

**THIRD QUARTER 2011 FINANCIAL STATEMENTS ANNOUNCEMENT****UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2011****TABLE OF CONTENTS**

	Page
1(a) GROUP PROFIT AND LOSS ACCOUNT	2
1(b) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
1(c)(i) BALANCE SHEETS	5
1(c)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES	6
1(d)(i) STATEMENTS OF CHANGES IN EQUITY	7
1(d)(ii) SHARE CAPITAL	11
1(e) CONSOLIDATED STATEMENT OF CASH FLOWS	12
2 AUDIT	15
3 AUDITORS' REPORT	15
4 ACCOUNTING POLICIES	15
5 CHANGES IN THE ACCOUNTING POLICIES	15
6 EARNINGS PER ORDINARY SHARE	17
7 NET ASSET VALUE	17
8 REVIEW OF GROUP PERFORMANCE	18
9 VARIANCE FROM FORECAST STATEMENT	22
10 PROSPECTS	22
11 BUSINESS DYNAMICS AND RISK FACTORS	23
12 DIVIDENDS	23
13 SEGMENTAL ANALYSIS	24
14 REVIEW OF SEGMENTAL PERFORMANCE	26
15 BREAKDOWN OF SALES	26
16 INTERESTED PERSON TRANSACTIONS	27
- CONFIRMATION BY THE BOARD	28
Appendix QUARTERLY BREAKDOWN	29

**1. UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2011**

The Directors of Keppel Land Limited announce the following unaudited results of the Group for the nine months ended 30 September 2011:

**1(a) GROUP PROFIT AND LOSS ACCOUNT for the Nine Months Ended 30 September 2011**

	Note	Third Quarter			Nine Months		
		30.09.11	30.09.10 (Restated)	+ / (-) %	30.09.11	30.09.10 (Restated)	+ / (-) %
		\$'000	\$'000	%	\$'000	\$'000	%
Sales		111,722	129,895	(14.0)	573,801	554,388	3.5
Costs of sales		(46,082)	(67,317)	(31.5)	(368,239)	(325,684)	13.1
<b>Gross profit</b>		<b>65,640</b>	62,578	4.9	<b>205,562</b>	228,704	(10.1)
Distribution costs	1	(2,795)	(2,269)	23.2	(15,346)	(7,727)	98.6
Administrative and other expenses	2	(34,406)	(18,683)	84.2	(76,594)	(62,602)	22.4
Other income	3	5,256	1,346	290.5	17,288	2,891	498.0
Investment income	4	3,047	1,581	92.7	10,855	5,198	108.8
Interest income		8,819	6,036	46.1	19,440	17,938	8.4
Interest expense		(9,724)	(9,880)	(1.6)	(25,844)	(32,812)	(21.2)
Share of results of associated companies	5	29,734	28,104	5.8	82,739	184,046	(55.0)
Other gain	6	-	-	nm	24,418	-	nm
<b>Profit before taxation</b>		<b>65,571</b>	68,813	(4.7)	<b>242,518</b>	335,636	(27.7)
Taxation		(3,792)	(11,929)	(68.2)	(26,942)	(72,652)	(62.9)
<b>Profit for the period</b>		<b>61,779</b>	56,884	8.6	<b>215,576</b>	262,984	(18.0)
Profit attributable to:							
<b>Shareholders of the Company</b>		<b>57,970</b>	54,390	6.6	<b>191,780</b>	256,130	(25.1)
Non-controlling interests		3,809	2,494	52.7	23,796	6,854	247.2
		<b>61,779</b>	56,884	8.6	<b>215,576</b>	262,984	(18.0)
Basic earnings per share (cents)		4.0	3.8		13.1	17.8	
Diluted earnings per share (cents)		4.0	3.8		13.1	17.8	
Annualised return on equity (%)		nm	nm		6.0	10.2	
Profit before taxation is arrived at after charging/ (crediting) the following:							
Depreciation charge		1,948	2,238		5,888	6,859	
Profit on sale of fixed assets and investment properties		(20)	(1,348)		(2,408)	(2,854)	
Write-back of provision for properties held for sale		(3,202)	(1,043)		(7,058)	(2,587)	
Allowance/(write-back of allowance) for doubtful debts		2	(1)		(486)	422	
Cost of share-based payments							
- Cash-settled		27	-		115	-	
- Equity-settled		1,376	1,164		3,001	1,976	
Foreign exchange losses		1,545	1,239		6,551	470	
Fair value (gain)/loss on foreign currency forward contracts		583	(1,822)		(1,258)	(3,655)	
Employee emoluments		30,933	20,174		85,786	58,732	

nm - not meaningful

**Change in the Accounting Policy**

From 1 January 2011, the Group adopted INT FRS 115 *Agreements for the Construction of Real Estate*, under which revenue and profit from overseas trading projects are recognised only upon full completion of the projects/phases. With the issuance of a clarification note by the Accounting Standards Council on 7 June 2011, the Group has also revised its accounting treatment for Singapore trading projects, to recognise profit upon project completion for units sold under the deferred payment scheme. This change in accounting policy has been applied retrospectively, and the 2010 comparatives have been restated. The new accounting standard will result in profit recognition that is lumpy, thus creating more volatility in the Group's reported earnings.

Please refer to Section 5 for more details.

