computed based on the weighted average number of shares in issue during the financial year, adjusted for the bonus element of the Rights Issue.

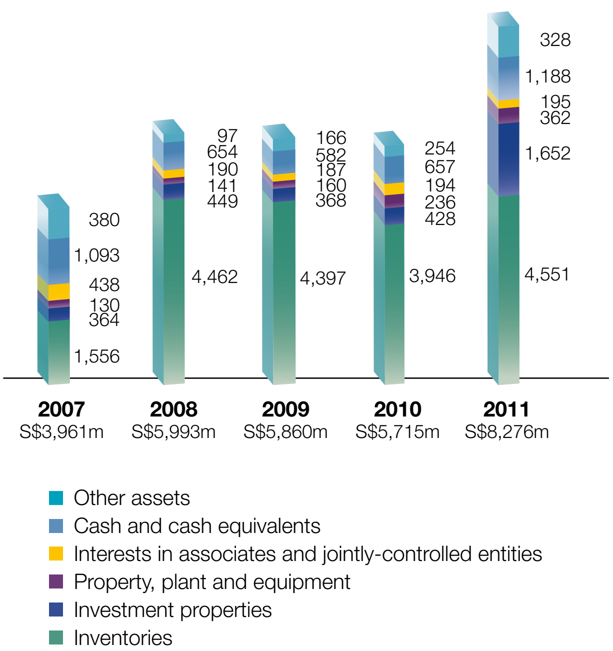
GROUP REVENUE (S$ MILLION)



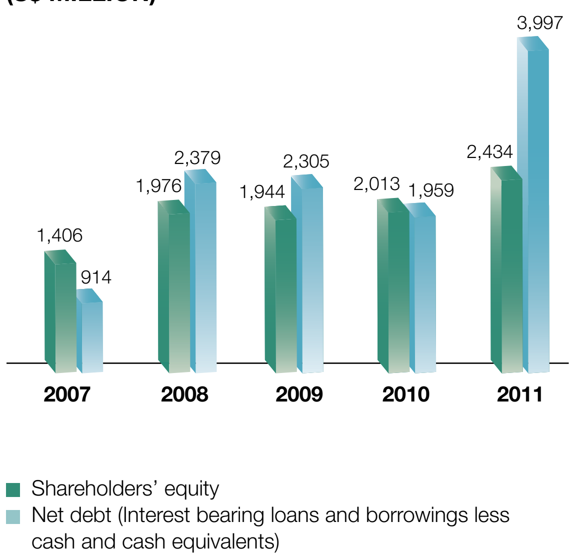
GROUP PERFORMANCE (S$ MILLION)



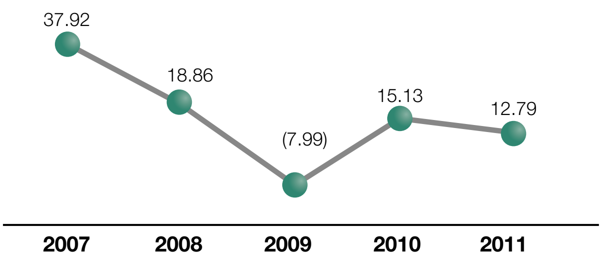
GROUP TOTAL ASSETS (S$ MILLION)



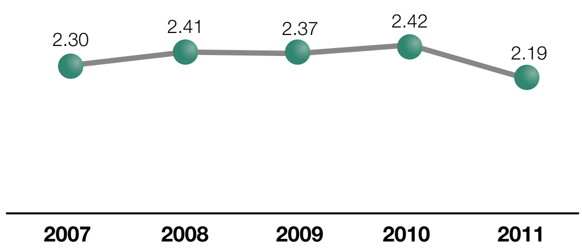
SHAREHOLDERS' EQUITY AND NET DEBT (S$ MILLION)



BASIC EARNINGS PER SHARE (CENTS)*



NET ASSET VALUE PER SHARE (S$)



* Earnings per share were computed based on the weighted average number of shares in issue during the financial year, adjusted for the bonus element of the Rights Issue.

Corporate Governance

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

The framework of the Company's corporate governance as set out in its own Code of corporate governance is substantially in line with the principles of the Singapore Code of Corporate Governance ("Code") issued by the Singapore Exchange Securities Trading Limited ("SGX-ST").

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

(A) BOARD MATTERS

Board's Conduct of Its Affairs
Principle 1

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

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

The Board meets at least on a quarterly basis to review inter alia the Company's quarterly results. During the last financial year, the Board held four meetings. New directors are apprised of the business activities of the Group and its strategic directions. As provided in the Company's Articles of Association, Directors may convene Board meetings by teleconferencing or videoconferencing.

All Directors are provided with relevant information on the Company's policies, procedures and practices relating to governance issues, including disclosure of interests in securities, dealings in the Company's securities, restrictions on disclosure of price sensitive information and disclosure of interests relating to the Group's businesses. Directors are also updated regularly on key regulatory and accounting changes at Board Meetings.

Board Composition and Balance
Principle 2

Currently, the Board comprises seven well-qualified members who are business leaders and professionals with financial, banking and legal backgrounds. The Board considers its present size to be appropriate after taking into account the current nature and scope of the Group's operations. Profiles of the Directors are set out on pages15 and 16. The majority of the Directors are non-executive and are considered independent by the Nominating Committee. The Nominating Committee determines annually the independence of Directors.

Board Committees

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

1. ***Executive Committee:*** The Executive Committee is entrusted with the conduct of the Company's business and affairs, in line with the overall strategy set by the Board. The members of the Executive Committee are Messrs Quek Leng Chan (who is the Chairman), Quek Chee Hoon (who is the Group President and Chief Executive Officer ["CEO"]) and Kwek Leng Hai, and certain key senior Management personnel. During the last financial year, the Executive Committee held six meetings.

2. ***Audit Committee:*** The members of the Audit Committee comprise Messrs Reggie Thein (who is the Chairman), Timothy Teo and Francis Siu, all of whom are non-executive Directors and are considered independent. As part of the Company's corporate governance practices, the CEO participates at all Audit Committee meetings. The Audit Committee held four meetings during the last financial year.

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

4. ***Nominating Committee:*** This committee comprises three non-executive Directors, two of whom are considered to be independent. Mr Sat Pal Khattar chairs the Nominating Committee and the other members are Messrs Kwek Leng Hai and Timothy Teo. This committee which meets at least annually, held two meetings in the last financial year.

5. ***Remuneration Committee:*** This committee comprises two non-executive independent Directors (Mr Sat Pal Khattar who is the Chairman and Mr Reggie Thein, member) and an executive non-independent director, Mr Quek Leng Chan. The Board is of the view that the

inclusion of an executive director in the Remuneration Committee is appropriate and in the best interests of the Company and its subsidiaries. The Remuneration Committee which meets at least annually, held two meetings in the last financial year.

Chairman and Chief Executive Officer
Principle 3

There is a clear division of responsibilities in the respective roles and functions of the Chairman and CEO as these appointments are held separately by Messrs Sat Pal Khattar and Quek Chee Hoon respectively. The Chairman oversees the Group's corporate governance structure and conduct, in particular, the effective functioning of the Board and its Board committees. The Chairman also ensures that shareholders' questions and concerns are addressed at the general meetings of the Company. The CEO leads the Management team by providing entrepreneurial leadership and strategic directions. He oversees the business operations and affairs of the Group and monitors the performance of Management against pre-agreed targets.

As the Chairman is a non-executive Director, the Company Secretary assists the Chairman to schedule and prepare agendas for Board meetings. The CEO ensures the quality and timeliness of information flow between the Board and Management, which comprises key executive personnel of the Company.

Board Membership
Principle 4

The Nominating Committee reviews and recommends all new Board appointments and also the re-nomination and re-appointment of Directors to the Board. As prescribed by the Company's Articles of Association and recommended by the Code, one-third of the Directors for the time being are required to retire from office and are subject to re-election by shareholders at the Company's Annual General Meeting ("AGM"). All Directors also retire from office and are subject to re-election at least once in every three years. Directors of or over 70 years of age are required to be re-appointed every year at the AGM under Section 153(6) of the Companies Act.

Board Performance
Principle 5

On an annual basis, the Nominating Committee assesses the effectiveness and performance of the Board as a whole and the contributions of each Director. The assessment takes into account the performance of the Company, attendance and contributions of Directors at meetings of the Board and Board Committees and Directors' participation in the affairs of the Company, including a review of matters such as the independence of Directors, their individual skills and experience as well as overall Board size and composition. The results of the Nominating Committee's assessment for the financial year ended 30 June 2011 had been communicated to and accepted by the Board.

Access to Information
Principle 6

Directors have separate and independent access to Management and the Company Secretary, whose role includes inter alia ensuring that Board procedures as well as applicable rules and regulations are complied with. The Company Secretary attends all Board and Board Committee meetings. Management keeps the Board apprised of the Company's operations and performance through regular updates and reports as well as through separate meetings and discussions. Directors may take independent professional advice at the Company's expense, if necessary.

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

(B) REMUNERATION MATTERS

Principles 7, 8 & 9

The Remuneration Committee, in consultation with the Executive Committee, reviews and recommends to the Board a framework of remuneration for the Board and key executives.

Non-executive Directors do not receive any salary. However, non-executive Directors receive directors' fees that are based on corporate and individual responsibilities and which are in line with industry norm. The fees for the Directors for the last financial year amounted in the aggregate to S$409,916 and are subject to the approval of shareholders.

The breakdown (in percentage terms) of the remuneration of the Directors of the Company is disclosed in Note 28c to the Financial Statement. The remuneration package comprising mainly salaries and bonuses, for the top seven key executives who are not Directors of the Company, is disclosed in bands of S$250,000 so as to maintain confidentiality of staff remuneration matters. This information is contained in Note 28d to the Financial Statement.

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

(C) ACCOUNTABILITY AND AUDIT

Audit Committee and Internal Controls
Principles 10, 11, 12 & 13

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

In performing its functions in the last financial year, the Audit Committee undertook, inter alia, the following:-

- reviewing the Group's quarterly, interim and final financial statements prior to submission to the Board;
- meeting with the Company's external and internal auditors, in the absence of Management;
- reviewing the independence of the Company's external auditors;
- ensuring that a review of the effectiveness of the Company's material internal controls (including financial, operational and compliance controls, and risk management) was conducted;
- noting or reviewing interested person transactions, as recorded in the Company's Register of Interested Person Transactions;
- reviewing all non-audit services provided by the external auditors of the Company and confirming that such non-audit services do not affect the independence of the external auditors; and
- reviewing the adequacy of the internal audit function.

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

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

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

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

(D) COMMUNICATION WITH SHAREHOLDERS

Principles 14 & 15

The Company ensures timely and adequate disclosure of information on matters of material impact to shareholders. Shareholders are provided with information on the Company's financial performance, position and prospects through announcements released through SGXNet and through the Company's annual reports, press releases to the SGX-ST and the Company's website at http://www.guocoland.com.sg.

Shareholders are given opportunities to participate at the Company's general meetings. The Board and Management are present at these meetings to address any questions that shareholders may have. The Company's external auditors are also present at the Company's annual general meetings to assist the Board in addressing any queries raised by shareholders.

Dealings in Securities

The Company has in its own Code of corporate governance provided guidelines to the Company's officers in relation to dealings in securities. These guidelines set out, inter alia, that officers should refrain from dealing in any securities of the Company at any time when in possession of unpublished price-sensitive information in relation to those securities, and during the Company's close period which is defined as two weeks immediately preceding the announcement of the Company's quarterly results or half yearly results and one month preceding the announcement of the annual results, as the case may be, up to and including the date of announcement of the relevant results. Officers are also reminded to refrain from dealing in the Company's securities on short-term considerations. These guidelines have been disseminated to all directors, officers and key employees of the Group.

Board of Directors

MR SAT PAL KHATTAR, *aged 68*

was appointed to the Board in 1988, and was last re-elected to the Board at the Company's Annual General Meeting in October 2009. He has been the Chairman of the Group since 1990. Mr Khattar is the Chairman of the Nominating Committee and Remuneration Committee which were established in September 2002. Mr Khattar is also a Director of other listed companies such as GuocoLeisure Limited, Haw Par Corporation Limited in Singapore and Guoco Group Limited in Hong Kong and Gateway Distriparks Ltd in India. Mr Khattar holds a LLM degree and a LLB (Hons) degree from the University of Singapore.

Mr Khattar chaired the Board, Nominating Committee and Remuneration Committee meetings of the Company held during the financial year ended 30 June 2011.

MR QUEK CHEE HOON, *aged 58*

was appointed to the Board in 1998, and is proposed for re-election at the Company's Annual General Meeting to be held on 14 October 2011. He is the Group President and Chief Executive Officer of the Group. Mr Quek has 34 years' extensive experience in various investment, corporate and management activities, including property related activities and businesses. Mr Quek holds a Bachelor of Accountancy degree from the University of Singapore.

Mr Quek attended all the Board and Executive Committee meetings of the Company held during the financial year ended 30 June 2011. He also participated at all the Audit Committee meetings, held during the financial year ended 30 June 2011 in his capacity as the Group President and Chief Executive Officer of the Company.

MR QUEK LENG CHAN, *aged 68*

was appointed to the Board in 1988, and was re-elected to the Board at the Company's Annual General Meeting held in October 2010. He is the Chairman of the Executive Committee and a member of the Remuneration Committee. Mr Quek is the Chairman and Chief Executive Officer of Hong Leong Company (Malaysia) Berhad ("HLCM") and he sits on the Boards of Directors of the major public listed companies of HLCM. He is also the Executive Chairman of Guoco Group Limited, the Company's intermediate holding company in Hong Kong. Mr Quek qualified as a Barrister-at-Law from Middle Temple, United Kingdom and has extensive business experience in various business sectors, including financial services, manufacturing and real estate.

Mr Quek attended all the Board, Executive Committee and Remuneration Committee meetings of the Company held during the financial year ended 30 June 2011.

MR KWEK LENG HAI, *aged 58*

was appointed to the Board in 1988, and is proposed for re-election at the Company's Annual General Meeting to be held on 14 October 2011. He is a member of the Nominating Committee. Mr Kwek is the President, CEO of Guoco Group Limited in Hong Kong. His directorships in other public listed companies include Hong Leong Bank Berhad, GuocoLeisure Limited and Lam Soon (Hong Kong) Limited. He is also a director of Bank of Chengdu Co., Ltd. Mr Kwek qualified as a chartered accountant of the Institute of Chartered Accountants in England and Wales and has extensive experience in financial services, manufacturing and property investment.

Mr Kwek attended all the Board and Nominating Committee meetings, and the Executive Committee meetings of the Company held during the financial year ended 30 June 2011.

MR REGGIE THEIN, *aged 70*

was appointed to the Board in July 2002, and is proposed for re-appointment at the Company's Annual General Meeting to be held on 14 October 2011. He is Chairman of the Audit Committee and a member of the Remuneration Committee. He is also a Director of United Overseas Bank Limited, a Board member and Chairman of the Audit Committee of several listed companies in Singapore, among them Haw Par Corporation Limited, GuocoLeisure Limited, MobileOne Ltd, Keppel Telecommunications & Transportation Limited, FJ Benjamin Holdings Ltd and Otto Marine Limited.

Mr Thein is a member of the Governing Council and Vice Chairman of the Singapore Institute of Directors, a Fellow of the Institute of Chartered Accountants in England and Wales, and member of the Institute of Certified Public Accountants of Singapore. He was previously a Senior Partner of PricewaterhouseCoopers, Vice Chairman of Coopers & Lybrand, and Managing Partner of its management consulting services firm. In 1999, he was awarded the Public Service Medal by the President of Singapore.

Mr Thein attended the Board and Remuneration Committee meetings and chaired the Audit Committee meetings of the Company held during the financial year ended 30 June 2011.

MR TIMOTHY TEO LAI WAH, *aged 59*

was appointed to the Board in November 2008, and was last re-elected to the Board at the Company's Annual General Meeting in October 2009. He is a member of the Audit Committee and Nominating Committee. Mr Teo is also a Director in three other listed companies in Singapore and serves on the boards of National Library Board and St Luke's Elder Care Ltd.

Mr Teo was Director in charge of foreign exchange, money market, gold and commodities management in Government of Singapore Investment Corp, Singapore from 1998 to 2007. Prior to this, he was Director of Nuri Holdings (S) Pte Ltd, Singapore as consultant for risk management in Jakarta and Los Angeles from 1994 to 1998. Mr Teo was also with JP Morgan for 20 years in various overseas locations at senior management level (Managing Director) in Global Markets. Mr Teo holds a Masters Degree in Business Administration from Macquarie University, Sydney, Australia.

Mr Teo attended all the Board, Audit Committee and Nominating Committee meetings of the Company held during the financial year ended 30 June 2011.

MR FRANCIS SIU WAI KEUNG , *aged 57*

was appointed to the Board in December 2010, and is proposed for re-election at the Company's Annual General Meeting to be held on 14 October 2011. He is a member of the Audit Committee. Mr Siu is also an independent non-executive director of Hua Xia Bank, China, which is listed on the Shanghai Stock Exchange and CITIC Pacific Limited, which is listed on the Hong Kong Stock Exchange.

Mr Siu was a Senior Partner of KPMG Beijing Office, and Senior Partner of Northern Region, KPMG China from 2002 to March 2010. Prior to this, he was Senior Partner of KPMG Shanghai Office and Audit Partner in Hong Kong. Mr Siu holds a Bachelor of Arts in Accounting and Economics Degree from University of Sheffield, United Kingdom and he is a Fellow Member of the Institute of Chartered Accountants in England and Wales and a Fellow of the Hong Kong Institute of Certified Public Accountants.

Since Mr Siu's appointment in December 2010, he has attended 2 of the 4 Board meetings and 2 of the 4 Audit Committee meetings of the Company held during the financial year ended 30 June 2011.

Management Team

COUNTRY HEADS

MRS TRINA LOH
Singapore Country Head

Mrs Trina Loh is the Group Managing Director of GuocoLand (Singapore) Pte. Ltd. She joined the Group in 1999. Mrs Loh has 29 years of experience in various aspects of the real estate business, particularly in Singapore, United Kingdom and New Zealand. She is a member of the Singapore Institute of Surveyors and Valuers and an associate of the New Zealand Institute of Valuers. Mrs Loh holds a Bachelor of Property Administration degree from the University of Auckland, New Zealand.

MS VIOLET LEE
China Country Head

Ms Violet Lee is the Group Managing Director of GuocoLand (China) Limited. She joined the Group in 2000. Ms Lee has 27 years of working experience, spanning business development, marketing and management of various projects, including real estate related projects in China. Ms Lee holds a Bachelor of Accountancy degree from the National University of Singapore.

MR YEOW WAI SIAW
Malaysia Country Head

Mr Yeow Wai Siaw is the Managing Director of GuocoLand (Malaysia) Berhad. He joined the Group in June 2010. Mr Yeow has more than 20 years of working experience and has held key positions in listed companies in Malaysia in the manufacturing and building industry. During his past career, he has also served as a management consultant in McKinsey & Company. He holds a MBA in Finance from the University of Hull, United Kingdom, a Mini-MBA from INSEAD and a Bachelor of Industrial Engineering from the University Technology of Malaysia.

MR LAWRENCE PEH
Vietnam Country Head

Mr Lawrence Peh is the General Manager, Vietnam. He joined the Group in August 2007. Mr Peh has 24 years of experience and has held key positions in various companies in the property and real estate industry regionally. He holds a Diploma in Building Construction (Merit Award) from the Singapore Polytechnic, a Bachelor of Science (First Class Honours) in Construction and Management degree from the University of Reading, United Kingdom and a Master of Business Administration degree from the Murdoch University, Western Australia, under the Australian Equity & Merit Scholarship.

CORPORATE OFFICE

MR TAN TECK HUAT
Chief Financial Officer

Mr Tan Teck Huat is the Chief Financial Officer. He joined the Group in October 2008. Mr Tan has 24 years of working experience in major listed companies and has held various positions in corporate development and communications, corporate finance, corporate treasury and accounting. Mr Tan holds a Master of Arts and a Bachelor of Arts in Economics (Second Upper) from the University of Cambridge.

MRS DAWN PAMELA LUM
Group Company Secretary

Mrs Dawn Pamela Lum is the General Manager, Corporate Affairs and concurrently, the Group Company Secretary. She has been with the Group since 1987. Mrs Lum has a total of 35 years of working experience and has assumed key roles in the corporate and management functions of the Company. Mrs Lum holds a Bachelor of Law (Hons) degree from the University of Singapore. She was admitted to the Rolls of the Supreme Court of Singapore as an advocate and solicitor in 1977.

MR TOMMY NG
General Manager, Group HR

Mr Tommy Ng is the General Manager, Group HR. He joined the Group in September 2010. Mr Ng has 28 years of working experience in Human Resource and Human Capital Management. In his HR career, Mr Ng has worked in diverse industries such as transport, hospitality, finance, manufacturing and construction. Mr Ng holds a Master in Business Administration from the University of Strathclyde and a Diploma in Human Resource Management.


Tanjong Pagar
Site

Operations Review:

Singapore

In Singapore, GuocoLand is recognised as a developer of eco-friendly projects. For its commitment towards environmental sustainability, it has won the Building and Construction Authority ("BCA") Green Mark Awards for projects such as Goodwood Residence, Sophia Residence, Leedon Residence, The Waterline, Elliot at the East Coast and The Quartz.

TANJONG PAGAR SITE

The proposed integrated development at Tanjong Pagar, a prime location within the Central Business District, is set to be a world-class icon that will redefine the Singapore skyline.

Located above the Tanjong Pagar MRT station, the 1.7 million square feet development will feature premier Grade A office and retail space, an international hotel and exclusive residential apartments. Upon completion, the iconic integrated development will stand at a height of 280 metres and be amongst the tallest buildings in Singapore.

Internationally-acclaimed architectural firm Skidmore, Owings & Merrill ("SOM") will lead in the design of this project. SOM's impressive portfolio of works include the world's tallest building, Burj Khalifa in Dubai and the upcoming One World Trade Center in New York.

LEEDON RESIDENCE

Leedon Park Good Class Bungalow Area

Leedon Residence is located in prime District 10, next to the Leedon Park Good Class Bungalow enclave, a well-sought after address by the affluent and privileged. With an expansive site area of approximately 4.9 hectares, it will be one of the largest freehold residential developments in the district. Adding to the site's verdant greenery are lush meadows and mature trees as it is in the tree-conservation area.