**Notes to Group Profit and Loss Account**

1. The increase in distribution costs was due to higher co-brokerage commission incurred in YTD 3Q2011, mainly for The Lakefront Residences and Ocean Financial Centre.
2. The increase in administrative expenses was due mainly to higher staff costs and a higher foreign exchange loss reported in YTD 3Q2011, partly offset by the higher costs being capitalised as part of the project costs.
3. Other income for YTD 3Q2011 comprised net lease income from Keppel Towers and GE Tower ("KTGE") pending its redevelopment, and gain from the sale of units at Orion Industrial Building and Quartz Industrial Building. There was no contribution from KTGE in YTD 3Q2010 as these two properties were acquired from K-REIT Asia in December 2010.
4. Investment income comprised dividend income received from the Group's equity investments. The increase in YTD 3Q2011 investment income was due largely to higher dividend income received from the Group's investments in the funds managed by Alpha Investment Partners.
5. The lower profits from the associated companies in YTD 3Q2011 were due largely to the completion of the Marina Bay Residences and certain phases of The Botanica in Chengdu and Central Park City in Wuxi in YTD 3Q2010. There was also lower contribution from Marina Bay Suites as a result of fewer units sold. These decreases were partly offset by higher contributions from K-REIT Asia, as well as Reflections at Keppel Bay as a result of a higher percentage of physical completion achieved.
6. On 25 January 2011, the Group and Keppel Telecommunications & Transportation Ltd announced the formation of a joint venture company to consolidate the data centre assets and position the business for further growth. In addition, the Group disposed of its interest in Keppel Digihub Limited ("Keppel Digihub") to the joint venture company in which the Group holds a 30% interest, giving rise to a gain of \$24.4 million for YTD 3Q2011.

**1(b) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
for the Nine Months Ended 30 September 2011**

	Third Quarter		Nine Months		
	Note	30.09.11	30.09.10	30.09.11	30.09.10
			(Restated)	(Restated)	
		\$'000	\$'000	\$'000	\$'000
<b>Profit for the period</b>		<b>61,779</b>	56,884	<b>215,576</b>	262,984
<b>Other comprehensive income:</b>					
Available-for-sale financial assets					
- Net fair value change		1,782	3,801	(4,819)	3,804
- Fair value change transferred to profit and loss account		-	-	-	(13)
Exchange differences on consolidation	1	40,691	(65,189)	(78,668)	(39,458)
Exchange differences transferred to profit and loss account	2	172	29	(4,826)	(59)
Share of other comprehensive income of associated companies	3	(10,444)	287	(28,355)	(1,857)
<b>Other comprehensive income for the period, net of tax</b>		<b>32,201</b>	(61,072)	<b>(116,668)</b>	(37,583)
<b>Total comprehensive income for the period</b>		<b>93,980</b>	(4,188)	<b>98,908</b>	225,401
Total comprehensive income attributable to :					
<b>Shareholders of the Company</b>		<b>88,839</b>	7,599	<b>98,869</b>	226,275
Non-controlling interests		5,141	(11,787)	39	(874)
		<b>93,980</b>	(4,188)	<b>98,908</b>	225,401

**Notes to Consolidated Statement of Comprehensive Income**

- These exchange differences arose from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency, as well as from the translation of foreign currency loans that form part of the Group's net investment in foreign operations. The translation gain for 3Q2011 was due mostly to the strengthening of Renminbi and United States dollar against Singapore dollar in the current quarter. On a year-to-date basis, the Group recorded a translation loss as a result of the weakening of United States dollar, Renminbi, Vietnamese dong and Indonesian rupiah against the Singapore dollar. The translation losses for the comparative periods were due mainly to the weakening of United States dollar and Renminbi against the Singapore dollar.
- These represented exchange differences which were transferred to profit and loss account upon the disposal or liquidation of foreign operations.
- The share of other comprehensive income of associated companies for 3Q2011 related primarily to the share of K-REIT Asia's cash flow hedge loss. The amount for YTD 3Q2011 comprised mainly the share of foreign associated companies' translation losses as a result of the weakening of United States dollar and Vietnamese dong, as well as the share of K-REIT Asia's cash flow hedge loss. The comparatives for 2010 related mainly to the Group's share of foreign associated companies' translation adjustments.

**1(c)(i) BALANCE SHEETS as at 30 September 2011**

	GROUP			COMPANY	
	30.09.11	31.12.10 (Restated)	31.12.09 (Restated)	30.09.11	31.12.10
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Share capital</b>	<b>2,219,752</b>	2,061,020	1,987,542	<b>2,219,752</b>	2,061,020
<b>Reserves</b>	<b>1,919,984</b>	2,067,657	1,208,565	<b>760,443</b>	960,157
<b>Share capital and reserves</b>	<b>4,139,736</b>	4,128,677	3,196,107	<b>2,980,195</b>	3,021,177
<b>Non-controlling interests</b>	<b>321,709</b>	301,836	385,308	-	-
<b>Total equity</b>	<b>4,461,445</b>	4,430,513	3,581,415	<b>2,980,195</b>	3,021,177
<b>Long-term borrowings</b>	<b>2,637,631</b>	2,199,669	903,570	<b>1,559,003</b>	1,298,436
	<b>7,099,076</b>	6,630,182	4,484,985	<b>4,539,198</b>	4,319,613
Represented by:					
<b>Fixed assets</b>	<b>207,925</b>	206,595	227,838	<b>38</b>	42
<b>Investment properties</b>	<b>1,842,229</b>	1,699,840	1,404,992	-	-
<b>Amounts owing by associated companies</b>	<b>522,477</b>	446,161	940,708	-	-
<b>Investments</b>					
Subsidiary companies	-	-	-	<b>1,328,552</b>	1,272,995
Associated companies	<b>1,320,420</b>	1,328,567	1,324,145	<b>70,015</b>	101,861
Long-term investments	<b>115,545</b>	111,338	67,884	<b>8,024</b>	7,254
	<b>1,435,965</b>	1,439,905	1,392,029	<b>1,406,591</b>	1,382,110
<b>Current assets</b>					
Properties held for sale	<b>2,912,811</b>	1,977,208	1,030,675	-	-
Stocks	<b>3,662</b>	3,265	3,692	-	-
Debtors	<b>597,179</b>	586,753	295,208	<b>4,832</b>	4,828
Amounts owing by holding company and related parties	<b>165,679</b>	135,269	134,301	<b>3,434,616</b>	3,306,065
Cash and cash equivalents	<b>800,281</b>	1,589,046	892,711	<b>437</b>	354
	<b>4,479,612</b>	4,291,541	2,356,587	<b>3,439,885</b>	3,311,247
Less:					
<b>Current liabilities</b>					
Creditors	<b>975,950</b>	894,197	715,188	<b>52,290</b>	50,977
Tax provision	<b>104,975</b>	136,883	132,763	<b>7,092</b>	9,976
Short-term borrowings	<b>202,020</b>	316,792	823,153	<b>150,000</b>	302,536
Amounts owing to holding company and related parties	<b>5,859</b>	3,167	67,542	<b>92,877</b>	5,240
	<b>1,288,804</b>	1,351,039	1,738,646	<b>302,259</b>	368,729
<b>Net current assets</b>	<b>3,190,808</b>	2,940,502	617,941	<b>3,137,626</b>	2,942,518
<b>Deferred taxation</b>	<b>(100,328)</b>	(102,821)	(98,523)	<b>(5,057)</b>	(5,057)
	<b>7,099,076</b>	6,630,182	4,484,985	<b>4,539,198</b>	4,319,613
Group net debt (\$'000)	<b>2,039,370</b>	927,415	834,012		
Group net debt-equity ratio (times)	<b>0.46</b>	0.21	0.23		
Net asset value per share (\$)	<b>2.78</b>	2.85	2.24		