Within walking distance to the upcoming Farrer Road MRT station, Leedon Residence enjoys the convenience of being close to Holland Village, Dempsey Hill and Orchard Road where a wide selection of vibrant shopping, fine dining and entertainment choices is available. Prominent schools in the vicinity include Nanyang Primary School, Raffles Girls' Primary School, Hwa Chong Institution, National Junior College and Nanyang Girls' High School.

Award-winning architectural firm, SCDA Architects Pte Ltd, has been appointed for this development. The project has won the BCA Green Mark Gold^{Plus} Award for its green features.

Goodwood
RESIDENCE

Artist's impression of Goodwood Residence

GOODWOOD RESIDENCE

Goodwood Residence is an exclusive freehold development nestled in the lush greenery of Goodwood Hill. Sitting on a prime 2.5 hectare site, its enviable location in the Orchard-Scotts area is just minutes away from Orchard Road, Singapore's popular shopping and entertainment district.

Designed by renowned consultants, WOHA Architects Pte Ltd and landscape specialist ICN Design International, the modern architecture of Goodwood Residence interacts dynamically with its surrounding greenery. The 210-unit development shares a 150-metre boundary with Goodwood Hill, a 20-hectare green lung. Limited tree-house cabana units perching among the verdant greenery will offer residents a unique lifestyle immersed in nature's beauty.

For its innovative approach to environmentally-conscious design, Goodwood Residence was awarded the prestigious BCA Green Mark Platinum Award.

SOPHIA RESIDENCE

Conveniently located at the Mount Sophia area in District 9, within the vibrant Arts and Cultural District, the freehold Sophia Residence will comprise 5 blocks totaling 272 units. Standing up to 14 storeys high, perched atop a hill, it will be the only high-rise condominium within the enclave. In its vicinity are reputable educational institutions such as Singapore Management University, School of The Arts and Nanyang Academy of Fine Arts. Popular museums, shopping malls, fine dining establishments, the Central Business District and downtown Marina Bay are also nearby.

Sophia Residence is just a short stroll to Dhoby Ghaut MRT station and Orchard Road. The Dhoby Ghaut MRT Hub serves the North-South, North-East and Circle Lines, providing unparalleled connectivity for residents. Accessibility is further enhanced with a foot access to Orchard Road and the Dhoby Ghaut MRT station. This contemporary and modern development is designed by well-known architectural firm WATG (Wimberly Allison Tong & Goo) of the United States and landscape specialist ICN Design International Pte Ltd.

Artist's impression of Sophia Residence

Showflat at Sophia Residence

For its environment-friendly features such as a unique residential roof garden of over 200 metres and use of renewable energy, Sophia Residence garnered the prestigious BCA Green Mark Platinum Award.

THE WATERLINE

Artist's impression of The Waterline

THE WATERLINE

The Waterline is a contemporary low-rise condominium located in a private residential locale off Yio Chu Kang Road. Unique features of the freehold 103-unit development will include direct lift access to the sky garden of penthouses and private pools for special ground floor units.

When completed, the development will be well served by the integrated transport hub comprising an air-conditioned bus interchange and the Serangoon MRT station serving both the North-East and Circle MRT lines. Within close proximity is Nex, a mega retail and entertainment mall of over 360 shops.

There are numerous reputable schools within close proximity to The Waterline, such as Rosyth School, Montfort Secondary School, Serangoon Junior College, Lycee Francais de Singapour (French International School) and The Australian International School Singapore.

Showflat at The Waterline

The Waterline has won the BCA Green Mark Gold Award for its eco-friendly features.

ELLIOT AT THE EAST COAST

Elliot at the East Coast is located in a tranquil residential enclave in the east, a choice location for a tropical beach-living lifestyle. This freehold low-rise condominium along Elliot Road and Marine Parade Road will comprise 119 units of 1- to 4-bedroom apartments with 4-bedroom units offering private lift access. The penthouse units come with outdoor showers while premier ground floor units offer private pools.

Artist's impression of Elliot at the East Coast

Home owners will have easy access to a vibrant mix of amenities such as East Coast Park, shopping centres, popular food haunts and reputable schools.

THE VIEW @ MEYER

The View @ Meyer is an exclusive 45-unit freehold development in the popular Meyer Road neighbourhood. Residents enjoy full exclusivity with each spacious seafront unit being accessible via private lifts.

The View @ Meyer

Within reach of The View @ Meyer is a wide variety of lifestyle and entertainment options given its proximity to the Marina Bay Sands integrated resort, the Gardens by the Bay, the Esplanade - Theatres on the Bay and the Singapore Flyer.

PROPERTY RELATED SERVICES

The Group through its subsidiary, GuocoLand Property Management Pte. Ltd., which has more than 22 years of experience in property-related services continues to provide its strong in-house experience and competence to the Group's projects. The Group owns www.myhome.com.sg, an internet portal that provides new home buyers with updates on the construction progress of their units. The portal also serves as a convenient one stop facility booking system for existing home owners.

Tung Centre

TUNG CENTRE

Tung Centre is the Group's flagship office building. This excellently located 24-storey office block provides prime office space in Singapore's Central Business District and is within walking distance of the Raffles Place MRT station. Facing the upcoming and vibrant Marina Bay area, Tung Centre is fully leased and some of its prominent corporate tenants include BNP Paribas, Commerzbank AG, Munich Management Pte. Ltd. and HL Bank.


GuosonCentre

Operations Review:

China

GuocoLand has been active in China since 1994 and is an established property developer in China with a sizeable portfolio of properties in the major cities of Beijing, Shanghai, Nanjing and Tianjin.

In 2010, Guoson Centre in Beijing and Guoson Centre in Shanghai won the "Best International Mixed Use Development" at the International Property Awards held in association with Bloomberg Television in United Kingdom.

Artist's impression of Guoson Centre

GuosonCentre
国盛中心

GUOSON CENTRE • BEIJING • DONGZHIMEN

The multi-award winning development, Guoson Centre is strategically located in downtown Beijing. It will comprise the 159,229 square metre Guoson Mall, the 5-star 443-room Guoman Hotel Beijing, twin Grade A Office Towers, the luxurious Guoson Residences and the 40,000 square metre rooftop garden, Guoson Green. With a total gross floor area of 595,812 square metres, this landmark development will have one of the largest retail complexes in the Dongzhimen area while its twin office towers of 170 metres high are amongst the tallest buildings in the area.

This development houses Asia's largest transportation hub with a well-connected network of bus interchange, subway and light railway lines and an airport express train to Beijing Capital International Airport in 16 minutes. With its unbeatable location in downtown Beijing, Guoson Centre is poised to offer excellent business opportunities and investment potential.

GuosonCentre
国盛中心

Artist's impression of Guoson Centre

GUOSON CENTRE • SHANGHAI • CHANGFENG

The iconic integrated development sits on a 143,845 square metre site, situated within the Changfeng Ecological Business District, in the Putuo District. It has a gross floor area of 492,272 square metres consisting of the 129,635 square metre Guoson Mall, the 5-star, 442-room Guoman Hotel Shanghai, Grade A Office Towers, 354 SoHo (Small office, Home office) units and serviced apartments.

Guoson Centre is strategically located at the crossroads of the Zhongshan Park, Gubei and Hongqiao commercial districts. A 10-minute drive to the Hongqiao integrated transportation hub provides superb inter-city connectivity via express train, air-flight, magnetic suspension train and buses.

Inspired by the adjacent Changfeng Park, Guoson Centre extends the lush greenery to its doorsteps by incorporating eco-friendly features such as a rain collection system and use of environment-friendly building materials. The Guoson Mall also provides a unique "shopping in the park" experience with terraced landscaping, lush foliage and water features.

金融大街 • 气质名宅
西城晶华
West End Point

West End Point

WEST END POINT, BEIJING

Located in the city centre and within the West Second Ring Road where residential property is scarce and highly sought after, West End Point brings modern luxury to the heart of the city. Drawing inspiration from traditional "Hutong" and courtyard living, the development offers unique features such as five courtyards themed around wood, fire, water, earth and metal and a 'submerged' clubhouse.

Situated on a 36,501 square metre site, the development comprises 810 units and 37 retail shops. Directly facing the Political Consultative Conference Assembly Hall and close to historical landmarks such as Tiananmen Square and Forbidden City, West End Point is well served by an extensive transport network of subways and bus lines. West End Point is also near the high-end Seasons Place Shopping Centre and three posh, international five star hotels.

阳光晶典
SEASONS PARK

Artist's impression of Seasons Park

SEASONS PARK, TIANJIN

Located in Laochengxiang, a cultural, commercial and historic hub in the Nankai District, Seasons Park comprises 1,176 apartments spreading over seven high-rise blocks. Occupying a 25,866 square metre site, Seasons Park is the Group's first residential development in Tianjin, a city with a population of more than 13 million. Tianjin is one of the largest commercial, financial and industrial hubs in northern China, and just a 30-min train ride from Beijing.

Seasons Park will offer residents a distinctive lifestyle with amenities such as a supermarket, shopping centre, department store, restaurants and hotels located nearby.

The scenic Purple Mountains in Nanjing's Xuanwu District

NANJING – GUJIAYING SITE

Sitting on a sizeable 296,002 square metre site and located near the scenic Purple Mountains in the Xuanwu District, the proposed development will be served by a fully integrated transport network including the subway line, the Huning Highway and Ninghang Road.

Camden Park 天第晶华

CAMDEN PARK, SHANGHAI

Camden Park is the Group's second project within the Changfeng Ecological Business District, in the Putuo District of Shanghai. The 47,675 square metre site is next to the Group's Guoson Centre in Shanghai and is planned for a high-end residential development with green features.

This prime site has close proximity to the Hongqiao integrated transportation hub that offers connectivity to Shanghai city centre and other cities including Hangzhou, Nanjing and Beijing. Access will be further enhanced with subway line 13 which is under construction and line 15 which is under planning.

Operations Review:

Malaysia

Listed on the Main Market of Bursa Malaysia Securities Berhad, GuocoLand (Malaysia) Berhad ("GLM") is a 64.98% subsidiary of GuocoLand. It has an established presence in Malaysia with property development and investment, and hotel & resort holdings activities. Its portfolio includes prime office and residential properties in Kuala Lumpur and Greater Kuala Lumpur.

Artist's impression of Damansara City

DC
damansara
heights

DAMANSARA CITY, DAMANSARA HEIGHTS

Damansara City, a flagship development of GLM, is located in the commercial and residential hub of Damansara Heights. It is in the immediate vicinity of affluent suburbs such as Bangsar and Bukit Kiara and enjoys ample amenities, facilities and transport services.

Sitting on a sprawling freehold site area of 3.4 hectares, the proposed integrated development will comprise two landmark office towers, two luxurious residential towers, a 5-star hotel and a lifestyle retail mall.

Damansara City was one of the 19 entry point projects announced in January 2011 under the government's Economic Transformation Programme ("ETP") to transform Malaysia into a high-income nation by 2020. As an entry point project, Damansara City will help to drive rapid growth in the Greater Kuala Lumpur / Klang Valley area.

COMMERCE ONE

COMMERCE ONE, OLD KLANG ROAD

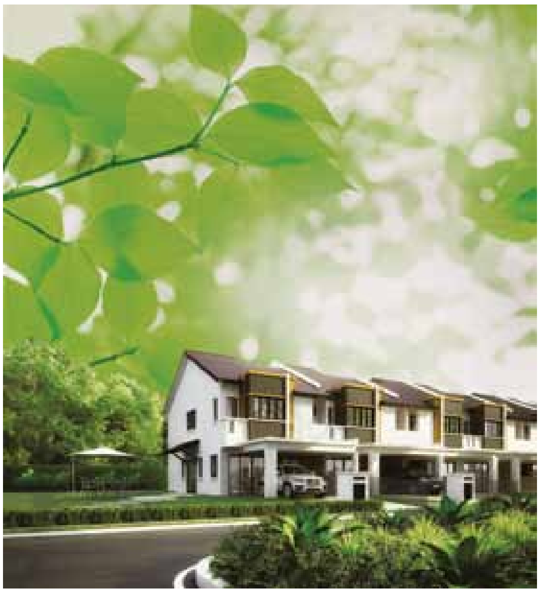
Facing Old Klang Road with close proximity to Mid Valley and the city centre, Commerce One is an exciting commercial hub. This development comprises a block of office suites above a block of 5-storey shop offices and offers complete facilities including a business centre, meeting rooms, gymnasium, lifestyle F&B outlets, as well as a 7-storey car park.

Commerce One boasts unparalleled connectivity to the city centre via the major highways of Kuala Lumpur namely the Federal Highway, the New Pantai Expressway (NPE), the KL Shah Alam (KESAS) Expressway and the Lebuhraya Damansara-Puchong (LDP) Highway.

Artist's impression of Commerce One

emerald
RAWANG


Artist's impression of Kayenne at Emerald


Artist's impression of Cassis at Emerald

EMERALD, RAWANG

Surrounded by the undulating green foothills of Rawang, Selangor, the spacious 405 hectare township, Emerald comprises link, cluster, semi-detached houses and bungalows.

The guarded Emerald enclave enjoys easy access to the city and its nearby suburbs via the North-South Highway. Upcoming amenities that will benefit the township include a new shopping centre and a Chinese school which are expected to be completed by the end of 2011.

TOWER REIT

In April 2006, GLM established and listed a Real Estate Investment Trust ("REIT") known as Tower REIT on the Main Market of Bursa Malaysia Securities Berhad. Tower REIT is managed by GLM REIT Management Sdn Bhd, a wholly-owned subsidiary of GLM. GLM has an approximately 21.7% interest in Tower REIT. As at 30 June 2011, Tower REIT's investment portfolio comprises three strategically located prime commercial buildings in Kuala Lumpur, namely Menara HLA, Menara ING and HP Towers which have a total net lettable area of about 84,000 square metres.

Menara HLA

MENARA HLA

Located opposite KLCC in the heart of Kuala Lumpur's Golden Triangle, this 32-storey office tower has approximately 36,866 square metres of lettable area including a 4-level basement car park. Menara HLA is currently occupied by a variety of national, regional and local tenants. Anchor tenants include Padibernas National Berhad and Aker Engineering Malaysia Sdn Bhd. Occupancy rate as at 30 June 2011 was 99%.

Menara ING

HP Towers

MENARA ING

Situated along Jalan Raja Chulan, a sought-after office address within the Golden Triangle, this 20-storey office tower has an annexed three and a half-storey office block and two split-level basement car parks. As at 30 June 2011, Tower REIT owns 82.99% which is equivalent to approximately 14,903 square metres and 100% of the car park bays. The floor areas owned by Tower REIT are leased out to the ING Insurance Bhd group of companies and the occupancy rate was 98% as at 30 June 2011.

HP TOWERS

Located in the commercial area of Bukit Damansara, HP Towers comprises two blocks of 9 storeys and 21 storeys, 3 levels of connecting podium and 4 levels of basement car park with a lettable area of approximately 32,521 square metres. With an occupancy rate of 71% as at 30 June 2011, major tenants include Hewlett-Packard (M) Sdn Bhd and Valuecap Sdn Bhd.

Operations Review:

Vietnam

Through its subsidiary, GuocoLand Vietnam (S) Pte Ltd, the Group is developing The Canary, an integrated development in Ho Chi Minh City.

Artist's impression of Canary Heights

THE CANARY, BINH DUONG PROVINCE

Located in Binh Duong Province, one of Vietnam's leading provinces in terms of socio-economic development and per capita income, The Canary is being developed on a 17.5 hectare site which is just 30 minutes from Ho Chi Minh City. It is also directly across the 27-hole Song Be golf course at the gateway of the Vietnam Singapore Industrial Park and is well served by Highway 13 which runs parallel to the site.

The Canary comprises about 1,200 residential apartments to be developed over 4 phases, a good class international hotel, a 82,000 square metre retail mall, a sports complex and educational facilities. This sizeable development offers an integrated Work-Live-Play environment, raising the bar of a city lifestyle for the residents in this area.

Phase 1 of the residential component has been completed and handed over while development of Phase 2 of the residential component and shop lots are well underway.

Human Resource

1. GuocoLand Group & Affiliated Companies Bowling Tournament 2011 2. Staff outing to Kukup Kelong
3. 2nd REDAS Dragonboat competition 4. Pilates class 5. Annual Dinner & Dance

People development is core to our future growth and to this end, we are committed to providing an engaging and balanced work-life environment for our employees.

LEARNING AND DEVELOPMENT

A firm believer in staff development, GuocoLand ensures employees are empowered with knowledge and skills to perform effectively. Staff are encouraged to enrol in seminars, workshops and skills programme to bring out the full potential in them.

Staff attended training programmes ranging from technical courses such as Certification Course for Green Mark Facilities Manager, Project Management, Construction Law, Financial Reporting Standards, and Strategic IT Planning to generic courses such as Personal Effectiveness, Communication and Relationship Management, Initiative & Enterprise.

EMPLOYEE ENGAGEMENT

GuocoLand actively engages its employees through social and recreational interaction and employee bonding activities.

Since 2009, the Group has embarked on Workplace Health Promotion programmes to raise awareness amongst our employees on the importance of adopting a healthy lifestyle. These programmes included health screening and talks on popular topics such as stress management, proper nutrition, healthy cooking and computer strains & posture as well as pilates, yoga, core conditioning & stretching classes. The highlights of the year were the nature walks at the 1.2km Changi Boardwalk and the 9km trail at the Southern Ridges. Both events saw a good turnout of more than 50 staff and family members. For our efforts in promoting workplace health, the Group was conferred the Bronze Award by the Health Promotion Board at the Singapore HEALTH Award 2010. The award is a national recognition of the Company's dedication to put employees' wellness as a corporate priority.

Social and recreational activities such as the annual GuocoLand Group & Affiliated Companies Bowling Tournament and the Staff Dinner & Dance were also organised to give employees a chance to bond outside work and meet colleagues from other subsidiaries. Staff took part in the 2nd REDAS Dragonboat competition and on another occasion, 86 staff and family members made a day trip to Kukup Kelong which included a Pekan Nanas Fruit Plantation Tour and a visit to the Johor Bahru Chocolate Factory.

Financials

Directors' Report

For the year ended 30 June 2011

We are pleased to present this annual report to the members of the Company together with the audited financial statements for the financial year ended 30 June 2011.

DIRECTORS

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

Sat Pal Khattar
Quek Chee Hoon
Quek Leng Chan
Kwek Leng Hai
Reggie Thein
Timothy Teo
Francis Siu (Appointed on 1 December 2010)

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:-

	Shareholdings in which Directors have a Direct Interest		**Shareholdings in which Directors are Deemed to have an Interest**	
	As at 1 July 2010	**As at 30 June 2011**	**As at 1 July 2010**	**As at 30 June 2011**
The Company	**Fully Paid Ordinary Shares**			
Sat Pal Khattar	-	**1,222,221**	13,856,482	**17,253,087**
Quek Chee Hoon	16,548,599	**22,064,798**	-	**-**
Quek Leng Chan	10,000,000	**13,333,333**	613,133,274	**817,911,030**
Kwek Leng Hai	26,468,186	**35,290,914**	-	**-**
Timothy Teo	25,000	**33,333**	-	**-**
	Options to subscribe for Ordinary Shares▪			
Quek Chee Hoon	11,382,000	**12,170,773**	-	**-**
	Convertible Bonds**			
Quek Leng Chan	-	**-**	46,600,000	**46,100,000**

▪ Please refer to Note 1 under "Share Options".

** The Convertible Bonds ("CBs") are convertible into fully paid ordinary shares of the Company pursuant to the terms and conditions of the Company's offering circular dated 4 May 2007. Mr Quek Leng Chan is deemed to be interested in the CBs held by companies in which he has interest by virtue of Section 7 of the Act. Please refer to Note 21 to the financial statements for details of the CBs.