**Review of Financial Position**

Share capital and reserves for the Group increased by \$11.1 million due to the profits retained for the period, partly offset by the payment of cash dividend, as well as a decrease in foreign currency translation reserves arising from the weakening of United States dollar, Renminbi, Vietnamese dong and Indonesian rupiah against the Singapore dollar. Despite higher shareholders' equity, the Group's net asset value per share decreased to \$2.78 at 30 September 2011 from \$2.85 as at 31 December 2010 as a result of the Company's enlarged share capital after the issuance of new shares under the dividend reinvestment scheme.

The Group's investment properties increased by \$142.4 million due mainly to the development expenditures incurred for Ocean Financial Centre.

The Group's properties held for sale increased by \$935.6 million due to land acquisition costs and development expenditures incurred, offset by progress billings received during the current period.

The Group's net debt-equity ratio was 0.46 at end-September 2011, compared with 0.21 at end-December 2010, due mainly to the land payment for The Luxurie in Singapore, development expenditures for the Marina Bay Financial Centre Phase 2, as well as capital contributions in China, largely for the residential developments in Nantong, Jiangsu Province and in Panchenggang, Jinjiang District of Chengdu.

**1(c)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES****Amount Repayable in One Year or Less, or on Demand**

As at 30.09.11		As at 31.12.10	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
20,819	181,201	13,513	303,279

**Amount Repayable after One Year**

As at 30.09.11		As at 31.12.10	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
846,433	1,791,198	748,230	1,451,439

In addition to funds from internal sources and related companies, the Group obtained its funds from the capital market through the US\$800 Million Medium Term Note Programme and banks either on a bilateral or on a syndicated basis. At end-September 2011, about 46% of the Group's borrowings were on fixed interest rate basis. For the nine months ended 30 September 2011, the Group's net cost of funds was 2.0% per annum.

**Details of Any Collateral**

Certain subsidiaries of the Company pledged their assets in order to obtain loans from financial institutions. The net book value of properties and other assets mortgaged to financial institutions amounted to \$2,285.6 million (31.12.10: \$1,806.6 million).

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY  
for the Nine Months Ended 30 September 2011**

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Foreign Currency Translation Account</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total</u> \$'000	<u>Non- controlling Interests</u> \$'000	<u>Total Equity</u> \$'000
<b>GROUP</b>							
<b>Balance at 1 January 2011, as previously reported</b>	2,061,020	23,341	(67,531)	2,284,441	4,301,271	339,051	4,640,322
Effect of adopting INT FRS 115	-	-	-	(172,594)	(172,594)	(37,215)	(209,809)
<b>Balance at 1 January 2011, as restated</b>	2,061,020	23,341	(67,531)	2,111,847	4,128,677	301,836	4,430,513
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	133,810	133,810	19,987	153,797
Other comprehensive income	-	(12,066)	(111,714)	-	(123,780)	(25,089)	(148,869)
<b>Total comprehensive income for the period</b>	-	(12,066)	(111,714)	133,810	10,030	(5,102)	4,928
<b>Transactions with equity holders, recorded directly in equity</b>							
Issue of shares							
- Under the Dividend Reinvestment Scheme	154,411	-	-	-	154,411	-	154,411
- Under the Keppel Land Restricted Share Plan	1,126	(1,126)	-	-	-	-	-
- Under the Keppel Land Share Option Scheme	3,312	-	-	-	3,312	-	3,312
Share issuance expenses	(160)	-	-	-	(160)	-	(160)
Cost of share-based payments	-	1,625	-	-	1,625	-	1,625
Disposal of interest in a subsidiary company without loss of control	-	12,932	-	-	12,932	12,059	24,991
Capital contribution	-	-	-	-	-	8,100	8,100
Dividend paid							
- Cash	-	-	-	(106,938)	(106,938)	(143)	(107,081)
- Shares	-	-	-	(154,411)	(154,411)	-	(154,411)
<b>Total transactions with equity holders</b>	158,689	13,431	-	(261,349)	(89,229)	20,016	(69,213)
<b>Balance at 30 June 2011</b>	2,219,709	24,706	(179,245)	1,984,308	4,049,478	316,750	4,366,228
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	57,970	57,970	3,809	61,779
Other comprehensive income	-	(8,719)	39,588	-	30,869	1,332	32,201
<b>Total comprehensive income for the period</b>	-	(8,719)	39,588	57,970	88,839	5,141	93,980
<b>Transactions with equity holders, recorded directly in equity</b>							
Issue of shares							
- Under the Keppel Land Share Option Scheme	43	-	-	-	43	-	43
Cost of share-based payments	-	1,376	-	-	1,376	-	1,376
Dividend paid	-	-	-	-	-	(182)	(182)
Transfer from revenue reserves to capital reserves	-	234	-	(234)	-	-	-
<b>Total transactions with equity holders</b>	43	1,610	-	(234)	1,419	(182)	1,237
<b>Balance at 30 September 2011</b>	2,219,752	17,597	(139,657)	2,042,044	4,139,736	321,709	4,461,445

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY  
for the Nine Months Ended 30 September 2011**

	Share Capital	Capital Reserves	Foreign Currency Translation Account	Revenue Reserves	Total	Non- controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>GROUP</b>							
<b>Balance at 1 January 2010, as previously reported</b>	1,987,542	50,220	(12,718)	1,350,745	3,375,789	412,813	3,788,602
Effect of adopting INT FRS 115	-	-	-	(179,682)	(179,682)	(27,505)	(207,187)
<b>Balance at 1 January 2010, as restated</b>	1,987,542	50,220	(12,718)	1,171,063	3,196,107	385,308	3,581,415
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	201,740	201,740	4,360	206,100
Other comprehensive income	-	(22)	16,958	-	16,936	6,553	23,489
<b>Total comprehensive income for the period</b>	-	(22)	16,958	201,740	218,676	10,913	229,589
<b>Transactions with equity holders, recorded directly in equity</b>							
Issue of shares							
- Under the Dividend Reinvestment Scheme	70,078	-	-	-	70,078	-	70,078
- Under the Keppel Land Share Option Scheme	1,662	-	-	-	1,662	-	1,662
Share issuance expenses	(150)	-	-	-	(150)	-	(150)
Cost of share-based payments	-	812	-	-	812	-	812
Capital contribution	-	-	-	-	-	41,140	41,140
Dividend paid							
- Cash	-	-	-	(44,351)	(44,351)	(33,560)	(77,911)
- Shares	-	-	-	(70,078)	(70,078)	-	(70,078)
<b>Total transactions with equity holders</b>	71,590	812	-	(114,429)	(42,027)	7,580	(34,447)
<b>Balance at 30 June 2010</b>	2,059,132	51,010	4,240	1,258,374	3,372,756	403,801	3,776,557
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	54,390	54,390	2,494	56,884
Other comprehensive income	-	4,451	(51,242)	-	(46,791)	(14,281)	(61,072)
<b>Total comprehensive income for the period</b>	-	4,451	(51,242)	54,390	7,599	(11,787)	(4,188)
<b>Transactions with equity holders, recorded directly in equity</b>							
Issue of shares							
- Under the Keppel Land Share Option Scheme	364	-	-	-	364	-	364
Cost of share-based payments	-	1,164	-	-	1,164	-	1,164
Capital reduction	-	-	-	-	-	(617)	(617)
Dividend paid	-	-	-	-	-	(525)	(525)
Transfer from capital reserves to revenue reserves	-	(2,110)	-	2,110	-	-	-
<b>Total transactions with equity holders</b>	364	(946)	-	2,110	1,528	(1,142)	386
<b>Balance at 30 September 2010</b>	2,059,496	54,515	(47,002)	1,314,874	3,381,883	390,872	3,772,755

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY  
for the Nine Months Ended 30 September 2011**

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total Equity</u> \$'000
<b>COMPANY</b>				
<b>Balance at 1 January 2011</b>	2,061,020	62,218	897,939	3,021,177
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	47,447	47,447
Other comprehensive income	-	478	-	478
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>478</u>	<u>47,447</u>	<u>47,925</u>
<b>Transactions with equity holders, recorded directly in equity</b>				
- Under the Dividend Reinvestment Scheme	154,411	-	-	154,411
- Under the Keppel Land Restricted Share Plan	1,126	(1,126)	-	-
- Under the Keppel Land Share Option Scheme	3,312	-	-	3,312
Share issuance expenses	(160)	-	-	(160)
Cost of share-based payments	-	1,625	-	1,625
Dividend paid				
- Cash	-	-	(106,938)	(106,938)
- Shares	-	-	(154,411)	(154,411)
<b>Total transactions with equity holders</b>	<u>158,689</u>	<u>499</u>	<u>(261,349)</u>	<u>(102,161)</u>
<b>Balance at 30 June 2011</b>	<u>2,219,709</u>	<u>63,195</u>	<u>684,037</u>	<u>2,966,941</u>
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	11,543	11,543
Other comprehensive income	-	292	-	292
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>292</u>	<u>11,543</u>	<u>11,835</u>
<b>Transactions with equity holders, recorded directly in equity</b>				
Issue of shares				
- Under the Keppel Land Share Option Scheme	43	-	-	43
Cost of share-based payments	-	1,376	-	1,376
<b>Total transactions with equity holders</b>	<u>43</u>	<u>1,376</u>	<u>-</u>	<u>1,419</u>
<b>Balance at 30 September 2011</b>	<u>2,219,752</u>	<u>64,863</u>	<u>695,580</u>	<u>2,980,195</u>

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY  
for the Nine Months Ended 30 September 2011**