DIRECTORS' INTERESTS (cont'd)

	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	As at 1 July 2010	As at 30 June 2011	As at 1 July 2010	As at 30 June 2011
Intermediate Holding Company				
Guoco Group Limited	**Ordinary Shares of US$0.50 each fully paid**			
Sat Pal Khattar	-	**-**	691,125	**691,125**
Quek Leng Chan	1,056,325	**1,056,325**	235,798,529	**235,798,529**
Kwek Leng Hai	3,800,775	**3,800,775**	-	**-**
Ultimate Holding Company				
Hong Leong Company (Malaysia) Berhad	**Ordinary Shares of RM1.00 each fully paid**			
Quek Leng Chan	390,000	**390,000**	13,019,100	**13,069,100**
Kwek Leng Hai	420,500	**420,500**	-	**-**
Subsidiary				
GuocoLand (Malaysia) Berhad	**Ordinary Shares of RM0.50 each fully paid**			
Sat Pal Khattar	152,700	**152,700**	-	**-**
Quek Chee Hoon	-	**-**	1,000,000	**1,000,000**
Quek Leng Chan	19,506,780	**19,506,780**	456,555,616	**456,055,616**
Kwek Leng Hai	226,800	**226,800**	-	**-**

		Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
	Nominal Value per share	Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
		As at 1 July 2010	As at 30 June 2011	As at 1 July 2010	As at 30 June 2011
Interests of Quek Leng Chan in Related Corporations					
Hong Leong Financial Group Berhad	RM1.00	4,989,600	**4,989,600**	824,437,300	**824,437,300**
Hong Leong Capital Berhad (formerly known as HLG Capital Berhad)	RM1.00	-	**-**	195,263,227	**195,263,227**
Hong Leong Bank Berhad	RM1.00	-	**-**	967,739,600	**968,216,100**
Hong Leong Assurance Berhad	RM1.00	-	**-**	200,000,000	**140,000,000**✧
Hong Leong Industries Berhad	RM0.50	-	**-**	197,519,837	**245,386,603**

DIRECTORS' INTERESTS (cont'd)

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest		Shareholdings in which Directors are Deemed to have an Interest	
		Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
		As at 1 July 2010	As at 30 June 2011	As at 1 July 2010	As at 30 June 2011
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Hong Leong MSIG Takaful Berhad (formerly known as Hong Leong Tokio Marine Takaful Berhad)	RM1.00	-	**-**	65,000,000	**65,000,000**
Hong Leong Yamaha Motor Sdn Bhd	RM1.00	-	**-**	17,352,872	**17,352,872**
	RM1.00	-	**-**	-	**6,941 (Redeemable Preference Shares)**
Guocera Tile Industries (Meru) Sdn Bhd	RM1.00	-	**-**	19,600,000	**19,600,000**
Hong Leong Maruken Sdn Bhd (In members' voluntary liquidation)	RM1.00	-	**-**	1,750,000	**1,750,000**
Guocera Tile Industries (Labuan) Sdn Bhd	RM1.00	-	**-**	6,545,001	**6,545,001**
Varinet Sdn Bhd (In members' voluntary liquidation)	RM1.00	-	**-**	10,560,627	**10,560,627**
RZA Logistics Sdn Bhd	RM1.00	-	**-**	7,934,247	**7,934,247**
Guocera Tile Industries (Vietnam) Co., Ltd	♦	-	**-**	-	**5,286,500**
Malaysian Pacific Industries Berhad	RM0.50	-	**-**	133,601,009	**109,964,207**
Carter Realty Sdn Bhd	RM1.00	-	**-**	7	**7**
Narra Industries Berhad	RM1.00	8,150,200	**8,150,200**	38,314,000	**38,314,000**

DIRECTORS' INTERESTS (cont'd)

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest — As at 1 July 2010	Shareholdings in which Directors have a Direct Interest — As at 30 June 2011	Shareholdings in which Directors are Deemed to have an Interest — As at 1 July 2010	Shareholdings in which Directors are Deemed to have an Interest — As at 30 June 2011
		Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Carsem (M) Sdn Bhd	RM1.00	-	**-**	84,000,000	**84,000,000**
	RM100.00	-	**-**	22,400 (Redeemable Preference Shares)	**22,400 (Redeemable Preference Shares)**
Belmeth Pte. Ltd.	∞	-	**-**	-	**40,000,000**✧
Guston Pte. Ltd.	∞	-	**-**	-	**8,000,000**✧
Perfect Eagle Pte. Ltd.	∞	-	**-**	1	**24,000,000**✧
First Garden Development Pte Ltd	∞	-	**-**	63,000,000	**63,000,000**
Sanctuary Land Pte Ltd	∞	-	**-**	90,000	**90,000**
Beijing Minghua Property Development Co., Ltd (In members' voluntary liquidation)	^	-	**-**	150,000,000	**150,000,000**
Shanghai Xinhaozhong Property Development Co., Ltd	#	-	**-**	19,600,000	**19,600,000**
Nanjing Xinhaoning Property Development Co., Ltd	#	-	**-**	11,800,800	**11,800,800**
Nanjing Xinhaoxuan Property Development Co., Ltd	#	-	**-**	11,800,800	**11,800,800**
Nanjing Mahui Property Development Co., Ltd	^	-	**-**	271,499,800	**271,499,800**
Beijing Cheng Jian Dong Hua Real Estate Development Company Limited	^	-	**-**	50,000,000	**50,000,000**

DIRECTORS' INTERESTS (cont'd)

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest — As at 1 July 2010	Shareholdings in which Directors have a Direct Interest — As at 30 June 2011	Shareholdings in which Directors are Deemed to have an Interest — As at 1 July 2010	Shareholdings in which Directors are Deemed to have an Interest — As at 30 June 2011
		Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds			
Interests of Quek Leng Chan in Related Corporations (cont'd)					
Lam Soon (Hong Kong) Limited	HK$1.00	-	**-**	140,008,659	**140,008,659**
Kwok Wah Hong Flour Company Limited	HK$100.00	-	**-**	9,800	**9,800**
M.C. Packaging Offshore Limited	HK$0.01	-	**-**	812,695	**812,695**
Guangzhou Lam Soon Food Products Limited	Ω	-	**-**	6,570,000	**6,570,000**
Guoman Hotel & Resort Holdings Sdn Bhd	RM1.00	-	**-**	277,000,000	**277,000,000**
JB Parade Sdn Bhd	RM1.00	-	**-**	28,000,000	**28,000,000**
	RM0.01	-	**-**	68,594,000 (Redeemable Preference Shares)	**68,594,000 (Redeemable Preference Shares)**
GuocoLeisure Limited	US$0.20	735,000	**735,000**	896,230,434	**906,922,434**
Bondway Properties Limited (In members' voluntary liquidation)	GBP1.00	-	**-**	1,134,215 (Ordinary-Voting Shares)	**-** ##
	GBP1.00	-	**-**	10,332 (Ordinary-Non Voting Shares)	**-** ##
The Rank Group Plc	GBP13 8/9p	-	**-**	220,225,312▲	**266,044,391**
Park House Hotel Limited	GBP10p	-	**-**	2,883,440▲	**2,883,440**

DIRECTORS' INTERESTS (cont'd)

	Nominal Value per share	Shareholdings in which Directors have a Direct Interest — Ordinary shares/shares issued or to be issued or acquired arising from the exercise of options/convertible bonds — As at 1 July 2010	As at 30 June 2011	Shareholdings in which Directors are Deemed to have an Interest — As at 1 July 2010	As at 30 June 2011
Interests of Kwek Leng Hai in Related Corporations					
Hong Leong Bank Berhad	RM1.00	3,955,700	**3,955,700**	-	**-**
Lam Soon (Hong Kong) Limited	HK$1.00	2,300,000	**2,300,000**	-	**-**
Hong Leong Industries Berhad	RM0.50	189,812	**190,000**	-	**-**
Hong Leong Financial Group Berhad	RM1.00	2,316,800	**2,316,800**	-	**-**
Hong Leong Capital Berhad (formerly known as HLG Capital Berhad)	RM1.00	1,000,000	**1,000,000**	-	**-**
Malaysian Pacific Industries Berhad	RM0.50	-	**71,250**	-	**-**
Interests of Sat Pal Khattar in Related Corporations					
Hong Leong Bank Berhad	RM1.00	294,000	**294,000**	-	**-**
Hong Leong Industries Berhad	RM0.50	198,580	**198,580**	348,500	**348,500**
Malaysian Pacific Industries Berhad	RM0.50	210,000	**284,468**	-	**130,688**

∞ Concept of par value was abolished with effect from 30 January 2006 pursuant to the Singapore Companies (Amendment) Act, 2005.
^ Capital contribution in RMB.
# Capital contribution in US$.
Ω Capital contribution in HK$.
♦ Capital contribution in VND.
▲ Shareholding as at 7 June 2011 as the corporation became a related corporation.
Dissolved during the financial year.
✧ Became a non wholly-owned subsidiary during the financial year.

DIRECTORS' INTERESTS (cont'd)

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

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

There were no changes in any of the above-mentioned directors' interests in the Company and its related corporations between the end of the financial year and 21 July 2011.

Except as disclosed under "Share Options" of this report, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Transactions entered into by the Company and/or its related corporations with connected or related parties in which certain of the directors are deemed to have an interest comprised deposits, lease of properties and payments for professional, financial and management services. All such transactions were carried out in the normal course of business of the Group and on commercial terms.

Except as disclosed in this report and in Notes 24, 28, 31 and 33 to the financial statements, since the end of the last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

SHARE OPTIONS

The GuocoLand Limited Executives' Share Option Scheme ("ESOS")

a. The ESOS was approved by shareholders of the Company on 17 October 2008 and further approved by shareholders of Guoco Group Limited (an intermediate holding company of the Company) on 21 November 2008 ("ESOS 2008"), to replace the Company's former ESOS ("ESOS 2004"), which was due to expire in December 2008. The terms of the ESOS 2008 are substantially similar to those of the ESOS 2004. The termination of the ESOS 2004 does not affect outstanding options which had been granted and accepted thereunder.

b. Under the ESOS 2008, options may be granted over newly issued and/or existing issued ordinary shares of the Company ("Shares"). The ESOS 2008 is administered by a Committee of Directors ("ESOS Committee") comprising Mr Sat Pal Khattar and Mr Quek Leng Chan who are non-participants.

c. The following options (including adjustments made to both the number of options and the exercise price pursuant to the Company's Rights Issue 2007 and/or Rights Issue 2010) have been granted to selected key executives of the Company ("Participants"):-

Date of Grant	Participants	No. of Shares comprised in options	Exercise price per Share	Note
ESOS 2004				
1 November 2004	Selected key executives	14,227,500	S$1.045	
30 May 2005	Selected key executive	2,000,000 4,552,800	S$1.32 S$1.159	
19 January 2007	Selected key executives	28,708,393	S$2.177	1
ESOS 2008				
28 September 2009	Selected key executives	12,821,725	S$2.142	2

SHARE OPTIONS (cont'd)

d. During the financial year, 3,069,300 options were cancelled following the resignation of two Participants. However, no options were exercised or granted. Further, no new Shares were issued pursuant to the ESOS.

e. The aggregate number of options (including options adjusted pursuant to the Company's Rights Issue 2007 and Rights Issue 2010) granted to Participants since the commencement of the ESOS to the end of the financial year is as follows:-

Participants	Aggregate options granted since the commencement of the ESOS to end of financial year	Aggregate options exercised since the commencement of the ESOS to end of financial year	Aggregate options lapsed since the commencement of the ESOS to end of financial year	Aggregate options outstanding as at end of financial year
Executive Director				
Quek Chee Hoon	9,398,300	(7,398,300)	(2,000,000)	-
	12,170,773[1]	-	-	12,170,773
Directors of Subsidiaries				
Violet Lee	9,967,400	(9,967,400)	-	-
	7,302,464[1]	-	-	7,302,464
Trina Loh	1,388,200	(1,138,200)	(250,000)	-
	3,651,232[1]	-	-	3,651,232
	1,069,300[2]	-	-	1,069,300
Dawn Pamela Lum	1,638,200	(1,138,200)	(500,000)	-
	2,434,155[1]	-	-	2,434,155
Tan Teck Huat	2,138,600[2]	-	-	2,138,600
Other Executives	3,768,200	(1,138,200)	(2,630,000)	-
	3,149,769[1]	-	(2,845,500)	304,269
	9,613,825[2]	-	(5,069,300)	4,544,525
Total	**67,690,418**	**(20,780,300)**	**(13,294,800)**	**33,615,318**

Note:-

1. Options granted on 19 January 2007 under ESOS 2004
The exercise price of S$2.65 (which was adjusted to S$2.328 pursuant to the Company's Rights Issue 2007 and further adjusted to S$2.177 pursuant to the Company's Rights Issue 2010) was based on the average closing price for the five days preceding 19 January 2007. The closing market price per Share on 18 January 2007 (the trading date immediately before the date of grant) was S$2.75. Subject to certain financial and performance targets being met by the Participants during the financial years 2005/06 to 2010/11, the Participants have a phased period of up to 30 months from the date of vesting to exercise the vested options in accordance with the terms of the grant.

2. Options granted on 28 September 2009 under ESOS 2008
The exercise price of S$2.29 (which was adjusted to S$2.142 pursuant to the Company's Rights Issue 2010) was based on the 5-day weighted average market price immediately prior to 28 September 2009 (the date of grant). The weighted average market price on the date of grant was S$2.28 per Share. Subject to certain performance targets being met by the Participants for the financial years 2009/10 to 2011/12, the vested options may be exercisable and valid up to 30 months from the date of vesting in accordance with the terms of the grant.

SHARE OPTIONS (cont'd)

f. Other statutory information regarding the above options is as follows:-

(i) In relation to ESOS 2004, the exercise price per Share is the average of the closing prices of the Shares on Singapore Exchange Securities Trading Limited for each of the last five market days immediately prior to the date of grant of the option.

In relation to ESOS 2008, the exercise price per Share is the 5-day weighted average market price on Singapore Exchange Securities Trading Limited immediately prior to the date of grant of the option.

(ii) An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for employees who have been employed for less than one year) and (b) the first anniversary of the date of grant (for all other employees), and to end on a date not later than 10 years after the date of grant.

(iii) The persons to whom the options have been granted do not have the right to participate, by virtue of the option, in a share issue of any other company, except in the share scheme(s) of companies within the Group.

g. Since the commencement of the ESOS, no options have been granted to controlling shareholders of the Company and their associates or parent group employees and no options have been granted at a discount.

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

AUDIT COMMITTEE

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

Reggie Thein, Chairman
Timothy Teo
Francis Siu (Appointed on 1 December 2010)

The Audit Committee performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

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

The Audit Committee also reviewed the following:-

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

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

AUDIT COMMITTEE (cont'd)

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

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

On behalf of the Board of Directors

SAT PAL KHATTAR
Director

QUEK CHEE HOON
Director

Singapore
26 August 2011

Statement by Directors

For the year ended 30 June 2011

In our opinion:-

a. the financial statements set out on pages 54 to 124 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 June 2011 and of the results, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Act and Singapore Financial Reporting Standards; and

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

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

On behalf of the Board of Directors

SAT PAL KHATTAR
Director

QUEK CHEE HOON
Director

Singapore
26 August 2011

Independent Auditors' Report

Members of the Company
GuocoLand Limited

Report on the financial statements

We have audited the accompanying financial statements of GuocoLand Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statement of financial position of the Group and the Company as at 30 June 2011, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 54 to 124.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards and for 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.

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 about 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 of financial statements that give a true and fair view 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, the consolidated financial statements of the Group and the statement of financial position 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 2011 and the results, changes in equity and cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, 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 LLP
Public Accountants and
Certified Public Accountants

Singapore
26 August 2011

Statement of Financial Position

As at 30 June 2011

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Non-current assets					
Property, plant and equipment	4	**361,592**	236,222	**-**	-
Investment properties	5	**1,651,877**	427,545	**-**	-
Interests in subsidiaries	6	**-**	-	**2,659,701**	2,429,910
Interests in associates and jointly-controlled entities	7	**195,041**	194,377	**7,909**	8,634
Amounts due from non-controlling interests	8	**1,799**	1,939	**-**	-
Investment securities	9	**3,123**	2,155	**-**	-
Deferred tax assets	10	**4,494**	8,970	**-**	-
		2,217,926	871,208	**2,667,610**	2,438,544
Current assets					
Inventories	11	**4,550,864**	3,946,237	**-**	-
Trade and other receivables	14	**319,341**	240,967	**313**	493
Cash and cash equivalents	17	**1,188,342**	656,432	**125,655**	458
		6,058,547	4,843,636	**125,968**	951
Total assets		**8,276,473**	**5,714,844**	**2,793,578**	**2,439,495**
Equity attributable to owners of the Company					
Share capital	18	**1,926,053**	1,394,047	**1,926,053**	1,394,047
Reserves	19	**508,314**	619,226	**120,260**	183,890
		2,434,367	2,013,273	**2,046,313**	1,577,937
Non-controlling interests		**139,101**	126,944	**-**	-
Total equity		**2,573,468**	2,140,217	**2,046,313**	1,577,937
Non-current liabilities					
Amounts due to non-controlling interests	8	**95,168**	-	**-**	-
Amounts due to subsidiaries	6	**-**	-	**120,603**	131,065
Interest bearing loans and borrowings	20	**2,253,748**	1,428,753	**39,500**	359,704
Deferred tax liabilities	10	**53,019**	42,563	**-**	-
		2,401,935	1,471,316	**160,103**	490,769
Current liabilities					
Trade and other payables	22	**321,436**	856,258	**880**	2,536
Interest bearing loans and borrowings	20	**2,931,882**	1,186,239	**574,205**	354,908
Current tax payable		**47,752**	60,814	**12,077**	13,345
		3,301,070	2,103,311	**587,162**	370,789
Total liabilities		**5,703,005**	3,574,627	**747,265**	861,558
Total equity and liabilities		**8,276,473**	**5,714,844**	**2,793,578**	**2,439,495**

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

Income Statement

For the year ended 30 June 2011

	Note	Group 2011 $'000	Group 2010 $'000
Revenue	24	**647,256**	732,762
Cost of sales		**(445,342)**	(487,393)
Gross profit		**201,914**	245,369
Other income	25	**71,397**	31,670
Administrative expenses		**(71,276)**	(51,309)
Other expenses	26	**(15,579)**	(17,796)
Finance costs	27	**(35,068)**	(31,618)
Share of profit (net of income tax)			
- associates		**8,825**	2,212
- jointly-controlled entities		**11,219**	1,997
Profit before income tax	28	**171,432**	180,525
Income tax expense	29	**(38,195)**	(41,314)
Profit for the year		**133,237**	**139,211**
Attributable to:			
Owners of the Company		**130,220**	**134,306**
Non-controlling interests		**3,017**	4,905
Profit for the year		**133,237**	**139,211**
Earnings per ordinary share (cents)	30		
Basic		**12.79**	15.13*
Diluted		**12.77**	15.13*

* Earnings per share were computed based on the weighted average number of shares in issue during the financial year, adjusted for the bonus element of the Rights Issue.

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

Statement of Comprehensive Income

For the year ended 30 June 2011

	Group	
	2011	**2010**
	$'000	**$'000**
Profit for the year	**133,237**	139,211
Other comprehensive income/(expense):		
Translation differences relating to financial statements of foreign subsidiaries and associates	**(11,053)**	7,275
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	**(144,195)**	(40,087)
Change in fair value of available-for-sale securities	**1,074**	(171)
Income tax on other comprehensive income/(expense)	**-**	-
Other comprehensive expense for the year, net of income tax	**(154,174)**	(32,983)
Total comprehensive income/(expense) for the year	**(20,937)**	106,228
Attributable to:		
Owners of the Company	**(16,457)**	97,393
Non-controlling interests	**(4,480)**	8,835
Total comprehensive income/(expense) for the year	**(20,937)**	106,228

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

Statement of Changes in Equity

For the year ended 30 June 2011

	Share Capital $'000	Other Reserves $'000	Accumulated Profits $'000	Total $'000	Non-Controlling Interests $'000	Total Equity $'000
Group						
At 1 July 2010	**1,394,047**	**(78,434)**	**697,660**	**2,013,273**	**126,944**	**2,140,217**
Profit for the year	-	-	130,220	130,220	3,017	133,237
Other comprehensive income/ (expense)						
Translation differences relating to financial statements of foreign subsidiaries and associates	-	(3,152)	-	(3,152)	(7,901)	(11,053)
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	-	(144,248)	-	(144,248)	53	(144,195)
Change in fair value of available-for-sale securities	-	723	-	723	351	1,074
Total other comprehensive expense, net of income tax	-	(146,677)	-	(146,677)	(7,497)	(154,174)
Total comprehensive income/ (expense) for the year, net of income tax	**-**	**(146,677)**	**130,220**	**(16,457)**	**(4,480)**	**(20,937)**
Transactions with owners, recorded directly in equity						
Issue of 295,843,319 ordinary shares at $1.80 each ("Rights Issue") (Note 18)	532,518	-	-	532,518	-	532,518
Rights Issue expenses	(512)	-	-	(512)	-	(512)
Value of employees services received for issue of share options	-	2,351	-	2,351	-	2,351
Subscription of shares under Rights Issue by the Trust for Executives' Share Option Scheme	-	(33,122)	-	(33,122)	-	(33,122)
Dividends (Note 32)	-	-	(66,586)	(66,586)	-	(66,586)
Dividends paid to non-controlling interests	-	-	-	-	(1,363)	(1,363)
Disposal of interest in subsidiaries without loss of control (Note 34)	-	-	2,902	2,902	18,000	20,902
Total transactions with owners	532,006	(30,771)	(63,684)	437,551	16,637	454,188
At 30 June 2011	**1,926,053**	**(255,882)**	**764,196**	**2,434,367**	**139,101**	**2,573,468**

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

Statement of Changes in Equity

For the year ended 30 June 2011

	Share Capital $'000	Other Reserves $'000	Accumulated Profits $'000	Total $'000	Non-Controlling Interests $'000	Total Equity $'000
Group						
At 1 July 2009	**1,394,047**	**(27,342)**	**576,977**	**1,943,682**	**120,818**	**2,064,500**
Profit for the year	-	-	134,306	134,306	4,905	139,211
Other comprehensive income/ (expense)						
Translation differences relating to financial statements of foreign subsidiaries and associates	-	3,295	-	3,295	3,980	7,275
Exchange differences on monetary items forming part of net investments in foreign subsidiaries and associates	-	(40,092)	-	(40,092)	5	(40,087)
Change in fair value of available-for-sale securities	-	(116)	-	(116)	(55)	(171)
Total other comprehensive income/ (expense), net of income tax	-	(36,913)	-	(36,913)	3,930	(32,983)
Total comprehensive income/ (expense) for the year, net of income tax	**-**	**(36,913)**	**134,306**	**97,393**	**8,835**	**106,228**
Transactions with owners, recorded directly in equity						
Transfer of shares to employees upon exercise of share options	-	15,372	-	15,372	-	15,372
Value of employee services received for issue of share options	-	3,350	-	3,350	-	3,350
Excess of purchase cost over consideration received from employees upon exercise of share options	-	(3,851)	-	(3,851)	-	(3,851)
Redemption of convertible bonds	-	(29,050)	29,050	-	-	-
Dividends (Note 32)	-	-	(41,446)	(41,446)	-	(41,446)
Dividends paid to non-controlling interests	-	-	-	-	(1,342)	(1,342)
Acquisition of additional interest in a subsidiary	-	-	(1,227)	(1,227)	(1,367)	(2,594)
Total transactions with owners	-	(14,179)	(13,623)	(27,802)	(2,709)	(30,511)
At 30 June 2010	**1,394,047**	**(78,434)**	**697,660**	**2,013,273**	**126,944**	**2,140,217**

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

	Note	Group 2011 $'000	Group 2010 $'000
Operating activities			
Profit before income tax		**171,432**	180,525
Adjustments for:-			
Amortisation of transaction costs of convertible bonds		**511**	1,190
Depreciation of property, plant and equipment		**7,919**	5,431
Gain on disposal of property, plant and equipment		**(142)**	(10)
Gain on disposal and liquidation of subsidiaries and jointly-controlled entities		**-**	(12,093)
Gain on revaluation of investment properties		**(58,800)**	(100)
Share of profit of associates and jointly-controlled entities (net of income tax)		**(20,044)**	(4,209)
Finance costs		**35,068**	31,618
Interest income		**(4,510)**	(4,609)
Writeback of allowance for foreseeable losses on development properties		**(1,804)**	(4,233)
(Writeback of allowance)/Allowance for doubtful receivables		**(23)**	715
Mark-to-market loss on derivative financial instruments		**5,287**	3,453
Property, plant and equipment written off		**3**	1,640
Value of employee services received for issue of share options		**2,351**	3,350
		(34,184)	22,143
Operating profit before working capital changes		**137,248**	202,668
Changes in working capital:-			
Inventories		**(774,592)**	351,677
Trade and other receivables		**(114,900)**	(84,613)
Trade and other payables		**(462,404)**	45,071
Balance with holding companies and related corporations		**(2,664)**	2,598
		(1,354,560)	314,733
Cash from operations		**(1,217,312)**	517,401
Income taxes paid		**(33,478)**	(21,601)
Cash flows from operating activities		**(1,250,790)**	495,800
Investing activities			
Proceeds from disposal of property, plant and equipment		**311**	129
Purchase of investment securities		**(30)**	-
Purchase of property, plant and equipment		**(171,020)**	(13,761)
Acquisition of investment properties under development		**(1,084,807)**	(1,030)
Dividends received from associates		**8,679**	2,308
Proceeds from disposal of interests in jointly-controlled entities		**-**	14,578
Interests in associates and jointly-controlled entities		**1,569**	(3,754)
Cash flows from investing activities		**(1,245,298)**	(1,530)

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

Statement of Cash Flow

For the year ended 30 June 2011

	Note	Group 2011 $'000	Group 2010 $'000
Financing activities			
Dividends paid		**(66,586)**	(41,446)
Dividends paid to non-controlling interests		**(1,363)**	(1,342)
Interest paid		**(85,239)**	(70,757)
Interest received		**5,301**	4,326
Fixed deposits pledged		**2,031**	(107)
Proceeds from dilution of interest in subsidiaries	34	**116,050**	-
Proceeds from loans and borrowings		**3,553,294**	681,062
Repayment of loans and borrowings		**(1,316,736)**	(647,212)
Redemption of convertible bonds		**-**	(343,927)
Consideration received upon exercise of share option		**-**	11,521
Net proceeds from Rights Issue*		**498,884**	-
Cash flows from financing activities		**2,705,636**	(407,882)
Net increase in cash and cash equivalents		**209,548**	86,388
Cash and cash equivalents at beginning of the year		**649,819**	577,687
Exchange differences on translation of balances held in foreign currency		**(32,154)**	(14,256)
Cash and cash equivalents at end of the year	17	**827,213**	649,819

* Net proceeds from Rights Issue was derived after netting off the subscription of shares under Rights Issue by the Trust for Executives' Share Option Scheme.