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total Equity</u> \$'000
<b>COMPANY</b>				
<b>Balance at 1 January 2010</b>	1,987,542	46,036	828,391	2,861,969
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	35,581	35,581
<b>Total comprehensive income for the period</b>	-	-	35,581	35,581
<b>Transactions with equity holders, recorded directly in equity</b>				
Issue of shares				
- Under the Dividend Reinvestment Scheme	70,078	-	-	70,078
- Under the Keppel Land Share Option Scheme	1,662	-	-	1,662
Share issuance expenses	(150)	-	-	(150)
Cost of share-based payments	-	812	-	812
Dividend paid				
- Cash	-	-	(44,351)	(44,351)
- Shares	-	-	(70,078)	(70,078)
<b>Total transactions with equity holders</b>	71,590	812	(114,429)	(42,027)
<b>Balance at 30 June 2010</b>	2,059,132	46,848	749,543	2,855,523
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	290	290
Other comprehensive income	-	1,093	-	1,093
<b>Total comprehensive income for the period</b>	-	1,093	290	1,383
<b>Transactions with equity holders, recorded directly in equity</b>				
Issue of shares				
- Under the Keppel Land Share Option Scheme	364	-	-	364
Cost of share-based payments	-	1,164	-	1,164
<b>Total transactions with equity holders</b>	364	1,164	-	1,528
<b>Balance at 30 September 2010</b>	2,059,496	49,105	749,833	2,858,434

**1(d)(ii) SHARE CAPITAL****Share Capital and Treasury Shares**

On 20 June 2011, the Company allotted and issued 37,845,636 ordinary shares at an issue price of \$4.08 per share to eligible shareholders who have elected to participate in the dividend reinvestment scheme in respect of the final ordinary dividend of 9 cents per share and special dividend of 9 cents per share for the financial year ended 31 December 2010.

During the nine months ended 30 September 2011, the Company issued 1,466,606 ordinary shares upon the exercise of options granted under the Keppel Land Share Option Scheme to executive employees. The Company also issued 291,700 ordinary shares upon the vesting of shares released under the Keppel Land Restricted Share Plan.

The share capital of the Company as at 30 September 2011 comprised 1,489,849,664 ordinary shares (31.12.10: 1,450,245,722 ordinary shares).

As at 30 September 2011, the Company did not hold any treasury shares (31.12.10: Nil).

**Outstanding Share Options and Convertible Bonds**

As at 30 September 2011, there were unexercised options for 3,865,683 (30.09.10: 6,005,311) of unissued ordinary shares under the Keppel Land Share Option Scheme. In addition, the \$300 million convertible bond issued in 2006 could be converted into 53,763,440 shares (30.09.10: 53,763,440 shares) at the adjusted conversion price of \$5.58 per share (30.09.10: \$5.58 per share). The \$500 million convertible bond issued on 29 November 2010 could be converted into 74,404,761 shares at the conversion price of \$6.72 per share.

**Restricted Share Plan and Performance Share Plan**

At the extraordinary general meeting of the Company held on 23 April 2010, the Company's shareholders approved the adoption of two new share plans, namely the Keppel Land Restricted Share Plan ("KLL RSP") and Keppel Land Performance Share Plan ("KLL PSP"), with effect from the date of termination of the Keppel Land Share Option Scheme ("the Scheme"). The Scheme was terminated on 30 June 2010. Options granted and outstanding prior to the termination will continue to be valid and subject to the terms and conditions of the Scheme.

The movements in the number of shares under KLL RSP and KLL PSP are as follows:

Date of Grant	Number of Shares			
	At 01.01.11 or Date of Grant	Vested	Cancelled	At 30.09.11
<b><u>KLL RSP</u></b>				
30.06.10 <sup>(1)</sup>	874,000	(291,700)	(5,300)	577,000
30.06.11 <sup>(2)</sup>	924,800	-	(2,600)	922,200
	<u>1,798,800</u>	<u>(291,700)</u>	<u>(7,900)</u>	<u>1,499,200</u>
<b><u>KLL PSP</u></b>				
30.06.10 <sup>(3)</sup>	656,000	-	-	656,000
30.06.11 <sup>(3)</sup>	524,000	-	-	524,000
	<u>1,180,000</u>	<u>-</u>	<u>-</u>	<u>1,180,000</u>

<sup>(1)</sup> As at 30 September 2011, there were 577,000 (30.09.10: Nil) restricted shares that were released but not vested.

<sup>(2)</sup> Depending on the achievement of pre-determined targets, the actual number of shares to be released could be zero or 922,200.

<sup>(3)</sup> Depending on the achievement of pre-determined targets, the actual number of shares to be released could range from zero to 150% of the numbers stated.