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

Notes to the Financial Statements

For the year ended 30 June 2011

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 26 August 2011.

1. DOMICILE AND ACTIVITIES

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

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

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

The immediate holding company is GuocoLand Assets Pte. Ltd., incorporated in the Republic of Singapore. The intermediate holding company is Guoco Group Limited, incorporated in Bermuda. The ultimate holding company is Hong Leong Company (Malaysia) Berhad, incorporated in Malaysia.

The financial statements of the Company as at and for the year ended 30 June 2011 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in associates and jointly-controlled entities.

2. BASIS OF PREPARATION

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

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

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:-

Note 3p – recognition of deferred tax assets
Note 37 – measurement of provisions and contingent liabilities

2. BASIS OF PREPARATION (cont'd)

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

Note 3c	–	measurement of recoverable amounts of property, plant and equipment
Note 3h	–	valuation of inventories
Note 3m	–	estimation of percentage of completion of the projects, attributable profits for the development properties for sale and allowance for foreseeable losses
Note 5	–	valuation of investment properties
Note 31	–	measurement of share-based payments
Note 35	–	valuation of financial instruments
Note 40	–	accounting estimates and judgements

The Group adopted new/revised FRS and interpretations which became effective this year. The adoption of these new/revised standards and interpretations did not have a material impact on the financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group's entities.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Consolidation

(i) *Business combinations*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interests at fair value, or at their proportionate share of the recognised amount of the identifiable net assets of the acquiree, at the acquisition date. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

Prior to 1 July 2009, business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. The non-controlling interest was measured at the proportionate share of the acquiree's identifiable net assets.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

a. Basis of Consolidation (cont'd)

(ii) *Subsidiaries*
Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interest in a subsidiary are allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

(iii) *Investments in associates and jointly-controlled entities*
Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Associates and jointly-controlled entities (collectively referred to as "equity-accounted investees") are accounted for using the equity method and are recognised initially at cost. The Group's investments in equity-accounted investees include goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest (including any long-term investment) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

b. Foreign Currencies

(i) *Foreign currency transactions*

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

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

Foreign currency differences arising on retranslation are recognised in the profit or loss, except for differences arising on the retranslation of monetary items that in substance form part of the Group's net investment in a foreign operation (see Note 3b(iii)) and available-for-sale investment securities (see Note 3f(i)).

(ii) *Foreign operations*

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

Foreign currency differences are recognised in other comprehensive income. When a foreign operation is disposed of, in part or in full, the relevant amount in the exchange translation reserve is transferred to the profit or loss as part of the profit or loss on disposal.

(iii) *Net investment in a foreign operation*

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

c. Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

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

Freehold land and property under development are not depreciated. Depreciation on other property, plant and equipment is provided on a straight-line basis over the estimated useful lives of each component of property, plant and equipment as follows:-

	Number of Years
Freehold buildings	50
Leasehold land and buildings	Shorter of remaining lease period and no more than 50 years
Furniture and fittings	3 – 5
Office and other equipment	2 – 5
Motor vehicles	5

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

Freehold land under development is stated at cost. Expenditure relating to freehold land under development (including borrowing costs) are capitalised when incurred.

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

d. Goodwill

Goodwill arising from the acquisition of subsidiaries is presented in intangible assets. Goodwill arising from the acquisition of associates and joint ventures is presented together with interests in associates and joint ventures.

For business combinations on or after 1 July 2009, the Group measures goodwill as the fair value of the consideration transferred (including the fair value of any previously-held equity interest in the acquiree) and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the amount is negative, a bargain purchase gain is recognised in profit or loss.

For business combinations prior to 1 July 2009, goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets and liabilities of the acquiree.

Prior to 1 July 2001, goodwill and negative goodwill on acquisitions were written off against accumulated profits in the year of acquisition. From 1 July 2001 to 30 June 2004, goodwill was stated at cost from the date of initial recognition and amortised over its estimated useful life of 15 years. On 1 July 2004, the Group discontinued the amortisation of goodwill. The remaining goodwill balance is subject to testing for impairment, as described in Note 3i(ii). Negative goodwill was derecognised by crediting accumulated profits on 1 July 2004.

For acquisition on or after 1 July 2004, goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment as described in Note 3i(ii). Negative goodwill is credited to profit or loss in the period of the acquisition.

e. Investment Properties and Properties Under Development

Investment properties including reversionary interest in freehold land, are properties held either to earn rental or for capital appreciation or both. Properties under development are properties being constructed or developed for future rental. Investment properties and properties under development are initially recognised at cost, including transaction costs, and subsequently at fair value with any change therein recognised in the profit or loss. The fair value is determined based on independent professional valuation.

When an investment property is disposed off, the resulting gain or loss recognised in the profit or loss is the difference between the net disposal proceed and the carrying amount of the property.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

f. Financial Instruments

(i) *Non-derivative financial assets*

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents comprise cash balances and bank deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flow.

Available-for-sale investment securities are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. The Group's investments in certain equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (see Note 3i) and foreign currency differences on available-for-sale monetary items are recognised in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to the profit or loss.

Where an investment in investment securities classified as available-for-sale does not have a quoted market price in an active market and other methods of determining fair value do not result in a reasonable estimate, the investment is measured at cost less impairment losses.

(ii) *Non-derivative financial liabilities*

The Group initially recognises debt securities issued on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or when they expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

f. Financial Instruments (cont'd)

(iii) *Derivative financial instruments*
The Group may use derivative financial instruments such as interest rate swaps and forward exchange contracts to hedge its interest rate and foreign currency exposures. Derivative financial instruments are initially recognised at fair value and are subsequently remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the profit or loss. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates and by discounting the future cash flows. The fair value of interest rate swap contracts is determined based on the present value of the future cash flows.

(iv) *Convertible bonds*
Convertible bonds that can be converted into share capital where the number of shares issued does not vary with changes in the fair value of the bonds are accounted for as compound financial instruments. The gross proceeds are allocated to the equity and liability components, with the equity component being assigned the residual amount after deducting the fair value of the liability component from the fair value of the compound financial instrument.

Subsequent to initial recognition, the liability component of convertible bonds is measured at amortised cost using the effective interest method. The equity component of convertible bonds is not remeasured. When the conversion option is exercised, its carrying amount will be transferred to the share capital. When the conversion option lapses, its carrying amount will be transferred to revenue reserve.

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

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

g. Share Capital

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

Where share capital recognised as equity is repurchased (treasury shares), the amount of the consideration paid, including directly attributable costs is presented as a deduction from equity. Where treasury shares are subsequently reissued, sold or cancelled, the amount received is recognised as an increase in equity. No gain or loss is recognised in the profit or loss.

h. Inventories

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

h. Inventories (cont'd)

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

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

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

i. Impairment

(i) *Financial assets*
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Group considers evidence of impairment for receivables at both a specific asset and collective level. All individually significant receivables and investment securities are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

i. Impairment (cont'd)

(i) *Financial assets (cont'd)*

Impairment losses on available-for-sale investment securities are recognised by transferring the cumulative loss that has been recognised in other comprehensive income and presented in the fair value reserve in equity, to profit or loss. The cumulative loss that is removed from other comprehensive income and recognised in profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss previously recognised in profit or loss. Changes in impairment attributable to time value are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time.

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

An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are dependent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

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

Goodwill that forms part of the carrying amount of an investment in associates is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

j. Employee Benefits

(i) *Short-term employee benefits*
Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided.

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

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

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

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

k. Provision

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

l. Operating Leases

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

(ii) *When entities within the Group are lessors of an operating lease*
Assets subject to operating leases are included in investment properties and are stated at fair value and are not depreciated.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

m. Revenue Recognition

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

(ii) *Completed properties held for sale*
Revenue from disposal of completed properties held for sale is recognised when substantially all the conditions of sales have been met and the risks and rewards of ownership have been transferred to the buyers. Allowance for foreseeable losses is made in the period in which such loss is determined.

(iii) *Construction revenue*
When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively in the profit or loss in proportion to the stage of completion of the contract. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the profit or loss.

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

n. Government Grants

Cash grants received from the government in relation to the Jobs Credit Scheme are recognised as an offset against staff costs.

o. Finance Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit or loss using the effective interest method.

p. Income Tax Expense

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries, associates and jointly-controlled entities to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

q. Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4. PROPERTY, PLANT AND EQUIPMENT

	Freehold land & buildings $'000	Leasehold land & buildings $'000	Furniture, fittings and other equipment $'000	Motor vehicles $'000	Total $'000
Group					
Cost					
At 1 July 2009	105,141	49,458	13,069	3,418	171,086
Additions	361	112	12,638	650	13,761
Transfer (to)/from investment properties/ development properties	(54,446)	118,802	-	-	64,356
Disposals	-	-	(188)	(513)	(701)
Written off	(371)	(710)	(824)	-	(1,905)
Exchange differences on translation	3,290	2,595	311	37	6,233
At 30 June 2010	53,975	170,257	25,006	3,592	252,830
At 1 July 2010	**53,975**	**170,257**	**25,006**	**3,592**	**252,830**
Additions	**568**	**164,691**	**5,252**	**981**	**171,492**
Transfer to investment properties/ development properties	**(3,847)**	**(19,237)**	**-**	**-**	**(23,084)**
Disposals	**-**	**-**	**(1)**	**(545)**	**(546)**
Written off	**-**	**-**	**(104)**	**-**	**(104)**
Exchange differences on translation	**(3,028)**	**(11,157)**	**(1,628)**	**(81)**	**(15,894)**
At 30 June 2011	**47,668**	**304,554**	**28,525**	**3,947**	**384,694**
Accumulated Depreciation					
At 1 July 2009	1,178	3,277	5,044	1,909	11,408
Depreciation charge for the year	529	1,994	2,368	609	5,500
Disposals	-	-	(111)	(471)	(582)
Written off	-	(24)	(241)	-	(265)
Exchange differences on translation	80	364	88	15	547
At 30 June 2010	1,787	5,611	7,148	2,062	16,608
At 1 July 2010	**1,787**	**5,611**	**7,148**	**2,062**	**16,608**
Depreciation charge for the year	**535**	**2,868**	**3,890**	**648**	**7,941**
Disposals	**-**	**-**	**-**	**(377)**	**(377)**
Written off	**-**	**-**	**(101)**	**-**	**(101)**
Exchange differences on translation	**(119)**	**(386)**	**(410)**	**(54)**	**(969)**
At 30 June 2011	**2,203**	**8,093**	**10,527**	**2,279**	**23,102**
Carrying Amount					
At 1 July 2009	103,963	46,181	8,025	1,509	159,678
At 30 June 2010	52,188	164,646	17,858	1,530	236,222
At 30 June 2011	**45,465**	**296,461**	**17,998**	**1,668**	**361,592**

4. PROPERTY, PLANT AND EQUIPMENT (cont'd)

a. The Group's property, plant and equipment with a book value of $338.6 million (2010: $179.4 million) has been mortgaged to secure loan facilities granted to the Group (see Note 20).

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

	2011 $'000	2010 $'000
Capitalised as cost of development properties	**22**	69
Cost of sales	**615**	713
Administrative expenses	**7,304**	4,718
	7,941	5,500

c. During the financial year, interest expense capitalised as cost of property, plant and equipment amounted to $472,000 (2010: Nil) (see Note 27).

d. Freehold land and buildings comprise land & buildings under construction of $10.1 million (2010: $14.7 million).

e. Leasehold land and buildings comprise land & buildings under construction of $164.6 million (2010: Nil).

5. INVESTMENT PROPERTIES

Movements in the investment properties are as follows:-

		Group	
	Note	2011 $'000	2010 $'000
At 1 July		**427,545**	367,678
Additions		**1,087,956**	1,030
Increase in fair values	25	**58,800**	100
Transfer from development properties		**81,554**	-
Transfer from property, plant and equipment	4	**3,847**	54,446
Exchange differences on translation		**(7,825)**	4,291
At 30 June		**1,651,877**	427,545
Comprising:-			
Completed investment properties		**506,177**	370,004
Investment properties under development		**1,145,700**	57,541
		1,651,877	427,545

5. INVESTMENT PROPERTIES (cont'd)

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

a. Investment properties are stated at fair value based on independent valuation. The valuers have considered valuation techniques including the direct comparison method, income method and residual land value method in determining the open market values.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The income method involves capitalising the annual net rent at an appropriate interest rate after taking into account the property tax payable and an allowance for vacancy. The residual land value method involves the deduction of the estimated development costs and the developer's profit from the gross development value to arrive at the residual value of the land.

Independent valuations of certain properties were carried out by the following valuers on the dates stated below:-

Valuer	Valuation Date	Valuation Date
CB Richard Ellis	February 2011, June 2011	June 2010
Burgess Rawson	June 2011	June 2010
Savills	June 2011	-

b. Included in the above is an investment property under development with a carrying amount of $64.9 million (2010: $57.5 million), which is stated at cost as the intended use of the investment property is yet to be determined.

c. The Group's investment properties with a book value of $1,240.8 million (2010: $73.5 million) have been mortgaged to secure loan facilities granted to the Group (see Note 20).

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

e. Investment property under development of $1,080.8 million is carried at the Group's acquisition cost as the land acquisition was completed only in February 2011 supported by independent valuation by CB Richard Ellis. Management is of the view that the carrying amount is not materially different from the fair value as at 30 June 2011.

f. During the financial year, interest expense capitalised as cost of investment properties amounted to $3,149,000 (2010: Nil) (see Note 27).

6. INTERESTS IN SUBSIDIARIES

		Company	
		2011	2010
		$'000	$'000
a.	Unquoted shares, at cost	**583,238**	598,241
	Less: Impairment loss	**(216,456)**	(216,454)
		366,782	381,787
	Amounts due from subsidiaries	**2,316,049**	2,071,981
	Less: Allowance for doubtful receivables	**(23,130)**	(23,858)
		2,292,919	2,048,123
		2,659,701	2,429,910
	Non-current amounts due to subsidiaries	**(120,603)**	(131,065)

The amounts due from subsidiaries consist of $1,828.4 million (2010: $1,589.3 million) interest-free loans and $487.6 million (2010: $482.7 million) interest bearing loans. Of the interest bearing loans of $487.6 million (2010: $482.7 million), $239.8 million (2010: $251.2 million) is in respect of an interest bearing loan obtained from a bank on behalf of a subsidiary. The amounts due to subsidiaries are interest-free.

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

In the previous year, the amounts due from subsidiaries also include foreign currency loans made to certain subsidiaries amounting to $30.1 million which form part of the Company's net investments in these subsidiaries.

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

	2011	2010
	%	%
Amounts due from subsidiaries	**1.66 to 4.00**	2.22 to 6.00

The above interest rates reprice monthly.

The impairment losses and allowances are made mainly in respect of subsidiaries, which have completed or substantially completed their respective developments. The investments in and amounts due from these subsidiaries are written down to their respective recoverable amounts which approximate their net asset values at the balance sheet date.

6. INTERESTS IN SUBSIDIARIES (cont'd)

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

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2011	**2010**
		%	**%**
A-Z Holdings Pte Ltd	Singapore	**100.00**	100.00
Branmil Holdings Pte Ltd	Singapore	**100.00**	100.00
Chelford Pte Ltd	Singapore	**100.00**	100.00
Cheltenham Investments Pte Ltd	Singapore	**100.00**	100.00
Da Zhong Investment Pte Ltd	Singapore	**100.00**	100.00
Everian Holdings Pte Ltd	Singapore	**100.00**	100.00
^FCC Holdings Pte Ltd	Singapore	**100.00**	100.00
ΩFica Nominees Pte Ltd	Singapore	**-**	100.00
^First Capital Assets Pte Ltd and its subsidiary:-	Singapore	**100.00**	100.00
^FCC Equities Pte Ltd	Singapore	**100.00**	100.00
First Capital Corporation Realty Pte. Ltd.	Singapore	**100.00**	100.00
First Capital Development Pte Ltd and its subsidiary:-	Singapore	**100.00**	100.00
Elias Development Pte Ltd	Singapore	**100.00**	100.00
First Capital Realty Pte Ltd	Singapore	**100.00**	100.00
First Coventry Development Pte Ltd	Singapore	**100.00**	100.00
First Garden Development Pte Ltd	Singapore	**90.00**	90.00
First Meyer Development Pte Ltd	Singapore	**100.00**	100.00
GLL (Malaysia) Pte. Ltd. and its subsidiaries:-	Singapore	**100.00**	100.00
@GuocoLand (Malaysia) Berhad and its subsidiaries:-	Malaysia	**67.94**	67.94
@Guoman Hotel & Resort Holdings Sdn Bhd and its subsidiaries:-	Malaysia	**77.56**	77.56
▲PD Resort Sdn Bhd	Malaysia	**77.56**	77.56
@Kiapeng Development Sdn Bhd	Malaysia	**77.56**	77.56

Notes to the Financial Statements

For the year ended 30 June 2011

6. INTERESTS IN SUBSIDIARIES (cont'd)

b. The details of the subsidiaries are as follows:- (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2011 %	2010 %
∞Guoman Philippines, Inc.	Philippines	**77.56**	77.56
#Guoman International Limited and its subsidiary:-	Jersey, Channel Islands	**77.56**	77.56
@Guoman International Sdn Bhd	Malaysia	**77.56**	77.56
@JB Parade Sdn Bhd and its subsidiary:-	Malaysia	**54.29**	54.29
@JB Parade Condominium Sdn Bhd	Malaysia	**54.29**	54.29
@Bedford Development Sdn Bhd and its subsidiaries:-	Malaysia	**67.94**	67.94
@Hong Leong Housing Sdn Bhd	Malaysia	**67.94**	67.94
@Bedford Industrial Development Sdn Bhd	Malaysia	**67.94**	67.94
▲Pembinaan Sri Jati Sdn Berhad	Malaysia	**67.94**	67.94
@Sabna Development Sdn Bhd	Malaysia	**67.94**	67.94
@Ace Acres Sdn Bhd	Malaysia	**67.94**	67.94
@Hong Leong Real Estate Holdings Sdn Bhd and its subsidiaries:-	Malaysia	**67.94**	67.94
▲Bedford Land Sdn Bhd and its subsidiaries:-	Malaysia	**67.94**	67.94
@BLV Fashions Sdn Bhd	Malaysia	**67.94**	67.94
▲Guobena Development Sdn Bhd	Malaysia	**67.94**	67.94
@HL Bandar Sdn Bhd	Malaysia	**67.94**	67.94
@Prophills Development Sdn Bhd	Malaysia	**67.94**	67.94
@Damansara City Sdn Bhd	Malaysia	**67.94**	67.94
^Orifour Sdn Bhd	Malaysia	**67.94**	67.94
^Orifive Sdn Bhd	Malaysia	**67.94**	67.94
^Bedford Excel Venture Sdn Bhd	Malaysia	**67.94**	67.94
+Bedford Leisure Ventures Sdn Bhd	Malaysia	**-**	67.94

6. **INTERESTS IN SUBSIDIARIES (cont'd)**

b. The details of the subsidiaries are as follows:- (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group 2011 %	2010 %
@HLP Equities Sdn Bhd	Malaysia	**67.94**	67.94
#HLL Overseas Limited and its subsidiary:-	Jersey, Channel Islands	**67.94**	67.94
▲Positive Vision Labuan Limited	Malaysia	**67.94**	-
▲Hong Leong Real Estate Management Sdn Bhd	Malaysia	**67.94**	67.94
▲GLM Property Services Sdn Bhd	Malaysia	**67.94**	67.94
▲GLM Property Management Co. Sdn Bhd	Malaysia	**67.94**	67.94
*GLM REIT Management Sdn Bhd	Malaysia	**67.94**	67.94
▲Astute Modernization Sdn Bhd and its subsidiary:-	Malaysia	**67.94**	67.94
▲Titan Debut Sdn Bhd	Malaysia	**67.94**	67.94
▲Raikon Building Management Co Sdn Bhd	Malaysia	**67.94**	67.94
GLL IHT Pte. Ltd.	Singapore	**100.00**	100.00
*GuocoLand (China) Limited and its subsidiaries:-	Bermuda	**100.00**	100.00
*Beijing Jiang Sheng Property Development Co., Ltd	The People's Republic of China	**100.00**	100.00
^Beijing Minghua Property Development Co., Ltd	The People's Republic of China	**75.00**	75.00
*Guo Xiang Property Co., Limited	Hong Kong	**100.00**	100.00
Guoco Property Management Pte Ltd	Singapore	**100.00**	100.00
*Hainan Jinghao Asset Ltd and its subsidiary:-	The People's Republic of China	**100.00**	100.00
*Beijing Cheng Jian Dong Hua Real Estate Development Company Limited	The People's Republic of China	**90.00**	90.00
*Nanjing Xinhaoning Property Development Co., Ltd	The People's Republic of China	**99.00**	99.00