**1(e) CONSOLIDATED STATEMENT OF CASH FLOWS  
for the Nine Months Ended 30 September 2011**

	Third Quarter		Nine Months		
	Note	30.09.11 \$'000	30.09.10 (Restated) \$'000	30.09.11 \$'000	30.09.10 (Restated) \$'000
<b>Operating activities:</b>					
Profit before taxation		65,571	68,813	242,518	335,636
Adjustments for:					
Depreciation charge		1,948	2,238	5,888	6,859
Profit on sale of fixed assets and investment properties		(20)	(1,348)	(2,408)	(2,854)
Write-back of provision for foreseeable losses on properties held for sale		(3,202)	(1,043)	(7,058)	(2,587)
Allowance/(write-back of allowance) for doubtful debts		2	(1)	(486)	422
Cost of share-based payments		1,403	1,164	3,116	1,976
Net interest expense		905	3,844	6,404	14,874
Investment income		(3,047)	(1,581)	(10,855)	(5,198)
Other gain		-	-	(24,418)	-
Share of results of associated companies		(29,734)	(28,104)	(82,739)	(184,046)
<b>Operating cash flows before changes in working capital</b>		<b>33,826</b>	<b>43,982</b>	<b>129,962</b>	<b>165,082</b>
Working capital changes:					
Debtors		(266,902)	(13,134)	14,614	(23,453)
Creditors		(26,794)	16,864	103,060	(39,006)
Work-in-progress		(230)	(17,115)	(66,288)	(104,052)
Consumable stocks		1,022	357	(397)	307
Development expenditures		(171,924)	(321,653)	(1,253,758)	(573,690)
Progress billings received/receivable		91,692	68,099	333,609	288,212
<b>Cash flows used in operations</b>		<b>(339,310)</b>	<b>(222,600)</b>	<b>(739,198)</b>	<b>(286,600)</b>
Interest received		8,819	6,036	19,440	17,938
Interest paid		(9,724)	(9,880)	(25,844)	(32,812)
Income taxes paid		(10,935)	(12,427)	(38,202)	(42,679)
<b>Net cash flows used in operating activities</b>		<b>(351,150)</b>	<b>(238,871)</b>	<b>(783,804)</b>	<b>(344,153)</b>
<b>Investing activities:</b>					
Investment in associated companies		(2,838)	(60,961)	(29,452)	(78,472)
Investment in investee companies		(1,178)	(5,425)	(7,442)	(10,750)
Purchase of fixed assets		(7,211)	(3,718)	(13,675)	(7,094)
Expenditure on investment properties		(1,445)	(84,879)	(231,463)	(159,767)
Disposal of a subsidiary company	1	-	-	18,149	-
Dividends received from associated companies		34,284	134,424	66,613	169,359
Dividends received from investee companies		3,047	1,581	10,855	5,198
Proceeds from sale of fixed assets and investment properties		69	4,483	14,741	10,803
<b>Net cash flows from/(used in) investing activities</b>		<b>24,728</b>	<b>(14,495)</b>	<b>(171,674)</b>	<b>(70,723)</b>
<b>Financing activities:</b>					
Proceeds from issuance of shares, net of expenses in relation to Dividend Reinvestment Scheme		43	364	3,195	1,876
Drawdown of loans		437,010	474,432	679,474	1,013,136
Repayment of loans		(174,404)	(192,624)	(283,977)	(687,349)
Loans from/(repayment of loans to) related companies		4,534	(441)	(813)	(2,851)
(Loans to)/repayment by associated companies		(69,936)	4,702	(106,950)	(57,686)
Dividends paid to shareholders		-	-	(106,938)	(44,351)
Proceeds from disposal of interest in a subsidiary company without loss of control	2	-	-	24,991	-
Advances to non-controlling shareholders		(8,128)	(3,396)	(34,472)	(17,959)
Contribution from non-controlling shareholders		-	(617)	8,100	40,523
Dividends paid to non-controlling shareholders		(182)	(525)	(325)	(34,085)
<b>Net cash flows from financing activities</b>		<b>188,937</b>	<b>281,895</b>	<b>182,285</b>	<b>211,254</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(137,485)</b>	<b>28,529</b>	<b>(773,193)</b>	<b>(203,622)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>930,914</b>	<b>664,113</b>	<b>1,589,046</b>	<b>892,711</b>
Exchange adjustments		6,852	(17,074)	(15,572)	(13,521)
<b>Cash and cash equivalents at end of period</b>		<b>800,281</b>	<b>675,568</b>	<b>800,281</b>	<b>675,568</b>

## Notes to Consolidated Statement of Cash Flows

1. The Group disposed of Keppel Digihub, a wholly-owned subsidiary company, on 25 January 2011. The effect of the disposal was as follows:

	<u>Third Quarter</u>		<u>Nine Months</u>	
	<u>30.09.11</u>	<u>30.09.10</u>	<u>30.09.11</u>	<u>30.09.10</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Investment property	-	-	<b>53,117</b>	-
Fixed assets	-	-	<b>85</b>	-
Debtors	-	-	<b>4,144</b>	-
Cash and cash equivalents	-	-	<b>841</b>	-
Creditors	-	-	<b>(5,855)</b>	-
Amount due to related companies	-	-	<b>(68,278)</b>	-
Deferred taxation	-	-	<b>(875)</b>	-
Tax provision	-	-	<b>(72)</b>	-
<b>Net liabilities disposed</b>	<b>-</b>	<b>-</b>	<b>(16,893)</b>	<b>-</b>
Sales consideration	-	-	<b>18,990</b>	-
Less: cash and cash equivalents disposed	-	-	<b>(841)</b>	-
<b>Net cash inflow on disposal</b>	<b>-</b>	<b>-</b>	<b>18,149</b>	<b>-</b>
Sales consideration	-	-	<b>18,990</b>	-
Net liabilities disposed	-	-	<b>16,893</b>	-
	-	-	<b>35,883</b>	-
Less: Group's retained interest in associated company	-	-	<b>(10,465)</b>	-
Less: other expenses	-	-	<b>(1,000)</b>	-
<b>Gain on disposal</b>	<b>-</b>	<b>-</b>	<b>24,418</b>	<b>-</b>

2. During the quarter ended 31 March 2011, the Group disposed of its 49% interest in a wholly-owned subsidiary company, Alverno Investments Limited, to PVPF 6 Limited, a wholly-owned subsidiary company of PRUPIM Vietnam Property Fund Limited for a consideration of US\$19.7 million (approximately \$25 million). The consideration was arrived at on a willing-buyer, willing-seller basis, and was for proportionate rights to projected proceeds for certain phases of the Riviera Point project in Ho Chi Minh City.

**Review of Cash Flows for 3Q2011****(i) Net cash flows used in operating activities**

The Group's net cash used in operating activities was \$351.2 million compared with \$238.9 million for 3Q2010. Included in the outflows for 3Q2011 were development costs incurred for various residential projects in China and Vietnam as well as a deposit paid for a new project in China. Higher development costs were incurred in 3Q2010, mainly for the acquisition of the site for The Lakefront Residences in Singapore. Progress billings received in 3Q2011 were \$23.6 million higher than those in 3Q2010, due largely to deposits received for The Luxurie in Singapore which was launched in August 2011, and higher receipts from The Lakefront Residences in Singapore and several overseas trading projects.