6. INTERESTS IN SUBSIDIARIES (cont'd)

b. The details of the subsidiaries are as follows:- (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group	
		2011	**2010**
		%	**%**
*Nanjing Xinhaoxuan Property Development Co., Ltd	The People's Republic of China	**99.00**	99.00
*Shanghai Xinhaozhong Property Development Co., Ltd	The People's Republic of China	**98.00**	98.00
GuocoLand (Singapore) Pte. Ltd. and its subsidiaries:-	Singapore	**100.00**	100.00
▪Belmeth Pte. Ltd.	Singapore	**80.00**	-
Elliot Development Pte. Ltd.	Singapore	**100.00**	100.00
FCC Net Pte Ltd	Singapore	**100.00**	100.00
ΩFica Nominees Pte Ltd	Singapore	**100.00**	-
First Bedok Land Pte Ltd	Singapore	**100.00**	100.00
First Capital Holdings Pte Ltd	Singapore	**100.00**	100.00
First Changi Development Pte Ltd	Singapore	**100.00**	100.00
GLL Land Pte. Ltd.	Singapore	**100.00**	100.00
Goodwood Residence Development Pte. Ltd.	Singapore	**100.00**	100.00
GuocoLand Property Management Pte. Ltd.	Singapore	**100.00**	100.00
▪Guston Pte. Ltd.	Singapore	**80.00**	-
Leedon Residence Development Pte. Ltd.	Singapore	**100.00**	100.00
MyHome Online Pte. Ltd.	Singapore	**100.00**	100.00
▪Perfect Eagle Pte. Ltd.	Singapore	**80.00**	100.00
Sophia Residence Development Pte. Ltd.	Singapore	**100.00**	100.00
Waterline Development Pte. Ltd.	Singapore	**100.00**	100.00
Winterhall Pte. Ltd.	Singapore	**100.00**	100.00
GuocoLand China (S) Pte. Ltd.	Singapore	**100.00**	100.00
GuocoLand Development Pte. Ltd.	Singapore	**100.00**	100.00
GuocoLand Management Pte. Ltd.	Singapore	**100.00**	100.00

6. INTERESTS IN SUBSIDIARIES (cont'd)

b. The details of the subsidiaries are as follows:- (cont'd)

Name of Subsidiary	Country of Incorporation	Effective Equity Interest held by the Group 2011 %	2010 %
GuocoLand Vietnam (S) Pte. Ltd. and its subsidiaries:-	Singapore	**100.00**	100.00
*GuocoLand Binh Duong Property Co., Ltd	Vietnam	**100.00**	100.00
#GuocoLand Vietnam Co., Ltd	Vietnam	**100.00**	100.00
*GuoSon Assets China Limited (formerly known as GuoSon Lifestyle Assets Limited) and its subsidiary:-	Hong Kong	**100.00**	100.00
*GuoSon Investment Company Limited and its subsidiaries:-	The People's Republic of China	**100.00**	100.00
*Guoson Lifestyle Retail (Beijing) Limited	The People's Republic of China	**100.00**	100.00
*Nanjing Mahui Property Development Co., Ltd	The People's Republic of China	**94.93**	94.93
*Shanghai Xinhaolong Property Development Co., Ltd	The People's Republic of China	**100.00**	100.00
*Tianjin Zhong Xin Ming Shi Real Estate Development Co., Ltd	The People's Republic of China	**100.00**	100.00
Leonie Land Pte. Ltd.	Singapore	**100.00**	100.00
Sanctuary Land Pte Ltd	Singapore	**90.00**	90.00

+ Liquidated during the financial year ended 30 June 2011.
# Not required to be audited by law of country of incorporation.
* Audited by other member firms of KPMG LLP International.
@ Audited by Ernst & Young, Malaysia.
▲ Audited by Ling Kam Hoong & Co.
∞ Audited by SyCip Gorres Velayo & Co.
^ In members' voluntary liquidation.
Ω During the year, interest in the subsidiary was transferred from the Company to GuocoLand (Singapore) Pte. Ltd.
▪ The Group's interests in these entities were diluted from 100% to 80% following the subscription of ordinary shares in these entities by non-controlling interests (see Note 34).

The rest of the subsidiaries are audited by KPMG LLP Singapore.

7. INTERESTS IN ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Investments in associates	**40,963**	41,656	**5,497**	5,497
Investments in jointly-controlled entities	**144,822**	142,601	**-**	-
	185,785	184,257	**5,497**	5,497
Amounts due from associates	**9,256**	10,130	**9,174**	10,037
Less: Amounts due within 1 year shown under trade and other receivables (see Note 14)	**-**	(10)	**-**	-
Allowance for doubtful receivables	**-**	-	**(6,762)**	(6,900)
	9,256	10,120	**2,412**	3,137
Amounts due from jointly-controlled entities	**4,333**	7,006	**-**	-
Less: Amounts due within 1 year shown as trade and other receivables (see Note 14)	**(4,333)**	(7,006)	**-**	-
	-	-	**-**	-
	195,041	194,377	**7,909**	8,634

The amounts due from associates are unsecured and interest-free, and form part of the Company's net investments in associates. The amounts due from associates include a foreign currency loan amounting to $6.7 million (2010: $7.6 million) which forms part of the Company's net investment in an associate.

The market value of quoted equity shares in associates is $30.9 million (2010: $28.9 million).

7. INTERESTS IN ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES (cont'd)

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

Name of Associates/Jointly-Controlled Entities	Country of Incorporation	Effective Equity Interest held by the Group	
		2011	2010
		%	%
Associates			
♦Crawforn Pte Ltd	Singapore	**40.00**	40.00
∞Luck Hock Venture Holdings, Inc.	Philippines	**31.02**	31.02
♦Razgrad Pte Ltd	Singapore	**40.00**	40.00
♦Stockton Investments Pte Ltd	Singapore	**38.27**	38.27
#Tiara Investment Holdings Limited and its subsidiary:-	Mauritius	**40.00**	40.00
**Purearth Infrastructure Limited	India	**20.11**	20.26
*§Tower Real Estate Investment Trust	Malaysia	**14.72**	13.62
Jointly-Controlled Entities			
@Bedford Damansara Heights Development Sdn Bhd and its subsidiaries:-	Malaysia	**33.97**	33.97
@Promakmur Development Sdn Bhd	Malaysia	**33.97**	33.97
▲Kota Selatan Indah Sdn Bhd	Malaysia	**33.97**	33.97
@Continental Estates Sdn Bhd	Malaysia	**33.97**	33.97
@Vintage Heights Sdn Bhd	Malaysia	**32.18**	32.18

* Audited by other member firms of KPMG LLP International.
♦ Audited by KPMG LLP Singapore.
@ Audited by Ernst & Young, Malaysia.
∞ Audited by SyCip Gorres Velayo & Co.
Audited by Sui Chong Ng Fuk Chong.
▲ Audited by Ling Kam Hoong & Co.
** Audited by M/s S.R. Bathliboi & Associates.
§ Considered to be an associate as the Group has significant influence over the financial and operating policy decisions of the investee, through its subsidiary, GuocoLand (Malaysia) Berhad.

7. INTERESTS IN ASSOCIATES AND JOINTLY-CONTROLLED ENTITIES (cont'd)

The financial information of the associates (without adjusting for the Group's share of its interests) and the Group's share of its interests in the jointly-controlled entities are as follows:-

	Associates		Jointly-Controlled Entities	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
Assets and liabilities				
Non-current assets			**159,547**	172,516
Current assets			**43,637**	37,299
Total assets	**299,333**	327,622	**203,184**	209,815
Non-current liabilities			**(24,873)**	(30,659)
Current liabilities			**(33,489)**	(36,555)
Total liabilities	**(88,817)**	(104,478)	**(58,362)**	(67,214)
Results				
Revenue	**60,516**	19,871	**29,738**	15,124
Expenses			**(18,518)**	(13,127)
Profit after income tax and non-controlling interests	**27,770**	13,691	**11,220**	1,997

8. AMOUNTS DUE FROM/(TO) NON-CONTROLLING INTERESTS

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

The amounts due to non-controlling interests are interest bearing and repayable at the discretion of the Board of the borrowing subsidiaries. The amounts are subordinated to external bank loans.

9. INVESTMENT SECURITIES

Available-for-sale Securities

	Group	
	2011	2010
	$'000	$'000
Quoted equity securities, at market value	**3,123**	2,155

10. DEFERRED TAX

a. Deferred Tax Assets and Liabilities

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

	Property, plant and equipment $'000	Investment properties $'000	Development properties $'000	Unutilised tax losses $'000	Total $'000
Deferred tax liabilities					
Group					
At 1 July 2009	864	2,810	31,760	-	35,434
Debited to income statement	-	-	6,678	-	6,678
Recognised in equity	-	-	977	-	977
Exchange differences on translation	43	10	(579)	-	(526)
At 30 June 2010	**907**	**2,820**	**38,836**	**-**	**42,563**
Debited to income statement	**(31)**	**10**	**13,040**	**-**	**13,019**
Recognised in equity	**-**	**-**	**(796)**	**-**	**(796)**
Exchange differences on translation	**-**	**(12)**	**(1,755)**	**-**	**(1,767)**
At 30 June 2011	**876**	**2,818**	**49,325**	**-**	**53,019**
Deferred tax assets					
Group					
At 1 July 2009	-	-	-	487	487
Credited to income statement	-	-	-	8,442	8,442
Exchange differences on translation	-	-	-	41	41
At 30 June 2010	**-**	**-**	**-**	**8,970**	**8,970**
Debited to income statement	**-**	**-**	**-**	**(4,413)**	**(4,413)**
Exchange differences on translation	**-**	**-**	**-**	**(63)**	**(63)**
At 30 June 2011	**-**	**-**	**-**	**4,494**	**4,494**

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

	Group	
	2011 $'000	**2010 $'000**
Deferred tax liabilities	**53,019**	42,563
Deferred tax assets	**(4,494)**	(8,970)

10. DEFERRED TAX (cont'd)

a. Deferred Tax Assets and Liabilities (cont'd)

As at 30 June 2011, the temporary differences relating to the undistributed profits of subsidiaries amounted to $270.4 million (2010: $242.3 million). Deferred tax liabilities of $27.0 million (2010: $24.2 million) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Group controls the dividend policy of these subsidiaries and it has been determined that it is probable that the profits will not be distributed in the foreseeable future.

b. Unrecognised Deferred Tax Assets

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

	Group	
	2011	**2010**
	$'000	**$'000**
Deductible temporary differences	**5,617**	5,048
Unutilised tax losses/capital allowances	**90,544**	231,490
	96,161	236,538
Deferred tax assets	**16,364**	50,988

Deferred tax assets have not been recognised in respect of these items because it is not certain as to when the Group can utilise the benefits therefrom.

As at 30 June 2011, the Group has unutilised tax losses and capital allowances which are available for set-off against future profits subject to tax conditions prevailing in the respective countries of the subsidiaries and agreement by the respective tax authorities.

11. INVENTORIES

		Group	
		2011	**2010**
	Note	**$'000**	**$'000**
Development properties	12	**4,548,172**	3,941,640
Construction work-in-progress	13	**-**	121
		4,548,172	3,941,761
Saleable merchandise		**262**	248
Operating supplies		**2,430**	4,228
		2,692	4,476
		4,550,864	3,946,237

12. DEVELOPMENT PROPERTIES

	Note	Group 2011 $'000	Group 2010 $'000
Properties in the course of development		**4,253,757**	3,684,921
Properties held for sale		**294,415**	256,719
	11	**4,548,172**	3,941,640

Properties in the course of development

	Note	Group 2011 $'000	Group 2010 $'000
Costs		**4,650,573**	4,223,069
Allowance for foreseeable losses		**(21,242)**	(25,994)
Attributable profit		**154,175**	114,113
Progress instalments received and receivable		**(529,749)**	(633,546)
		4,253,757	3,677,642
Comprising:-			
Properties in the course of development		**4,253,757**	3,684,921
Excess of progress billings over work-in-progress	22	**-**	(7,279)
		4,253,757	3,677,642

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

	Note	Group 2011 $'000	Group 2010 $'000
Interest expense	27	**69,240**	58,585
Interest income		**(150)**	(598)
Depreciation of property, plant and equipment		**22**	69

Certain development properties with a book value of $2,756.6 million (2010: $2,158.4 million) are under legal mortgages with banks (see Note 20).

If the Group had adopted the completion of construction method, the effects on the financial statements would have been as follows:-

	Increase/(Decrease) 2011 $'000	Increase/(Decrease) 2010 $'000
Accumulated profits as at 1 July	**(94,271)**	(29,050)
Revenue	**(146,633)**	(239,496)
Profit for the year	**(41,173)**	(65,221)
Properties in the course of development as at 1 July	**(89,596)**	(36,186)
Properties in the course of development as at 30 June	**(154,175)**	(89,596)
Excess of progress billings over work-in-progress as at 1 July	**24,517**	-
Excess of progress billings over work-in-progress as at 30 June	**-**	24,517

13. CONSTRUCTION WORK-IN-PROGRESS

	Group	
	2011	2010
	$'000	$'000
Cost and attributable profits	**32,221**	34,200
Progress billings	**(32,221)**	(34,079)
	-	121

14. TRADE AND OTHER RECEIVABLES

		Group		Company	
		2011	2010	2011	2010
	Note	$'000	$'000	$'000	$'000
Trade receivables	15	**245,496**	193,518	**-**	-
Other receivables, deposits and prepayments	16	**68,638**	39,764	**313**	493
Amounts due from:-					
Associates	7	**-**	10	**-**	-
Jointly-controlled entities	7	**4,333**	7,006	**-**	-
Related corporations		**331**	89	**-**	-
Non-controlling interests		**539**	576	**-**	-
Related parties		**4**	4	**-**	-
		319,341	240,967	**313**	493

The amounts due from associates, jointly-controlled entities, related corporations, non-controlling interests and related parties are unsecured and interest-free.

15. TRADE RECEIVABLES

The maximum exposure to credit risk for trade receivables at the reporting date by business segments is:-

	Group	
	2011	2010
	$'000	$'000
GuocoLand Singapore	**125,971**	14,264
GuocoLand China	**106,694**	166,993
GuocoLand Malaysia	**11,237**	9,462
GuocoLand Vietnam	**1,594**	2,799
	245,496	193,518

15. TRADE RECEIVABLES (cont'd)

The ageing of trade receivables at the reporting date is:-

	Gross 2011 $'000	Allowance for doubtful receivables 2011 $'000	Gross 2010 $'000	Allowance for doubtful receivables 2010 $'000
Group				
Not past due	**232,133**	-	**42,768**	-
Past due 1 – 30 days	**8,434**	-	**2,171**	-
Past due 31 – 90 days	**4,046**	-	**5,215**	-
Past due more than 90 days	**967**	(84)	**143,477**	(113)
	245,580	(84)	**193,631**	(113)

Based on historical default rates, the Group believes that generally no allowance for doubtful receivables is necessary in respect of trade receivables that are past due.

The movement in allowance for doubtful receivables in respect of trade receivables during the financial year is as follows:-

	Group 2011 $'000	2010 $'000
At 1 July	**113**	93
Allowance (written back)/made during the year	**(23)**	32
Allowance written off during the year	**-**	(16)
Exchange differences on translation	**(6)**	4
At 30 June	**84**	113

16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Deposits	**1,408**	2,466	**-**	-
Deposits for land acquisition	**37,575**	5,080	**-**	-
Prepayments	**5,019**	4,926	**12**	487
Tax recoverables	**1,665**	829	**-**	-
Interest receivables	**398**	1,039	**-**	-
Mark-to-market gain on derivative financial instruments	**295**	-	**295**	-
Others	**22,278**	25,424	**6**	6
	68,638	39,764	**313**	493

The movement in allowance for doubtful receivables in respect of other receivables during the financial year is as follows:-

	Group	
	2011 $'000	2010 $'000
At 1 July	**1,656**	2,093
Allowance made during the year	**-**	683
Allowance written off during the year	**-**	(1,207)
Exchange differences on translation	**(96)**	87
At 30 June	**1,560**	1,656

17. CASH AND CASH EQUIVALENTS

		Group		Company	
		2011	**2010**	**2011**	**2010**
	Note	**$'000**	**$'000**	**$'000**	**$'000**
Short-term deposits with banks		**955,955**	383,257	**123,985**	228
Cash and bank balances		**232,387**	273,175	**1,670**	230
Cash and cash equivalents		**1,188,342**	656,432	**125,655**	458
Bank overdrafts	20	**(1,588)**	(4,457)		
Cash collaterals	(d)	**(359,541)**	(2,156)		
Cash and cash equivalents in the statement of cash flow		**827,213**	649,819		

Included in the Group's cash and cash equivalents are:-

a. Amounts held under the China Housing Developers Restricted Funds Agreement totalling $109.4 million (2010: $86.6 million), the use of which is subject to restrictions imposed by the above-mentioned Agreement;

b. Amounts held under the Singapore Housing Developers (Project Account) Rules totalling $77.8 million (2010: $98.2 million), the use of which is subject to restrictions imposed by the above-mentioned Rules;

c. Amounts held in Malaysia pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 totalling $0.1 million (2010: $0.1 million), the use of which is restricted from other operations; and

d. Included in this amount is a deposit of $359.5 million pledged with a financial institution in China for a bank loan.

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

	Group		Company	
	2011	**2010**	**2011**	**2010**
	%	**%**	**%**	**%**
Short-term deposits with banks	**0.06 to 3.00**	0.06 to 2.45	**0.09 to 0.46**	0.25 to 0.63

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

18. SHARE CAPITAL

		Company	
		2011	2010
	Note	No. of shares	No. of shares
Ordinary Shares			
Issued and fully paid ordinary shares			
At 1 July		**887,529,957**	887,529,957
Issue of shares pursuant to the Rights Issue	(b)	**295,843,319**	-
At 30 June		**1,183,373,276**	887,529,957

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

b. During the year, the Company issued 295,843,319 new ordinary shares of the Company ("Rights Share") at an issue price of $1.80 for each Rights Share, on the basis of one Rights Share for every three existing ordinary shares in the capital of the Company. Net proceeds of approximately $532 million were received.

c. As at 30 June 2011, the Trust for GuocoLand Limited Executives' Share Option Scheme (the "ESOS") held an aggregate of 73,604,933 (2010: 55,203,700) shares in the Company which had been acquired from the market for the purpose of satisfying outstanding share options granted or to be granted to participants under the ESOS. In the previous financial year, 10,528,350 shares in the Company were transferred to participants upon exercise of their share options pursuant to the ESOS (see Note 31).

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as profit attributable to owners of the Company divided by shareholders' equity and the level of dividends to ordinary shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

From time to time, the Company or the Trust may purchase shares in the Company from the market. Share purchase allows the Company greater flexibility over its share capital structure with a view to improving, *inter alia*, its return on equity. The shares which are purchased may be held as treasury shares which the Company or the Trust may transfer to participants for the purposes of or pursuant to the ESOS. The use of treasury shares in lieu of issuing new shares would also mitigate the dilution impact on existing shareholders.

The Company is not exposed to externally imposed capital restrictions.

There were no changes in the Company's approach to capital management during the financial year.

19. RESERVES

		Group		Company	
	Note	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Reserve for own shares	(a)	**(157,034)**	(123,912)	**(157,034)**	(123,912)
Share option reserve	(b)	**15,808**	13,457	**15,808**	13,457
Capital reserve	(c)	**29,276**	29,276	**29,193**	29,193
Exchange translation reserve	(d)	**(151,967)**	(4,567)	**-**	-
Revaluation reserve	(e)	**8,341**	8,341	**-**	-
Mark-to-market reserve	(f)	**(306)**	(1,029)	**-**	-
Other reserves		**(255,882)**	(78,434)	**(112,033)**	(81,262)
Accumulated profits		**764,196**	697,660	**232,293**	265,152
		508,314	619,226	**120,260**	183,890

a. Reserve for Own Shares

This comprises the purchase consideration for issued shares of the Company acquired by the Trust for GuocoLand Limited Executives' Share Option Scheme (the "ESOS") for the purpose of satisfying outstanding share options granted or to be granted to participants under the ESOS (see Note 31).

b. Share Option Reserve

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

c. Capital Reserve

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

d. Exchange Translation Reserve

This comprises:-

i. Foreign exchange differences arising from the translation of the financial statements of foreign entities whose functional currencies are different from the functional currency of the Company.

ii. The exchange differences on monetary items which form part of the Group's net investment in the foreign entities.

e. Revaluation Reserve

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

f. Mark-to-market Reserve

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

20. INTEREST BEARING LOANS AND BORROWINGS

	Note	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Non-Current Liabilities					
Secured bank loans		**1,106,290**	1,016,026	**-**	-
Unsecured bank loans		**400,931**	53,023	**39,500**	-
Unsecured convertible bonds	21	**-**	359,704	**-**	359,704
Unsecured medium-term notes		**746,527**	-	**-**	-
		2,253,748	1,428,753	**39,500**	359,704
Current Liabilities					
Secured bank overdrafts		**1,588**	2,116	**-**	-
Unsecured bank overdrafts		**-**	2,341	**-**	-
	17	**1,588**	4,457	**-**	-
Secured bank loans		**1,879,724**	201,339	**-**	-
Unsecured bank loans		**626,392**	765,628	**200,000**	319,908
Unsecured loans from intermediate holding company	33	**-**	139,815	**-**	-
Unsecured convertible bonds	21	**374,205**	-	**374,205**	-
Unsecured medium-term notes		**49,973**	75,000	**-**	35,000
		2,931,882	1,186,239	**574,205**	354,908
Total loans and borrowings		**5,185,630**	2,614,992	**613,705**	714,612

Maturity of loans and borrowings:-

	Group 2011 $'000	Group 2010 $'000	Company 2011 $'000	Company 2010 $'000
Within 1 year	**2,931,882**	1,186,239	**574,205**	354,908
After 1 year but within 5 years	**2,133,009**	1,426,809	**39,500**	359,704
After 5 years	**120,739**	1,944	**-**	-
Total loans and borrowings	**5,185,630**	2,614,992	**613,705**	714,612

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

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

	Note	Group 2011 $'000	Group 2010 $'000
Property, plant and equipment	4	**338,609**	179,372
Investment properties	5	**1,240,807**	73,525
Development properties	12	**2,756,616**	2,158,357
		4,336,032	2,411,254

The unsecured medium-term notes pertain to fixed rate notes issued by a subsidiary during the year with tenor between 1 to 5 years.