**(ii) Net cash flows from/(used in) investing activities**

A net cash of \$24.7 million was generated from investing activities compared with \$14.5 million used for 3Q2010. The net inflows for 3Q2011 came largely from dividends received from the Group's associated and investee companies. The net outflows for 3Q2010 comprised mainly the development expenditures for Ocean Financial Centre and additional investments in the Group's associated companies, partly offset by dividends received from the associated companies.

**(iii) Net cash flows from financing activities**

The net cash generated from financing activities was \$188.9 million compared with \$281.9 million for 3Q2010. The net drawdown of loans of \$262.6 million was \$19.2 million lower than that for 3Q2010. The Group extended additional loans of \$69.9 million to its associated companies in 3Q2011, mainly for Marina Bay Financial Centre Phase 2 and the data centre joint venture company. In comparison, a net loan repayment of \$4.7 million was received from the associated companies in 3Q2010.

Overall, the net decrease in cash and cash equivalents was \$137.5 million compared with an increase of \$28.5 million for 3Q2010.

**Review of Cash Flows for YTD 3Q2011****(i) Net cash flows used in operating activities**

The Group's net cash used in operating activities was \$783.8 million compared with \$344.2 million for YTD 3Q2010. The outflows for YTD 3Q2011 were mainly for the land payment for The Luxurie in Singapore, land acquisition for two residential sites in Nantong and Chengdu in China as well as a deposit paid for a new project in China. Progress billings received in YTD 3Q2011 were mainly from the newly launched projects, namely The Luxurie and The Lakefront Residences in Singapore, The Springdale in Shanghai and Seasons Park in Tianjin Eco-City.

**(ii) Net cash flows used in investing activities**

A net cash of \$171.7 million was used in investing activities compared with \$70.7 million for YTD 3Q2010. The higher net outflows for YTD 3Q2011 were due mainly to higher development expenditures for Ocean Financial Centre and lower dividends received from the associated companies, partly offset by the net cash inflow of \$18.1 million from the disposal of Keppel Digihub.

**(iii) Net cash flows from financing activities**

The net cash generated from financing activities was \$182.3 million compared with \$211.3 million for YTD 3Q2010. Total dividends of \$106.9 million were paid to the Company's shareholders who did not opt for shares under the dividend reinvestment scheme, compared with \$44.4 million paid in YTD 3Q2010. The non-controlling shareholders of non-wholly owned subsidiary companies contributed \$8.1 million in YTD 3Q2011, compared with \$40.5 million for YTD 3Q2010. The outflows for YTD 3Q2011 were partly offset by the proceeds from the disposal of 49% interest in Alverno Investments Limited. The Group made a net drawdown of loan of \$395.5 million in YTD 3Q2011 compared with \$325.8 million in YTD 3Q2010.

Overall, the net decrease in cash and cash equivalents was \$773.2 million compared with \$203.6 million for YTD 3Q2010.

**2. AUDIT**

The figures have not been audited nor reviewed by the Company's auditors.

**3. AUDITORS' REPORT**

Not applicable.

**4. ACCOUNTING POLICIES**

(a) The Group's policy is to revalue its investment properties on an annual basis. An update to the fair values will be done at the end of the financial year.

(b) Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those for the audited financial statements as at 31 December 2010.

**5. CHANGES IN THE ACCOUNTING POLICIES**

The Group adopted the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2011. Changes to the Group's accounting policies have been made as required, in accordance with the respective FRSs and INT FRSs.

The following are the new or amended FRSs that are relevant to the Group:

*INT FRS 115 Agreements for the Construction of Real Estate*  
*Revised FRS 24 Related Party Disclosures*  
Improvements to FRSs issued in 2010

The adoption of the above FRSs and INT FRSs did not have any significant impact on the financial statements of the Group, except for the following:

**INT FRS 115 Agreements for the Construction of Real Estate**

On 26 August 2010, the Accounting Standards Council ("ASC") issued INT FRS 115 with an accompanying note that explains the application of the Interpretation to property development sales in Singapore by considering the Singapore legal framework. INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that such contracts which are not classified as construction contracts in accordance with FRS 11 *Construction Contracts* can only be accounted for using the percentage of completion ("POC") 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.

Following the implementation of INT FRS 115 and its accompanying note with effect from 1 January 2011, the Group has adopted the completion of construction ("COC") method to account for its overseas trading projects after taking into consideration the legal framework and industry practices in those countries in which the Group operates. For Singapore trading projects (under progressive payment scheme and deferred payment scheme ("DPS")), the Group has applied the POC method in the First Quarter 2011 Financial Statements.

The ASC, after noting the divergence in practice among the real estate companies in Singapore with regard to the accounting for sales of residential properties in Singapore made under DPS, has issued a clarification note on 7 June 2011 to highlight that the accompanying note does not address the accounting treatment for sales under DPS. With this clarification note and after consultation with public accounting firms, residential units sold under DPS in Singapore have to be accounted for using the COC method.

**5. CHANGES IN THE ACCOUNTING POLICIES - continued****Impact on the Comparatives for the Third Quarter 2011 Financial Statements:**

The Third Quarter 2011 Financial Statements have been prepared to take into account the effects of implementation of INT FRS 115 as described in the preceding paragraphs. This change in accounting policy has been applied retrospectively. Accordingly, the 2010 comparatives have been restated.