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

	Effective Interest Rate %	Floating Interest Rate $'000	Fixed Interest Rate Maturing Within 1 Year $'000	Fixed Interest Rate Maturing 1 to 5 Years $'000	Total $'000
Group					
2011					
Secured					
- S$ floating rate loans	**0.90 to 2.77**	**2,144,024**	**-**	**-**	**2,144,024**
- MYR floating rate loans	**3.87 to 4.75**	**284,432**	**-**	**-**	**284,432**
- RMB floating rate loans	**6.40 to 7.32**	**557,558**	**-**	**-**	**557,558**
- MYR bank overdrafts	**7.35**	**1,588**	**-**	**-**	**1,588**
Unsecured					
- S$ floating rate loans	**1.13 to 1.99**	**743,391**	**-**	**-**	**743,391**
- US$ floating rate loans	**1.64 to 1.72**	**160,984**	**-**	**-**	**160,984**
- MYR floating rate loans	**3.77 to 4.20**	**73,056**	**-**	**-**	**73,056**
- S$ fixed rate loans	**2.61**	**-**	**-**	**49,892**	**49,892**
- S$ fixed rate notes	**2.00 to 4.88**	**-**	**49,973**	**746,527**	**796,500**
- S$ fixed rate convertible bonds	**3.90 to 4.18**	**-**	**374,205**	**-**	**374,205**
		3,965,033	**424,178**	**796,419**	**5,185,630**
2010					
Secured					
- S$ floating rate loans	0.67 to 2.98	874,073	-	-	874,073
- MYR floating rate loans	3.25 to 5.80	258,647	-	-	258,647
- RMB floating rate loans	6.34	84,645	-	-	84,645
- MYR bank overdrafts	6.80	2,116	-	-	2,116
Unsecured					
- S$ floating rate loans	1.81 to 3.10	675,000	-	-	675,000
- US$ floating rate loans	1.99 to 2.74	209,724	-	-	209,724
- MYR floating rate loans	3.25 to 3.80	73,742	-	-	73,742
- S$ fixed rate notes	3.50 to 4.00	-	75,000	-	75,000
- S$ fixed rate convertible bonds	3.90 to 4.18	-	-	359,704	359,704
- MYR bank overdrafts	6.55 to 7.05	2,341	-	-	2,341
		2,180,288	75,000	359,704	2,614,992

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

	Effective Interest Rate %	Floating Interest Rate $'000	Fixed Interest Rate Maturing Within 1 Year $'000	Fixed Interest Rate Maturing 1 to 5 Years $'000	Total $'000
Company					
2011					
Unsecured					
- S$ floating rate loans	**1.13 to 1.76**	**239,500**	**-**	**-**	**239,500**
- S$ fixed rate convertible bonds	**3.90 to 4.18**	**-**	**374,205**	**-**	**374,205**
		239,500	**374,205**	**-**	**613,705**
2010					
Unsecured					
- S$ floating rate loans	2.00 to 3.10	250,000	-	-	250,000
- US$ floating rate loans	2.74	69,908	-	-	69,908
- S$ fixed rate notes	3.77	-	35,000	-	35,000
- S$ fixed rate convertible bonds	3.90 to 4.18	-	-	359,704	359,704
		319,908	35,000	359,704	714,612

21. UNSECURED CONVERTIBLE BONDS

	Group and Company 2011 $'000	Group and Company 2010 $'000
Non-current	**-**	359,704
Current	**374,205**	-
	374,205	359,704

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

The Bonds are convertible by the holders thereof into new ordinary shares in the capital of the Company ("Shares") at any time on or after 6 July 2007 and up to the close of business (at the place where the certificate evidencing such Bonds is deposited for conversion) on 27 April 2012 or if such Bonds shall have been called for redemption by the Company before 27 April 2012, then up to the close of business (at the place aforesaid) on a date no later than seven business days prior to the date fixed for redemption thereof. The adjusted conversion price of the Bonds is $5.284 per Share with effect from 6 December 2010 following the issue of 295,843,319 new Shares during the year pursuant to a renounceable rights issue undertaken by the Company (see Note 18(b)).

21. UNSECURED CONVERTIBLE BONDS (cont'd)

At any time on or after 7 May 2009 and prior to the date falling 7 business days prior to 7 May 2012 (the "Maturity Date" of the Bonds), the Bonds may be redeemed in whole at the option of the Company if the volume weighted average price of the Shares for each of 10 consecutive trading days was at least 120% of the principal amount of the Bonds plus interest equal to the applicable early redemption interest amount divided by the conversion ratio.

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

During the financial year ended 30 June 2010, the Company had at the option of the bondholders, redeemed and cancelled $337.8 million of the Tranche 1 Bonds, at their principal amount plus interest equal to the applicable early redemption interest amount. Following the redemption and cancellation, the remaining aggregate principal amount of Tranche 1 Bonds is $7.2 million.

22. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	**2011 $'000**	**2010 $'000**	**2011 $'000**	**2010 $'000**
Trade payables and accrued operating expenses		**149,334**	173,802	**607**	574
Excess of progress billings over construction work-in-progress	12	**-**	7,279	**-**	-
Amounts due to:-					
Intermediate holding company		**3,374**	5,986	**-**	-
Associates		**47**	50	**-**	-
Jointly-controlled entities		**393**	417	**-**	-
Related corporations		**896**	1,223	**-**	-
Non-controlling interests		**1,141**	1,242	**-**	-
Other payables	23	**166,251**	666,259	**273**	1,962
		321,436	856,258	**880**	2,536

The amounts due to intermediate holding company, associates, jointly-controlled entities, related corporations and non-controlling interests are unsecured, interest-free and repayable on demand.

23. OTHER PAYABLES

		Group		Company	
		2011	2010	2011	2010
	Note	$'000	$'000	$'000	$'000
Rental deposits		**3,578**	3,840	**-**	-
Deposits received		**23,120**	3,899	**-**	-
Interest payable		**17,930**	9,295	**251**	1,940
Mark-to-market loss on derivative financial instruments		**8,160**	2,578	**-**	-
Real estate tax payable		**101,841**	104,261	**-**	-
Balance purchase consideration due to vendors	37(a)	**1,914**	534,128	**-**	-
Others		**9,708**	8,258	**22**	22
		166,251	666,259	**273**	1,962

24. REVENUE

	Group	
	2011	2010
	$'000	$'000
Sale of development properties	**597,165**	693,277
Hotel operations	**29,553**	17,001
Construction operations	**-**	813
Rental from investment properties	**16,319**	18,251
Management fee income from:-		
Immediate holding company	**-**	4
Related corporations	**411**	31
Others	**3,791**	2,972
Others	**17**	413
	647,256	732,762

25. OTHER INCOME

	Note	Group 2011 $'000	Group 2010 $'000
Gain on disposal of interest in jointly-controlled entity		**-**	9,460
Gain on liquidation of interest in subsidiary		**-**	2,633
Gain on disposal of property, plant and equipment		**142**	10
Gain on revaluation of investment properties	5	**58,800**	100
Interest income from:-			
Fixed deposits with banks		**4,402**	4,401
Others		**108**	208
Mark-to-market gain on derivative financial instruments		**295**	-
Net exchange gain		**-**	3,929
Rental income		**6,696**	5,377
Others		**954**	5,552
		71,397	31,670

26. OTHER EXPENSES

	Group 2011 $'000	Group 2010 $'000
Mark-to-market loss on derivative financial instruments	**5,582**	3,453
Net exchange loss	**5,097**	-
Others	**4,900**	14,343
	15,579	17,796

27. FINANCE COSTS

	Note	Group 2011 $'000	Group 2010 $'000
Interest expense:-			
Intermediate holding company		**3,556**	2,822
Financial institutions		**80,048**	58,592
Medium-term notes		**10,335**	5,127
Convertible bonds:-			
Interest expense		**6,955**	8,654
Amortisation of bond discount		**7,035**	15,008
		13,990	23,662
		107,929	90,203
Less: Interest expense capitalised in:-			
Property, plant and equipment	4	**(472)**	-
Investment properties	5	**(3,149)**	-
Development properties	12	**(69,240)**	(58,585)
		(72,861)	(58,585)
		35,068	31,618

28. PROFIT BEFORE INCOME TAX

	Group 2011 $'000	Group 2010 $'000
a. The following items have been included in arriving at profit before income tax:-		
Depreciation of property, plant and equipment	**7,919**	5,431
Direct operating expenses of investment properties	**3,059**	3,217
Management fees paid and payable to:-		
Intermediate holding company	**3,361**	4,586
Related corporation	**337**	622
Operating lease expenses	**2,756**	3,222
Property, plant and equipment written off	**3**	1,640
Writeback of allowance for foreseeable losses on development properties	**(1,804)**	(4,233)
(Writeback of allowances)/Allowance for doubtful receivables	**(23)**	715
Government grant under Jobs Credit Scheme (included in staff costs)	**-**	134
Staff costs:-		
Wages, salaries and benefits	**41,890**	37,033
Contributions to defined contribution plans	**1,643**	1,431
Value of employees services received for issue of share options	**2,351**	3,350
Liability for short-term accumulating compensated absences	**88**	66
	45,972	41,880

b. Key Management Personnel

The key management personnel compensation as part of staff costs is as follows:-

	Group 2011 $'000	Group 2010 $'000
Wages, salaries and benefits	**6,309**	5,159
Contributions to defined contribution plans	**98**	129
Value of employees services received for issue of share options	**2,151**	2,465
	8,558	7,753

28. PROFIT BEFORE INCOME TAX (cont'd)

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

	Fixed Salary (inclusive of Employer CPF)	Variable Bonus (inclusive of Employer CPF)	Directors' Fees	Other Benefits	Total
$500,000 and above					
Quek Chee Hoon	50.4%	49.0%	-	0.6%	100%
$249,999 and below					
Sat Pal Khattar	-	-	85.9%	14.1%	100%
Kwek Leng Hai	-	-	100%	-	100%
Reggie Thein	-	-	100%	-	100%
Timothy Teo	-	-	100%	-	100%
Francis Siu[1]	-	-	100%	-	100%
Goh Yong Hong[2]	-	-	100%	-	100%

[1] Francis Siu was appointed as a director of the Company on 1 December 2010.
[2] Goh Yong Hong resigned as a director of the Company on 15 October 2010.

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

	Group	
	2011	**2010**
Remuneration of:-		
$750,000 and above	**2**	1
$500,000 to $749,999	**1**	5
$250,000 to $499,999	**4**	2
	7	8

29. INCOME TAX EXPENSE

	Group 2011 $'000	Group 2010 $'000
Current tax		
Current year	**22,000**	44,813
Overprovision in respect of previous financial years	**(2,003)**	(2,618)
	19,997	42,195
Deferred tax		
Movements in temporary differences	**17,443**	(1,371)
Overprovision in respect of previous financial years	**(11)**	(393)
	17,432	(1,764)
Foreign withholding tax	**766**	883
	38,195	41,314

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

	Group 2011 $'000	Group 2010 $'000
Profit before income tax	**171,432**	180,525
Less: Share of results of associates and jointly-controlled entities	**(20,044)**	(4,209)
Profit before share of results of associates, jointly-controlled entities and income tax	**151,388**	176,316
Income tax calculated using the Singapore tax rate of 17%	**25,736**	29,974
Deferred tax benefit not recognised	**2,294**	6,361
Effect of different tax rates in foreign jurisdiction	**(11,530)**	7,183
Non-chargeable income	**(1,691)**	(15,271)
Non-deductible expenses	**21,640**	27,868
Utilisation of previously unrecognised deferred tax assets	**(1,307)**	(14,780)
Tax effect of losses not allowed to be set off against future taxable profits	**8,576**	1,176
Overprovision in respect of previous financial years	**(2,014)**	(3,011)
Foreign withholding tax	**766**	883
Others	**(4,275)**	931
	38,195	41,314

30. EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

Earnings per share ("EPS") is calculated based on the Group's profit of $130,220,000 (2010: profit of $134,306,000) and on the weighted average number of 1,018,201,000 (2010: 887,432,000) ordinary shares of the Company, in issue after adjusting for the shares acquired by the Trust during the financial year.

Diluted EPS is calculated on the same basis as that of EPS except that the Group's profit and the weighted average number of ordinary shares have been adjusted for the dilution effects of all dilutive potential ordinary shares as shown below:-

	Group	
	2011	**2010**
	$'000	**$'000**
Group's profit used in the computation of basic and diluted EPS	**130,220**	134,306
		Adjusted
	'000	**'000**
Weighted average number of ordinary shares used in the computation of basic and diluted EPS	**1,018,201**	887,432
Assumed exercise of share options	**1,482**	-
Adjusted weighted average number of ordinary shares used in the computation of diluted EPS	**1,019,683**	887,432

The weighted average number of ordinary shares used in the computation of basic and diluted EPS for financial year ended 30 June 2010 has been adjusted for the bonus element of the Company's Rights Issue during the year (see Note 18b).

31. EMPLOYEE BENEFITS

The GuocoLand Limited Executives' Share Option Scheme ("ESOS")

a. The ESOS was approved by shareholders of the Company on 17 October 2008 and further approved by shareholders of Guoco Group Limited (an intermediate holding company of the Company) on 21 November 2008 ("ESOS 2008"), to replace the Company's former ESOS ("ESOS 2004"), which was due to expire in December 2008. The terms of the ESOS 2008 are substantially similar to those of the ESOS 2004. The termination of the ESOS 2004 does not affect outstanding options which had been granted and accepted thereunder.

b. Under the ESOS 2008, options may be granted over newly issued and/or existing issued ordinary shares of the Company ("Shares"). The ESOS 2008 is administered by a Committee of Directors ("ESOS Committee") comprising Mr Sat Pal Khattar and Mr Quek Leng Chan who are non-participants.

31. EMPLOYEE BENEFITS (cont'd)

c. The following options (including adjustments made to both the number of options and the exercise price pursuant to the Company's Rights Issue 2007 and/or Rights Issue 2010) have been granted to selected key executives of the Company ("Participants"):-

Date of Grant	Participants	No. of Shares comprised in options	Exercise price per Share	Note
ESOS 2004				
1 November 2004	Selected key executives	14,227,500	S$1.045	
30 May 2005	Selected key executive	2,000,000	S$1.32	
		4,552,800	S$1.159	
19 January 2007	Selected key executives	28,708,393	S$2.177	1
ESOS 2008				
28 September 2009	Selected key executives	12,821,725	S$2.142	2

d. During the financial year, 3,069,300 options were cancelled following the resignation of two Participants. However, no options were exercised or granted. Further, no new Shares were issued pursuant to the ESOS.

e. The aggregate number of options (including options adjusted pursuant to the Company's Rights Issue 2007 and Rights Issue 2010) granted to Participants since the commencement of the ESOS to the end of the financial year is as follows:-

Participants	Aggregate options granted since the commencement of the ESOS to end of financial year	Aggregate options exercised since the commencement of the ESOS to end of financial year	Aggregate options lapsed since the commencement of the ESOS to end of financial year	Aggregate options outstanding as at end of financial year
Executive Director				
Quek Chee Hoon	9,398,300	(7,398,300)	(2,000,000)	-
	12,170,773[1]	-	-	12,170,773
Directors of Subsidiaries				
Violet Lee	9,967,400	(9,967,400)	-	-
	7,302,464[1]	-	-	7,302,464
Trina Loh	1,388,200	(1,138,200)	(250,000)	-
	3,651,232[1]	-	-	3,651,232
	1,069,300[2]	-	-	1,069,300
Dawn Pamela Lum	1,638,200	(1,138,200)	(500,000)	-
	2,434,155[1]	-	-	2,434,155
Tan Teck Huat	2,138,600[2]	-	-	2,138,600
Other Executives	3,768,200	(1,138,200)	(2,630,000)	-
	3,149,769[1]	-	(2,845,500)	304,269
	9,613,825[2]	-	(5,069,300)	4,544,525
Total	**67,690,418**	**(20,780,300)**	**(13,294,800)**	**33,615,318**

31. EMPLOYEE BENEFITS (cont'd)

The movement in the options during the financial year is as follows:-

	Group	
	2011	**2010**
At 1 July	**34,436,750**	34,715,100
Additional options granted arising from the Rights Issue	**2,247,868**	-
Options granted	**-**	12,250,000
Exercised	**-**	(10,528,350)
Lapsed	**(3,069,300)**	(2,000,000)
At 30 June	**33,615,318**	34,436,750

Note:-

1. Options granted on 19 January 2007 under ESOS 2004
   The exercise price of S$2.65 (which was adjusted to S$2.328 pursuant to the Company's Rights Issue 2007 and further adjusted to S$2.177 pursuant to the Company's Rights Issue 2010) was based on the average closing price for the five days preceding 19 January 2007. The closing market price per Share on 18 January 2007 (the trading date immediately before the date of grant) was S$2.75. Subject to certain financial and performance targets being met by the Participants during the financial years 2005/06 to 2010/11, the Participants have a phased period of up to 30 months from the date of vesting to exercise the vested options in accordance with the terms of the grant.

2. Options granted on 28 September 2009 under ESOS 2008
   The exercise price of S$2.29 (which was adjusted to S$2.142 pursuant to the Company's Rights Issue 2010) was based on the 5-day weighted average market price immediately prior to 28 September 2009 (the date of grant). The weighted average market price on the date of grant was S$2.28 per Share. Subject to certain performance targets being met by the Participants for the financial years 2009/10 to 2011/12, the vested options may be exercisable and valid up to 30 months from the date of vesting in accordance with the terms of the grant.

f. Other statutory information regarding the above options is as follows:-

(i) In relation to ESOS 2004, the exercise price per Share is the average of the closing prices of the Shares on Singapore Exchange Securities Trading Limited for each of the last five market days immediately prior to the date of grant of the option.

In relation to ESOS 2008, the exercise price per Share is the 5-day weighted average market price on Singapore Exchange Securities Trading Limited immediately prior to the date of grant of the option.

(ii) An option shall be exercisable on the date after (a) the second anniversary of the date of grant (for employees who have been employed for less than one year) and (b) the first anniversary of the date of grant (for all other employees), and to end on a date not later than 10 years after the date of grant.

(iii) The persons to whom the options have been granted do not have the right to participate, by virtue of the option, in a share issue of any other company, except in the share scheme(s) of companies within the Group.

g. Since the commencement of the ESOS, no options have been granted to controlling shareholders of the Company and their associates or parent group employees and no options have been granted at a discount.

31. EMPLOYEE BENEFITS (cont'd)

Fair Value of Options

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

Date of grant of options	**1 November 2004**	**30 May 2005**	**19 January 2007**	**28 September 2009**
Fair value of share options and assumptions				
Fair value at measurement date	$0.10 to $0.11	$0.09 to $0.10	$0.47 to $0.73	$0.69 to $0.72
Share price	$1.22	$1.34	$2.78	$2.28
Exercise price	$1.19	$1.32	$2.65	$2.29
Adjusted exercise price	$1.045	$1.159	$2.177	$2.142
Expected volatility	21.4%	18.8%	29.5%	42.2% to 49.8%
Expected option life	3.2 years to 4.2 years	1.5 years to 3.6 years	1.8 years to 6.8 years	3.2 years to 5.2 years
Expected dividend yield	6.6%	6.0%	2.9%	2.2%
Risk-free interest rate	1.8% to 2.2%	2.1% to 2.3%	3.0% to 3.1%	0.6% to 1.3%

The fair values of the share options are not affected by the revised number of options and adjusted exercise price arising from both the Company's Rights Issue 2010 and 2007.

Shares held by Trust

In October 2004, the Company established a Trust in respect of the ESOS. Pursuant to a trust deed between the Company and the Trust, the Trust had acquired Shares from the market for the purpose of satisfying options granted or to be granted to participants under the ESOS. Subject to financial, performance and other targets being met by these participants, Shares held under the Trust may be transferred to them upon exercise of their share options. As at 30 June 2011, the Company had granted a loan amounting to $140.4 million (2010: $111.3 million) to the Trust and the Trust held an aggregate of 73,604,933 (2010: 55,203,700) Shares, after the subscription of 18,401,233 (2010: Nil) Shares by the Trust under the Company's Rights Issue 2010.

32. DIVIDENDS

	Company	
	2011 $'000	**2010 $'000**
Final one-tier ordinary dividend paid of 8 cents (2010: 5 cents) per ordinary share in respect of the previous financial year*	**66,586**	41,446

After the balance sheet date, the Directors proposed a final one-tier dividend of 8 cents (2010: 8 cents) per ordinary share amounting to $88,781,000 (2010: $66,586,000). The dividends have not been provided for.

* Dividend payments in respect of 55,203,700 (2010: 58,618,300) ordinary shares of the Company which were held by the Trust for Executives' Share Option Scheme were eliminated on consolidation.

33. RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or *vice versa*, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or entities.

In addition to the related party information disclosed elsewhere in the financial statements, there were the following significant related party transactions between the Group and related parties during the financial year:-

a. Rental income of $1,700,000 (2010: $1,684,000) was received for the financial year ended 30 June 2011 and will continue to be receivable by an investment holding subsidiary of the Group pursuant to lease agreements entered into by this subsidiary with companies in which one of the directors has an interest.

b. On 4 July 2011, the Company signed a renewal of the Management Agreement with Guoco Group Limited ("GGL") in relation to the provision of services to the Company and its subsidiaries ("GLL Group") on the same terms and conditions as the previous Agreement which expired on 30 June 2011. The payment of the annual fee will be based on the equivalent of 3% of the profit before tax of its subsidiaries. The aggregate fees payable by the GLL Group in each financial year to GGL shall in any event not exceed 2% of the audited consolidated net tangible assets of the Company for the relevant financial year. Three directors of the Company are also directors and shareholders of GGL.

c. On 30 April 2009, the Company signed an agreement with GGL relating to the use of trademarks and logos pursuant to which licence fees of $39,000 (2010: $28,000) have been paid by the Company for the financial year ended 30 June 2011. Three directors of the Company are also directors and shareholders of GGL.

d. On 12 January 2011 the Company announced that GGL had increased the principal amount of its unsecured term loan facility to GuocoLand (China) Limited ("GLC"), the Company's wholly-owned subsidiary, to an aggregate of US$440 million ("Loan"). The Loan was repaid in full by May 2011. Interest of approximately US$2,753,000 (2010: US$2,007,000) was paid to GGL in respect of the Loan.

e. During the financial year, a subsidiary of the Group sold a unit in Goodwood Residence, a residential development in Singapore to a director of the Company for a sale consideration of $3,398,000 in the ordinary course of its business.

34. NOTES TO THE STATEMENT OF CASH FLOW

The Group entered into a joint venture with Employees Provident Fund of Malaysia in relation to the Group's development of the Tanjong Pagar site at Peck Seah Street / Choon Guan Street.

The effect of divesture of 20% of the subsidiaries is set out below:-

	2011 $'000
Assets held for development	354,580
Trade and other receivables	24,003
Trade and other payables	(1,522)
Interest bearing loans and borrowings	(263,913)
Sale consideration	113,148
Less:	
Proceeds from dilution of interest in subsidiaries	116,050
Disposal of interest in subsidiaries without loss of control recognised in equity	2,902

35. FINANCIAL INSTRUMENTS

a. Financial Risk Management Objectives and Policies

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

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

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

The Group's accounting policies in relation to the derivative financial instruments are set out in Note 3f.

b. Market Risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Foreign Currency Risk

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

The Group generally hedges its foreign exchange exposure using forward exchange contracts with external parties. The contracts used in its hedging program have terms of 12 months or less. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level. The fair value gain of the forward exchange contracts as at 30 June 2011 was $295,000 (2010: Nil).

35. FINANCIAL INSTRUMENTS (cont'd)

b. Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

The Group's and Company's exposures to foreign currencies against the functional currencies at balance sheet date are as follows:-

	US Dollars $'000	Chinese Renminbi $'000
Group		
2011		
Cash and cash equivalents	**716,896**	**-**
Loans and borrowings	**(162,414)**	**-**
Trade and other payables	**(560)**	**(1,914)**
Gross currency exposure	**553,922**	**(1,914)**
Forward exchange contracts	**(345,263)**	**-**
Net currency exposure	**208,659**	**(1,914)**
2010		
Cash and cash equivalents	20,580	-
Loans and borrowings	(69,908)	-
Trade and other payables	(267)	(2,062)
Net currency exposure	(49,595)	(2,062)

	US Dollars $'000
Company	
2010	
Cash and cash equivalents	8
Loans and borrowings	(69,908)
Trade and other payables	(267)
Net currency exposure	(70,167)

During the financial year, the Company had entered into forward exchange contracts with a notional amount of $345,263,000 to hedge the Group's foreign exchange exposure.

35. FINANCIAL INSTRUMENTS (cont'd)

b. Market Risk (cont'd)

(i) **Foreign Currency Risk (cont'd)**

Sensitivity Analysis

A strengthening of the following foreign currencies against the functional currencies at the reporting date would increase or decrease the income statement by the amounts shown below. There is no impact on the other components of equity. This analysis assumes that all other variables, in particular interest rates, remain constant and does not take into account the associated tax effects and share of non-controlling interests.

Functional Currencies	Foreign Currencies	Rate of Increase in Foreign Currencies	Profit Before Tax Group $'000	Profit Before Tax Company $'000
2011				
SGD	**USD**	**2.00%**	**(2,968)**	**6**
RMB	**USD**	**4.00%**	**12,465**	**-**
MYR	**USD**	**3.00%**	**1,344**	**-**
USD	**RMB**	**4.00%**	**(77)**	**-**
2010				
SGD	USD	3.57%	(2,504)	(2,505)
RMB	USD	3.37%	669	-
USD	RMB	3.37%	(69)	-

A weakening of the above foreign currencies against the functional currencies would have an equal but opposite effect.

(ii) **Interest Rate Risk**

The Group's policy is to minimise adverse effects on the financial performance of the Group as a result of changes in market interest rates. The Treasury Department evaluates, recommends and carries out hedge strategies that have been approved by the Executive Committee. The management of interest rate risk is reported and reviewed by the Executive Committee on a monthly basis. To obtain the most favourable overall finance cost, the Group may use interest rate swaps to hedge its interest rate exposure. Apart from cash and cash equivalents, the Group has no other significant interest-bearing assets.

The fair value loss of interest rate swaps as at 30 June 2011 was $8,160,000 (2010: $2,578,000).

Sensitivity Analysis

An increase in the interest rates from 10 to 54 (2010: 21 to 54) basis points at the reporting date for the Group's various currencies comprising mainly Singapore dollars, United States dollars, Chinese Renminbi and Malaysian Ringgit would decrease the Group's profit before income tax and accumulated profits by $11,041,000 (2010: $5,121,000). There is no impact on the other components of equity. This analysis assumes that all other variables, in particular foreign currency rates, remain constant and does not take into account the effects of qualifying borrowing costs allowed for capitalisation, the associated tax effects and share of non-controlling interests. A decrease in the interest rates would have an equal but opposite effect.

35. FINANCIAL INSTRUMENTS (cont'd)

b. Market Risk (cont'd)

(iii) **Price Risk**

The Group has available-for-sale investment securities listed in Malaysia and Hong Kong.

Sensitivity Analysis

A 8% to 10% (2010: 8%) increase in the equity prices at the reporting date would increase the mark-to-market reserves by $250,000 (2010: $172,000). A 8% to 10% (2010: 8%) decrease in the equity prices would have equal and opposite effect. This analysis assumes that all other variables remain constant.

c. Credit Risk

The Group's exposure to credit risk is minimal as customers fund their purchases of residential housing units with mortgaged home loans from independent financial institutions.

Transactions involving derivative financial instruments are allowed only with counterparties that are of high credit quality. It is the Group's policy to enter into financial instruments with a diversity of creditworthy local and international financial institutions.

35. FINANCIAL INSTRUMENTS (cont'd)

d. Liquidity Risk

The Group monitors its liquidity risk by actively managing its debt portfolio and operating cash flows to ensure that all refinancing, repayments and funding requirements of the Group's operations are met. The Group maintains a sufficient level of cash and cash equivalents to meet the Group's working capital requirements.

The following are the expected contractual undiscounted cash flows/(outflows) of financial liabilities, including interest payments:-

			Cash flows		
	Carrying amount $'000	Contractual Cash flows $'000	Within 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
Group					
2011					
Derivative financial assets					
Forward exchange contracts:-					
Outflow	(345,188)	(345,263)	(345,263)	-	-
Inflow	345,483	345,552	345,552	-	-
Non-derivative financial liabilities					
Loans and borrowings	(5,185,630)	(5,507,978)	(3,054,876)	(2,321,995)	(131,107)
Trade and other payables*	(313,276)	(313,276)	(240,354)	(72,777)	(145)
Amounts due to non-controlling interests+	(95,168)	(19,034)	(3,807)	(15,227)	-
Derivative financial liabilities					
Interest rate swaps (net)	(8,160)	(16,471)	(4,117)	(12,354)	-
	(5,601,939)	(5,856,470)	(3,302,865)	(2,422,353)	(131,252)

* Excludes derivative financial liabilities.

+ Excludes principal portion due to non-controlling interests as the repayment is at the discretion of the Board of the borrowing subsidiaries.

35. FINANCIAL INSTRUMENTS (cont'd)

d. Liquidity Risk (cont'd)

	Carrying amount $'000	Contractual Cash flows $'000	Cash flows Within 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
Group					
2010					
Non-derivative financial liabilities					
Loans and borrowings	(2,614,992)	(2,788,127)	(1,235,348)	(1,550,758)	(2,021)
Trade and other payables*	(846,401)	(846,401)	(787,234)	(59,026)	(141)
Derivative financial liabilities					
Interest rate swaps (net)	(2,578)	(11,594)	(2,477)	(9,117)	-
	(3,463,971)	(3,646,122)	(2,025,059)	(1,618,901)	(2,162)

* Excludes excess of progress billings over work-in-progress and derivative financial liabilities.

	Carrying amount $'000	Contractual Cash flows $'000	Cash flows Within 1 year $'000	Between 1 and 5 years $'000	More than 5 years $'000
Company					
2011					
Derivative financial assets					
Forward exchange contracts:-					
Outflow	**(345,188)**	**(345,263)**	**(345,263)**	**-**	**-**
Inflow	**345,483**	**345,552**	**345,552**	**-**	**-**
Non-derivative financial liabilities					
Loans and borrowings	**(613,705)**	**(627,049)**	**(587,344)**	**(39,705)**	**-**
Trade and other payables	**(880)**	**(880)**	**(880)**	**-**	**-**
	(614,290)	**(627,640)**	**(587,935)**	**(39,705)**	**-**
2010					
Non-derivative financial liabilities					
Loans and borrowings	(714,612)	(746,468)	(359,835)	(386,633)	-
Trade and other payables	(2,536)	(2,536)	(2,536)	-	-
	(717,148)	(749,004)	(362,371)	(386,633)	-

35. FINANCIAL INSTRUMENTS (cont'd)

e. Accounting Classifications and Fair Values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheets, are as follows:-

	Note	Fair value through profit & loss $'000	Loans and receivables $'000	Available-for-sale $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
Group							
2011							
Trade and other receivables#	14	**-**	**314,027**	**-**	**-**	**314,027**	**314,027**
Cash and cash equivalents	17	**-**	**1,188,342**	**-**	**-**	**1,188,342**	**1,188,342**
Investment securities	9	**-**	**-**	**3,123**	**-**	**3,123**	**3,123**
Derivative financial assets:-							
Forward exchange contracts		**295**	**-**	**-**	**-**	**295**	**295**
		295	**1,502,369**	**3,123**	**-**	**1,505,787**	**1,505,787**
Trade and other payables*	22	**-**	**-**	**-**	**313,276**	**313,276**	**313,276**
Loans and borrowings	20	**-**	**-**	**-**	**5,185,630**	**5,185,630**	**5,219,861**
Derivative financial liabilities:-							
Interest rate swaps		**8,160**	**-**	**-**	**-**	**8,160**	**8,160**
		8,160	**-**	**-**	**5,498,906**	**5,507,066**	**5,541,297**
2010							
Trade and other receivables#	14	-	236,041	-	-	236,041	236,041
Cash and cash equivalents	17	-	656,432	-	-	656,432	656,432
Investment securities	9	-	-	2,155	-	2,155	2,155
		-	892,473	2,155	-	894,628	894,628
Trade and other payables*	22	-	-	-	846,401	846,401	846,401
Loans and borrowings	20	-	-	-	2,614,992	2,614,992	2,621,869
Derivative financial liabilities:-							
Interest rate swaps		2,578	-	-	-	2,578	2,578
		2,578	-	-	3,461,393	3,463,971	3,470,848

Excludes prepayments and derivative financial assets.

* Excludes excess of progress billings over work-in-progress and derivative financial liabilities.

35. FINANCIAL INSTRUMENTS (cont'd)

e. Accounting Classifications and Fair Values (cont'd)

	Note	Fair value through profit & loss $'000	Loans and receivables $'000	Available-for-sale $'000	Other financial liabilities $'000	Total carrying amount $'000	Fair value $'000
Company							
2011							
Trade and other receivables#	14	**-**	**6**	**-**	**-**	**6**	**6**
Cash and cash equivalents	17	**-**	**125,655**	**-**	**-**	**125,655**	**125,655**
Derivative financial assets:-							
Forward exchange contracts		**295**	**-**	**-**	**-**	**295**	**295**
		295	**125,661**	**-**	**-**	**125,956**	**125,956**
Trade and other payables	22	**-**	**-**	**-**	**880**	**880**	**880**
Loans and borrowings	20	**-**	**-**	**-**	**613,705**	**613,705**	**615,253**
		-	**-**	**-**	**614,585**	**614,585**	**616,133**
2010							
Trade and other receivables#	14	-	6	-	-	6	6
Cash and cash equivalents	17	-	458	-	-	458	458
		-	464	-	-	464	464
Trade and other payables	22	-	-	-	2,536	2,536	2,536
Loans and borrowings	20	-	-	-	714,612	714,612	711,356
		-	-	-	717,148	717,148	713,892

Excludes prepayments and derivative financial assets.

The fair value of derivatives financial instruments is determined using basis set out in 3(f)(iii).

The fair value of the financial instruments is estimated using discounted cash flow analysis on the loan principal, including the interest due on the loans, based on current incremental lending rates for similar instruments at the balance sheet date.

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

35. FINANCIAL INSTRUMENTS (cont'd)

e. Accounting Classifications and Fair Values (cont'd)

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method as at 30 June 2011. The difference levels have been defined as follows:-

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

Group **2011**	**Level 1** **$'000**	**Level 2** **$'000**	**Level 3** **$'000**	**Total** **$'000**
Available-for-sale securities	**3,123**	**-**	**-**	**3,123**
Derivative financial instruments	**-**	**(7,865)**	**-**	**(7,865)**
	3,123	**(7,865)**	**-**	**(4,742)**

There were no transfers between the levels during the year.

2010	**Level 1** **$'000**	**Level 2** **$'000**	**Level 3** **$'000**	**Total** **$'000**
Available-for-sale securities	2,155	-	-	2,155
Derivative financial instruments	-	(2,578)	-	(2,578)
	2,155	(2,578)	-	(423)

There were no transfers between the levels during the year.

36. COMMITMENTS

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

	Group	
	2011	**2010**
	$'000	**$'000**
Within 1 year	**1,905**	2,663
Between 1 and 5 years	**1,033**	1,911
	2,938	4,574

The leases relate to offices and office equipments and are generally for one to five years, with option to renew.

b. The Group leases out its investment properties (see Note 5) and are generally for one to three years, with option to renew. The non-cancellable operating lease rentals are receivable as follows:-

	Group	
	2011	**2010**
	$'000	**$'000**
Within 1 year	**9,925**	10,648
Between 1 and 5 years	**7,232**	10,141
	17,157	20,789

c. The commitment in respect of development expenditure contracted but not provided for in the financial statements by the Group was $974 million (2010: $1,037 million).

d. The commitment in respect of land acquisition contracted but not provided for in the financial statements by the Group was $263 million (2010: Nil).

e. As at the balance sheet date, the notional principal values of derivative financial instruments are as follows:-

	Group		Company	
	2011	**2010**	**2011**	**2010**
	$'000	**$'000**	**$'000**	**$'000**
Interest rate swaps	**240,000**	160,000	**-**	-
Forward exchange contracts	**345,263**	-	**345,263**	-
	585,263	160,000	**345,263**	-

The maturity dates of these financial instruments are as follows:-

	Group		Company	
	2011	**2010**	**2011**	**2010**
	$'000	**$'000**	**$'000**	**$'000**
Within 1 year	**345,263**	-	**345,263**	-
Between 1 and 5 years	**240,000**	160,000	**-**	-
	585,263	160,000	**345,263**	-

37. CONTINGENT LIABILITIES

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

a. In November 2007, the Company's wholly-owned subsidiary, GuocoLand (China) Limited ("GLC"), completed its acquisition of a 100% interest in Hainan Jing Hao Asset Limited ("Hainan Co"), which in turn held a 90% stake in Beijing Cheng Jian Dong Hua Real Estate Development Company Limited ("DZM Project Co"), the company undertaking the Dongzhimen project in Beijing ("DZM Project"). An aggregate of Rmb3.22 billion of the purchase consideration of Rmb5.8 billion had been paid to the vendors of the DZM Project, Beijing Beida Jade Bird Company Limited ("BBJB") and its related corporations (collectively, the "DZM Vendors"). The balance Rmb2.58 billion had been withheld, pending resolution of disputes described below and, in respect of a loan of Rmb2 billion made by Agricultural Bank of China ("ABC") to Beijing Dong Hua Guang Chang Zhi Ye Co Ltd ("Zhiye"), a related corporation of BBJB, and guaranteed by BBJB, DZM Project Co and Hainan Co. The loan of Rmb2 billion with interest ("ABC Loan") had, in April 2011, been acquired from ABC by GuoSon Investment Company Limited ("GICL"), a wholly-owned subsidiary of the Company, together with all rights attaching thereto including enforcement rights against the borrower and guarantors, for a sum of Rmb3.048 billion. GICL's acquisition of the ABC Loan had been sanctioned by The Beijing Second Intermediate People's Court. PRC lawyers have advised that GLC has a good case to treat the sum paid by GICL to ABC as a set-off against any outstanding balance of the purchase consideration for the DZM Project.

Construction work on the DZM Project is in progress. Structural works have been completed for the residential, hotel, retail components, and two office blocks. The south retail mall linked to the Dongzhimen subway station and the direct express rail link to Beijing Capital International Airport, is expected to be operational in this calendar year. The transportation hub component of the DZM Project was completed by GLC and handed over to the Beijing government in July 2008, before the Beijing 2008 Olympic Games.

(i) Alleged claims by Shenzhen Development Bank ("SDB")

SDB had claimed that a loan of Rmb1.5 billion was granted by SDB to certain borrowers (the "Alleged Loans"). Amongst the security allegedly obtained by SDB is a guarantee by Zhiye. SDB filed an earlier suit against Zhiye and DZM Project Co in The People's High Court of Beijing ("Beijing Court") but this was dismissed in December 2007. An appeal has been filed by SDB against Zhiye and DZM Project Co in respect of this dismissal ("SDB appeal").

SDB has also initiated another suit directly against DZM Project Co in connection with the recovery of its loan and interest under the Zhiye guarantee ("second SDB suit"). It made an interim application to the Beijing Court to restrict dealing in DZM Project Co's assets in the aggregate sum of its claims. GLC's PRC lawyers have advised that the interim application by SDB granted by the Beijing Court only restricts dealing in the assets of DZM Project Co pending final resolution of the SDB actions. The interim application will be expunged in the event the PRC courts dismiss the SDB actions.

Based on the information available to GLC, DZM Project Co is neither a guarantor nor borrower of the Alleged Loans granted by SDB to the third party borrowers which were unrelated to DZM Project Co. GLC has also been advised by its PRC lawyers that both the SDB appeal and second SDB suit have no merits.

Before the hearing of the SDB appeal and the second SDB suit, SDB and BBJB purportedly entered into a settlement agreement in May 2008 for DZM Project Co to pay, *inter alia*, Rmb1 billion of the Alleged Loans to SDB. In November 2008, this settlement agreement was purportedly mediated through the Supreme People's Court of The People's Republic of China ("Supreme Court") and was stated to have effect as a judgement upon signing by the relevant parties ("Alleged Civil Mediation Agreement"). GLC did not have conduct of the aforesaid proceedings and is not aware of whether the Alleged Civil Mediation Agreement has been signed by the parties, and has been advised by its PRC lawyers that the Alleged Civil Mediation Agreement is void and unenforceable. GLC has submitted an application for the rehearing of the Alleged Civil Mediation Agreement, which is pending before the Supreme Court.

37. CONTINGENT LIABILITIES (cont'd)

(ii) Hainan Co and DZM Project Co

In the results announcement of the Company for the period ended 31 March 2008 released in April 2008, the Company had announced that GLC had received a notice issued by the Industrial and Commercial Administrative Bureau of Hainan Province purporting to revert registration of the shares in Hainan Co to its original shareholders, who are two of the DZM Vendors, allegedly on the ground, *inter alia*, that GLC had not paid the requisite consideration for Hainan Co.

GLC has challenged the basis for this notice as the full consideration for the transfer of Hainan Co to GLC has been paid to the DZM Vendors. GLC has taken legal advice on these matters and would strongly defend and protect its 90% interest in the DZM Project.

In March 2008, GLC filed a suit against the Industrial and Commercial Administration Bureau of Hainan Province on its reversion of the registration in Hainan Co to the original shareholders. In October 2008, GLC was notified that an administrative judgement by the Hainan Haikou Intermediate People's Court has ruled against GLC. GLC has since appealed to the Hainan High Court against such judgement. The case has been heard by the Hainan High Court and is pending judgement.

GLC group has also sought to protect its 90% interest in the DZM Project and is pursuing separate legal actions in Beijing which are now before the Beijing Intermediate Court, seeking, *inter alia*, for an order as rightful owner that the 90% interest in DZM Project Co be transferred to GLC or its nominee as, amongst other arguments, the development costs of the DZM Project have been funded by the Group. Pending judgement of the aforesaid legal actions, the Beijing Intermediate Court has granted GLC group's application for an asset preservation order in respect of the 90% shareholding in DZM Project Co held by Hainan Co.

b. The Company has given guarantees of $1,467 million (2010: $390 million) to financial institutions in connection with banking facilities granted to a subsidiary.

38. OPERATING SEGMENTS

Management has determined the operating segments based on the reports reviewed by the Group's Executive Officer ("CEO") that are used to make strategic decisions.

The Group's reportable operating segments are as follows:

(i) GuocoLand Singapore – development of residential properties and property investment (holding properties for rental income) in Singapore.

(ii) GuocoLand China – development of residential, commercial and integrated properties and management and operation of hotels in China.

(iii) GuocoLand Malaysia – development of residential, commercial and integrated properties, management and operations of hotels and operations of palm oil estates and sale of fresh fruit bunches in Malaysia.

(iv) GuocoLand Vietnam – development of residential, commercial and integrated properties in Vietnam.

(v) Others – includes Corporate Office and Group Treasury.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

38. OPERATING SEGMENTS (cont'd)

	GuocoLand Singapore $'000	GuocoLand China $'000	GuocoLand Malaysia $'000	GuocoLand Vietnam $'000	Others $'000	Reconciliation $'000	Total $'000
2011							
External revenue	**379,267**	**205,760**	**59,731**	**2,087**	**-**	**411**	**647,256**
Profit/(loss) from operating activities	**159,916**	**19,016**	**3,285**	**(2,422)**	**2,151**	**-**	**181,946**
Share of profit/(loss) of associates and jointly-controlled entities (net of income tax)	**6,289**	**-**	**14,120**	**-**	**(365)**	**-**	**20,044**
Interest income	**10**	**4,065**	**273**	**49**	**113**	**-**	**4,510**
Finance cost	**-**	**(3,660)**	**(10,568)**	**-**	**(20,840)**	**-**	**(35,068)**
Reportable segments profit/(loss) before income tax	**166,215**	**19,421**	**7,110**	**(2,373)**	**(18,941)**	**-**	**171,432**
Segment assets	**4,312,972**	**3,296,217**	**744,605**	**25,851**	**3,970,044**	**(4,073,216)**	**8,276,473**
Segment liabilities	**3,891,198**	**3,144,987**	**502,073**	**47,063**	**2,602,909**	**(4,485,225)**	**5,703,005**
Other segment items:							
Interests in associates and jointly-controlled entities	**1,685**	**-**	**189,780**	**-**	**7,909**	**-**	**199,374**
Depreciation	**(94)**	**(4,376)**	**(2,715)**	**(213)**	**(521)**	**-**	**(7,919)**
Gain on revaluation of investment properties	**56,700**	**-**	**-**	**-**	**2,100**	**-**	**58,800**
Capital expenditure	**165,167**	**4,156**	**1,538**	**31**	**600**	**-**	**171,492**

38. OPERATING SEGMENTS (cont'd)

2010	GuocoLand Singapore $'000	GuocoLand China $'000	GuocoLand Malaysia $'000	GuocoLand Vietnam $'000	Others $'000	Reconciliation $'000	Total $'000
External revenue	164,189	495,080	66,752	6,311	430	-	732,762
Profit/(loss) from operating activities	60,327	139,758	8,562	(1,406)	(3,916)	-	203,325
Share of profit/(loss) of associates and jointly-controlled entities (net of income tax)	(116)	-	4,535	-	(210)	-	4,209
Interest income	129	4,309	102	69	-	-	4,609
Finance cost	-	(2,821)	(9,540)	-	(19,257)	-	(31,618)
Reportable segments profit/(loss) before income tax	60,340	141,246	3,659	(1,337)	(23,383)	-	180,525
Segment assets	2,211,829	2,856,456	734,094	29,556	3,031,706	(3,148,797)	5,714,844
Segment liabilities	1,932,794	2,561,800	480,038	42,367	1,738,619	(3,180,991)	3,574,627
Other segment items:							
Interests in associates and jointly-controlled entities	1,595	-	190,070	-	9,728	-	201,393
Depreciation	(104)	(296)	(4,159)	(259)	(613)	-	(5,431)
Gain on revaluation of investment properties	-	-	-	-	100	-	100
Capital expenditure	28	10,936	2,456	6	335	-	13,761

38. OPERATING SEGMENTS (cont'd)

Geographical information

	External Revenue $'000	Non-Current Assets $'000
2011		
Singapore	**379,678**	**1,635,874**
China	**205,760**	**183,691**
Malaysia	**59,731**	**398,271**
Vietnam and others	**2,087**	**90**
	647,256	**2,217,926**
2010		
Singapore	164,619	344,315
China	495,080	132,261
Malaysia	66,752	394,317
Vietnam and others	6,311	315
	732,762	871,208

39. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

In September 2010, the Company's wholly-owned subsidiary, GuoSon Investment Company Limited ("GICL"), together with Guoco Investments (China) Limited ("GInv"), a subsidiary of Guoco Group Limited, tendered successfully in the proportion of 50%:50% for a land parcel known as Plot 9 in Changfeng, Shanghai for an aggregate purchase consideration of RMB3.04 billion. Subsequent to the year ended, GICL and GInv have incorporated a project company, Shanghai Xinhaojia Property Development Co., Ltd ("XHJ"), in the People's Republic of China to undertake the residential development on the land parcel. XHJ is owned 50%:50% by GICL and GInv.

40. ACCOUNTING ESTIMATES AND JUDGEMENT

a. Key sources of estimation uncertainty

The Group recognises revenue from the sale of properties under development based on the stage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 3m(i). Significant assumption is required in determining the stage of completion, the extent of the cost incurred and the estimated total cost. In making the assumption, the Group evaluates by relying on past experience and the work of specialists. Revenue from the sale of properties under development is disclosed in Note 24.

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

40. ACCOUNTING ESTIMATES AND JUDGEMENT (cont'd)

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

In the process of applying the Group's accounting policies, the management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations and matters disclosed in Note 37.

41. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Group has not applied certain accounting standards (including its consequential amendments) and interpretations that have been issued as of balance sheet date but are not yet effective.

The initial application of these standards (and its consequential amendments) and interpretations is not expected to have material impact on the Group's financial statements except for INT FRS 115 Agreements for the Construction of Real Estate.

INT FRS 115 which is effective for financial period commencing 1 July 2011 clarifies when revenue and related expenses from a sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. INT FRS 115 clarifies that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for under the percentage of completion method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work-in-progress in its current state as construction progresses. The change in accounting policy is accounted for retrospectively.

The Group's current accounting policy for all residential property sales was to recognise revenue on percentage of completion method which is an allowed alternative method under Recommended Accounting Practise 11 – *Pre-Completion Contracts For The Sale Of Development Property* ("RAP 11"). RAP 11 was withdrawn following the adoption of INT FRS 115.

The Group has considered the application of INT FRS 115 and the accompanying practice note issued specifically in the context of the sale of development properties in Singapore, and concluded that whilst the "pre-completion" sale contracts were not, in substance, construction contracts, the legal terms in certain contracts result in the continuous transfer of work-in-progress to the purchaser. Consequently, the Group will continue to adopt the percentage of completion method of revenue recognition for residential projects under progressive payment schemes in Singapore and hence for these contracts; revenue is recognised as work progresses. For the residential projects under deferred payment scheme in Singapore and overseas residential projects, the revenue and expenses will be accounted for under the completion of construction method as stipulated in INT FRS 115, where applicable.

The estimated impact of this change in accounting policy is set out below:-

	Group 2011 $'000
Increase in revenue	**172,159**
Increase in profit attributable to owners of the Company	**26,782**
Decrease in carrying value of development properties	**(43,191)**
Decrease in accumulated profits	**(38,375)**
Increase in basic and diluted earnings per share (cents)	**2.63**

1. DEVELOPMENT PROPERTIES

The details of the major development properties held by the Group are as follows:-

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Singapore						
Goodwood Residence Situated at Bukit Timah Road	Residential	Piling works completed. Substructure, Superstructure and architectural works in progress	12/2012	24,845	39,752	100.00
Sophia Residence Situated at 32 Adis Road	Residential	Substructure works in progress	12/2012	15,435	32,413	100.00
Elliot at the East Coast Situated at Elliot Walk	Residential	Superstructure and architectural works in progress	6/2012	11,882	16,634	100.00
The Waterline Situated at Yio Chu Kang Road	Residential	Substructure and superstructure works in progress	1/2013	8,072	11,300	100.00
Leedon Residence Situated at Leedon Heights	Residential	Planning	*	48,525	77,640	100.00
Site situated at Peck Seah Street / Choon Guan Street	Residential/ Commercial#/ Office#/ Hotel▲	Planning	*	15,023	157,738	80.00
Malaysia						
Emerald 1B Situated at Mukim of Rawang, Districts of Gombak and Ulu Selangor, Selangor Darul Ehsan	Residential	Planning	*	35,587	35,587	67.94
Changkat Kia Peng Situated at Lot 241 Seksyen 63, Bandar Kuala Lumpur	Residential	Planning	*	3,030	3,030	67.94

Other Information

1. DEVELOPMENT PROPERTIES (cont'd)

The details of the major development properties held by the Group are as follows:- (cont'd)

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Malaysia (cont'd)						
Commerce One, Bedford Business Park Situated at Old Klang Road, Mukim of Petaling Jaya, Kuala Lumpur	Commercial	Phase 1: TOP obtained in 4/2010	N/A	4,634	40,222	67.94
		Phase 2: Earthworks and piling works completed	6/2014			
Bukit Rahman Putra Situated at Mukim of Sg. Buloh, Selangor Darul Ehsan	Residential	Phases 6B, 6C & 6D: Main building works in progress	12/2011	102,746	71,310	67.94
		Phases 5B, 8D, CL5 & CL11: Planning	*	17,442	17,442	67.94
Site situated at Lot 3059, Mukim of Hulu Kelang, District of Gombak, Selangor Darul Ehsan	Residential	Planning	*	30,351	30,351	67.94
Damansara City Situated at Damansara Town Centre, Kuala Lumpur	Residential/ Commercial#/ Office#/ Hotel▲	Earthworks and piling works completed	*	34,438	209,597	67.94
Site situated at Geran No. 20438, Lot 36, Bandar Batu Ferringhi, Pulau Pinang	Residential	Planning	*	18,538	18,538	67.94
Amandarii Situated at Seksyen 9, Tempat Sungai Kantan, Daerah Hulu Langat, Selangor Darul Ehsan	Residential	Various stages of completion	7/2013	35,369	16,591	67.94
The Cirrus Situated within Taman Mutiara Barat, Off Jalan Cheras, Kuala Lumpur	Residential	Phase 1: TOP obtained in 8/2010	N/A	53,179	45,976	67.94
		Phase 2: Planning	*			
The OVAL Situated at Jalan Binjai, Kuala Lumpur	Residential	TOP obtained in 9/2009	N/A	N/A	54,474	67.94

1. **DEVELOPMENT PROPERTIES (cont'd)**

The details of the major development properties held by the Group are as follows:- (cont'd)

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
The People's Republic of China						
Gujiaying Site situated in Xuanwu District, Nanjing	Residential/ Commercial	Planning	*	296,002	504,420	99.00
Ascot Park Situated in Qixia District, Nanjing	Residential	Phase 1A: TOP obtained in 12/2009	N/A			
		Phase 1B: TOP obtained in 12/2010	N/A	89,709	232,505	94.93
	Commercial	Planning	*			
Guoson Centre Changfeng Situated in Putuo District, Shanghai	SOHO	Phase 1: TOP obtained in 11/2009	N/A			
	Commercial#	TOP obtained in 7/2010	N/A			
	Office	TOP obtained in 9/2010	N/A			
	Hotel▲	TOP obtained in 6/2010	N/A	143,845	492,272	100.00
	Serviced Apartment	Construction works in progress	11/2011			
	Commercial/ Office	Phase 2: Construction works in progress	12/2013			
Seasons Park Situated in Nankai District, Tianjin	Residential	Construction works in progress	6/2012 to 12/2012	25,866	209,661	100.00
Guoson Centre Dongzhimen Situated in Dong Cheng District, Beijing	Residential/ Commercial/ Office/ Hotel	Construction works in progress	12/2012	106,000	595,812	90.00

Other Information

1. DEVELOPMENT PROPERTIES (cont'd)

The details of the major development properties held by the Group are as follows:- (cont'd)

Property	Intended Use	Stage of Completion	Expected Temporary Occupation Permit ("TOP") Date	Site Area (sq m)	Gross Floor Area (sq m)	Group's Interest (%)
Vietnam						
The Canary Situated in Thuan An District, Binh Duong Province	Residential/ Commercial	Phase 1: TOP obtained in 12/2009	N/A	175,533	285,000	100.00
		Phase 2: Contruction works in progress	5/2012			
		Phases 3 & 4: Planning	*			

* Not available as these developments have not commenced construction or have not been launched yet.

The carrying value is included in Investment Properties.

▲ The carrying value is included in Property, Plant and Equipment.

N/A: Not applicable.

2. INVESTMENT PROPERTIES

The details of the investment properties are as follows:-

Investment Property	Description	Tenure of Land	Date of Valuation	Open Market Value 2011 $'000	2010 $'000
Singapore					
Tung Centre 20 Collyer Quay Singapore 049319	24-storey office building	999-year lease with effect from 5.11.1862	June 2011	**377,180**	320,480
Lots 99951A, 99952K and 99953N Part of 61 Robinson Road Singapore 068893	Reversionary interests in freehold land	#	June 2011	**5,400**	3,300
Site situated at Peck Seah Street / Choon Guan Street Singapore	Land under development	99-year lease with effect from 21.2.2011	^	**1,080,842**	-
Malaysia					
Bangunan Hong Leong No. 117 Jalan Tun H.S. Lee 50000 Kuala Lumpur	16-storey office building	Freehold	June 2011	**15,059**	15,984
Menara Pandan Persiaran MPAJ Jalan Pandan Utama Pandan Indah 55100 Kuala Lumpur	Two blocks of 10-storey office tower building	99-year lease with effect from 25.3.2002	June 2011	**28,490**	30,240
Damansara City Lot PT 5787 Jalan Damanlela Bukit Damansara Kuala Lumpur	Land under development	Freehold	June 2011	**64,858**	57,541
The People's Republic of China					
Shanghai Guoson Centre No. 452 Daduhe Road Shanghai	4-storey building (excluding one level of basement)	50-year land use rights with effect from 11.12.2005	June 2011	**80,048**	-
				1,651,877	427,545

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

^ Investment property under development of $1,080.8 million is carried at the Group's acquisition cost as the land acquisition was completed only in February 2011 supported by independent valuation by CB Richard Ellis. Management is of the view that the carrying amount is not materially different from the fair value as at 30 June 2011.

Other Information

3. UTILISATION OF RIGHTS ISSUE PROCEEDS

On 6 December 2010, the Company issued 295,843,319 new ordinary shares of the Company ("Rights Share") at an issue price of $1.80 for each Rights Share, on the basis of one Rights Share for every three existing ordinary shares in the capital of the Company. Net proceeds of approximately $532 million were received. As at 30 June 2011, approximately $218 million had been utilised for the acquisition of land parcel in Singapore. The remaining net proceeds of approximately $314 million is expected to be utlised for the general working capital of the Group and to fund its land acquisition.

Shareholding Statistics

As at 2 September 2011

ISSUED AND FULLY PAID-UP CAPITAL : 1,183,373,276 ORDINARY SHARES
VOTING RIGHTS : 1 VOTE PER SHARE

Size of Shareholdings	No. of Shareholders	No. of Ordinary Shares	% of Ordinary Shares
1 – 999	526	132,139	0.01
1,000 – 10,000	2,693	10,495,358	0.88
10,001 – 1,000,000	692	30,651,628	2.59
1,000,001 & Above	17	1,142,094,151	96.52
TOTAL	3,928	1,183,373,276	100.00

TWENTY LARGEST SHAREHOLDERS registered with The Central Depository (Pte) Limited

Name of Shareholders	No. of Ordinary Shares	% of Ordinary Shares
GUOCOLAND ASSETS PTE. LTD.	772,032,426	65.24
UOB KAY HIAN PTE LTD	94,961,462	8.02
CITIBANK NOMINEES S'PORE PTE LTD	52,618,950	4.45
DBSN SERVICES PTE LTD	44,973,605	3.80
HL BANK NOMINEES (S) PTE LTD	41,694,288	3.52
HSBC (SINGAPORE) NOMINEES PTE LTD	41,155,925	3.48
KWEK LENG HAI	35,290,914	2.98
DBS NOMINEES PTE LTD	35,091,379	2.97
UNITED OVERSEAS BANK NOMINEES PTE LTD	7,654,369	0.65
RAFFLES NOMINEES (PTE) LTD	4,350,209	0.37
BANK OF S'PORE NOMINEES PTE LTD	2,659,497	0.22
CITIGROUP GM SING SECS PTE LTD	2,500,000	0.21
DB NOMINEES (S) PTE LTD	1,858,934	0.16
MORGAN STANLEY ASIA (S'PORE) SECURITIES PTE LTD	1,640,000	0.14
CIMB SECURITIES (S'PORE) PTE LTD	1,553,641	0.13
ANG JWEE HERNG	1,047,500	0.09
OCBC NOMINEES SINGAPORE PTE LTD	1,011,052	0.09
PHILLIP SECURITIES PTE LTD	756,005	0.06
DBS VICKERS SECURITIES (S) PTE LTD	748,886	0.06
MERRILL LYNCH (S'PORE) PTE LTD	701,718	0.06
TOTAL	1,144,300,760	96.70

SHAREHOLDING IN THE HANDS OF THE PUBLIC AS AT 2 SEPTEMBER 2011

The percentage of shareholding in the hands of the public was approximately 15.79% of the total number of the issued and fully paid-up ordinary shares of the Company.

The Company has complied with Rule 723 of the SGX-ST Listing Manual wich requires that at least 10% of the total number of issued shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public.

Shareholding Statistics

As at 2 September 2011

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 2 SEPTEMBER 2011

Substantial Shareholders		Direct Interest No. of Shares	Deemed Interest No. of Shares
1.	GuocoLand Assets Pte. Ltd.	772,032,426	-
2.	Fairbury Pte. Ltd.[#]	73,604,933	-
3.	Guoco Group Limited	-	772,032,426[1]
4.	GuoLine Overseas Limited	-	772,032,426[1]
5.	GuoLine Capital Assets Limited	-	772,032,426[1]
6.	Hong Leong Company (Malaysia) Berhad	-	772,032,426[1]
7.	HL Holdings Sdn Bhd	-	804,093,744[2]
8.	Hong Leong Investment Holdings Pte Ltd	-	804,093,744[2]
9.	Quek Leng Chan	13,333,333	817,911,030[3]

[1] deemed interest arising through GuocoLand Assets Pte. Ltd. by virtue of the operation of Section 7 of the Companies Act, Cap 50.

[2] deemed interest arising through GuocoLand Assets Pte. Ltd. and a company in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Cap 50.

[3] deemed interest arising through GuocoLand Assets Pte. Ltd. and companies in which the substantial shareholder has interest by virtue of the operation of Section 7 of the Companies Act, Cap 50.

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

Interested Person Transactions

In addition to the transactions set out in Notes 24, 28, 31 and 33 to the Accounts, the aggregate value of Interested Person Transactions (excluding transactions less than S$100,000) entered into during the financial year is as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Hong Leong Group Malaysia	S$8,951,766	N.A.
Directors of the Company and their Associates Sale of a unit of the Group's residential project, *Goodwood Residence*, to a Director	S$3,398,000	N.A.

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

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 35th Annual General Meeting of GuocoLand Limited will be held at 80 Raffles Place #25-01 UOB Plaza 1, Singapore 048624 on Friday, 14 October 2011 at 2.30 pm for the following purposes:-

As Ordinary Business

1. To lay before the Meeting the Directors' Report and Audited Accounts of the Company for the financial year ended 30 June 2011.

2. To declare a First and Final Tax-Exempt (One-Tier) Dividend of 8 cents per ordinary share for the financial year ended 30 June 2011. **Resolution 1**

3. To approve Directors' fees of S$409,916 for the financial year ended 30 June 2011. **Resolution 2**

4. To re-elect the following Directors retiring in accordance with the Company's Articles of Association:-

   Mr Quek Chee Hoon; **Resolution 3**

   Mr Kwek Leng Hai; and **Resolution 4**

   (Mr Kwek will, upon re-election as a Director of the Company, remain as a member of the Nominating Committee.)

   Mr Francis Siu Wai Keung – who was appointed during the year. **Resolution 5**

   (Mr Siu will, upon re-election as a Director of the Company, remain as a member of the Audit Committee. Mr Siu is considered as an Independent Director by the Nominating Committee.)

5. To re-appoint Mr Reggie Thein, who retires pursuant to Section 153(6) of the Companies Act, Cap. 50, as Director of the Company to hold such office until the next Annual General Meeting of the Company. **Resolution 6**

   (Mr Thein will, upon re-appointment as a Director of the Company, remain as Chairman of the Audit Committee and a member of the Remuneration Committee. Mr Thein is considered as an Independent Director by the Nominating Committee.)

6. To re-appoint Messrs KPMG LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 7**

As Special Business

7. To consider and if thought fit, to pass the following Ordinary Resolutions:-

   Authority to Issue Shares

   (a) "That approval be and is hereby given to the Directors to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options in accordance with the terms and provisions of the GuocoLand Limited Executives' Share Option Scheme 2008." **Resolution 8(a)**

(b) "That notwithstanding Resolution 8(a), approval be and is hereby given to the Directors, pursuant to Section 161 of the Companies Act, Cap. 50, to issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per cent (10%) of the issued share capital of the Company for the time being." **Resolution 8(b)**

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

By Order of the Board

Dawn Pamela Lum
Group Company Secretary

27 September 2011
Singapore

Notes:
A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote instead of him/her. A proxy need not be a member of the Company. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 20 Collyer Quay #20-01 Tung Centre, Singapore 049319 not less than 48 hours before the time set for holding the Meeting.

Notes to Special Business:
Resolution 8(a) is to empower the Directors to issue shares pursuant to the GuocoLand Limited Executives' Share Option Scheme 2008 which was approved at the Extraordinary General Meeting of the Company held on 17 October 2008.

Resolution 8(b) is to empower the Directors to issue shares in the Company up to an amount not exceeding ten per cent (10%) of the issued share capital of the Company for the time being. This approval will expire at the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting of the Company is required to be held, whichever is earlier. The Directors would only issue shares under the resolution where they consider it appropriate and in the interests of the Company to do so.

GuocoLand Limited

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

IMPORTANT

1. For CPF Investors who have used their CPF monies to buy shares of GuocoLand Limited, this Annual Report is forwarded to them at the request of their nominee banks, being nominee banks approved by CPF ("CPF Approved Nominees") and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors who wish to attend the AGM as OBSERVERS have to submit their requests through their respective CPF Approved Nominee so that their CPF Approved Nominee may register with the Company Secretary of GuocoLand Limited.

PROXY FORM -
ANNUAL GENERAL MEETING

*I/We ____

of ____

being a *member/members of GuocoLand Limited (the "Company"), hereby appoint:

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

*and/or

or, failing *him/her, the Chairman of the 35th Annual General Meeting ("AGM") of the Company as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the AGM to be held on Friday, 14 October 2011 at 2.30 pm and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific indication as to voting is given, the *proxy/proxies may vote or abstain from voting at *his/her discretion, as *he/she will on any other matter arising at the AGM. If no person is named in the space above, the Chairman of the Meeting shall be *my/our *proxy/proxies to vote, for or against the Resolutions to be proposed at the AGM, as indicated below, for *me/us and on *my/our behalf at the AGM and at any adjournment thereof.

Please indicate with a tick (√) in the spaces provided whether you wish your vote(s) to be cast "For" or "Against" the Resolutions as set out in the Notice of the AGM. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit.

AS ORDINARY BUSINESS			
No.	**Resolution**	**For**	**Against**
1	To declare a First and Final Tax-Exempt (One-Tier) Dividend		
2	To approve Directors' fees		
3	To re-elect Mr Quek Chee Hoon as a Director		
4	To re-elect Mr Kwek Leng Hai as a Director		
5	To re-elect Mr Francis Siu Wai Keung as a Director		
6	To re-appoint Mr Reggie Thein as a Director		
7	To re-appoint Messrs KPMG LLP as auditors of the Company and to authorise the Directors to fix their remuneration		
AS SPECIAL BUSINESS			
No.	**Resolution**	**For**	**Against**
8(a)	To authorise the Directors to allot and issue shares pursuant to the exercise of options in accordance with the provisions of the GuocoLand Limited Executives' Share Option Scheme 2008		
8(b)	To authorise the Directors to issue shares in the Company		

Signed this _______ day of _______________ 2011

Total Number of Ordinary Shares Held

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

*** delete as appropriate**

FOLD HERE

AFFIX
STAMP
HERE

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

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NOTES TO PROXY FORM

1. Please insert in the box at the bottom right hand corner on the reverse of this form, the number of shares held by you. If you have shares entered against your name in the Depository Register maintained by The Central Depository (Pte) Limited (“CDP”) in respect of shares in your Securities Account with CDP, you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the ordinary shares in the capital of the Company registered in your name(s).
2. A member entitled to attend and vote at a Meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him.
3. The instrument appointing a proxy or proxies must be deposited at the Registered Office of the Company at 20 Collyer Quay #20-01 Tung Centre, Singapore 049319 not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. Where a member appoints two proxies, the percentage of the shareholding represented by each such appointee should be specified. If no percentage is specified, the first named appointee shall be deemed to represent 100% of the shareholding and any second named appointee shall be deemed to be an alternate to the first named.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50. A copy of the said resolution, certified as true by an authorised officer of the Corporation, shall be affixed to the instrument of proxy.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

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This annual report is printed on environmentally-friendly paper using soy-based ink.

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