The effects on the comparatives arising from the adoption of INT FRS 115, subject to year-end audit, are as follows:

**Group Profit and Loss Account**

	<b>3Q2010</b>	
	<b>\$'000</b>	
Decrease in:		
Revenue	(19,284)	
Cost of sales	10,686	
Share of results of associated companies	(14,446)	
Taxation	5,203	
Profit for the period	<u>(17,841)</u>	
Profit attributable to:		
- Shareholders of the Company	(15,713)	
- Non-controlling interests	(2,128)	
	<u>(17,841)</u>	
Decrease in basic and diluted earnings per share (cents)		(1.1)

**Group Balance Sheet**

	<b>31.12.10</b>	<b>31.12.09</b>
	<b>\$'000</b>	<b>\$'000</b>
Decrease in:		
Revenue reserves	(172,594)	(179,682)
Non-controlling interests	(37,215)	(27,505)
Investment in associated companies	(91,275)	(108,304)
Properties held for sale	(148,154)	(121,319)
Tax provision	(29,620)	(22,436)

**6. EARNINGS PER ORDINARY SHARE**

	<b>GROUP</b>		
	<b>Nine Months</b>		
	<b>30.09.11</b>	<b>30.09.10 (Restated)</b>	<b>+/(-) %</b>
Earnings per ordinary share of the Group based on net profit attributable to shareholders:			
(i) Based on the weighted average number of shares (cents)	<b>13.1</b>	17.8	(26.4)
- Weighted average number of shares ('000)	<b>1,465,168</b>	1,437,123	2.0
(ii) On a fully diluted basis (cents)	<b>13.1</b>	17.8	(26.4)
- Adjusted weighted average number of shares ('000)	<b>1,467,085</b>	1,437,222	2.1

**7. NET ASSET VALUE**

	<b>GROUP</b>	
	<b>30.09.11</b>	<b>31.12.10 (Restated)</b>
Net asset value per share based on issued share capital at the end of the period (\$)	<b>2.78</b>	2.85

**8. REVIEW OF GROUP PERFORMANCE****Group Overview**

(\$'000)	3Q2011	3Q2010 (Restated)	Change (%)	YTD 3Q2011	YTD 3Q2010 (Restated)	Change (%)
<b>Revenue</b>	111,722	129,895	(14.0)	573,801	554,388	3.5
<b>Profit before taxation</b>	65,571	68,813	(4.7)	242,518	335,636	(27.7)
<b>Net profit</b>	57,970	54,390	6.6	191,780	256,130	(25.1)

**3Q2011 vs. 3Q2010**

The Group's revenue for 3Q2011 showed a decline of \$18.2 million or 14% against that for 3Q2010. The decline was due to lower revenues reported by the property trading segment (\$28.7 million), partly offset by a higher revenue recorded by the property investment segment (\$3.6 million), the fund management segment (\$5.6 million) and the hotels and resorts, property services, and others segment (\$1.3 million).

The Group's overseas revenue for 3Q2011 constituted 33.9% of the Group's total revenue compared with 71.2% in 3Q2010. Following the adoption of INT FRS 115 and its accompanying note on 1 January 2011, the Group recognises revenue/profit for its overseas trading projects on full completion of each project/phase instead of progressive recognition based on percentage of completion. Consequently, other than the recognition from the sale of completed residential and carpark units, no revenue was recognised in 3Q2011 for other uncompleted overseas trading projects despite the on-going sales and progressive construction. In Singapore, residential units sold under the deferred payment scheme ("DPS") are also accounted for based on the completion of construction ("COC") method. Singapore trading projects on progressive payment scheme, on the other hand, continue to be accounted for using the percentage of completion method. Higher revenues were reported by Singapore trading projects, due primarily to the new revenue stream from The Lakefront Residences which was launched in November 2010, coupled with higher revenue recognition from Madison Residences as a result of higher percentage of physical completion achieved.

At pre-tax level, the Group's profit was \$3.2 million or 4.7% lower compared with \$68.8 million in 3Q2010. The decline was attributable primarily to the lower contribution from the hotels and resorts segment, higher staff costs, coupled with the absence of contribution from Keppel Digihub following its divestment in January 2011. This was partly mitigated by higher contributions from all the other three segments. The improvement from the property trading segment was due largely to the higher contribution from Reflections at Keppel Bay. Higher fund management and acquisition fees were earned by the fund management segment. In addition, the property investment segment reported higher profits as a result of higher rental yields from the Group's investment properties and increased contribution from K-REIT Asia. There was also higher dividend income received from the equity investments and lower net interest expenses.

After accounting for non-controlling interests' share of profits, the Group's net profit was \$58 million, an increase of 6.6% from \$54.4 million reported in 3Q2010.

Earnings from overseas (excluding the one-off gain on disposal of Keppel Digihub) represented about 7.8% of the Group's net profit compared with 33.2% for 3Q2010.

**8. REVIEW OF GROUP PERFORMANCE - continued****Group Overview****YTD 3Q2011 vs. YTD 3Q2010**

The Group's revenue for YTD 3Q2011 was \$19.4 million or 3.5% higher than YTD 3Q2010. The increase was due to higher revenues reported by the property trading segment (\$9.2 million) and the fund management segment (\$13.9 million), partly offset by lower revenues recorded by the property investment segment (\$0.8 million), and the hotels and resorts, property services, and others segment (\$2.9 million).

The Group's overseas revenue for YTD 3Q2011 constituted 50.8% of the Group's total revenue compared with 78.6% in YTD 3Q2010. As a result of the adoption of COC method, apart from revenue recorded for sales of completed carpark units and the remaining units of the completed phases of Jakarta Garden City, as well as Elita Promenade in Bangalore which was completed in 1Q2011, no revenue was recognised for other uncompleted overseas trading projects despite the on-going sales and progressive construction. Higher revenues were reported by the Singapore trading projects on progressive payment scheme, mainly from The Lakefront Residences and Madison Residences.

At pre-tax level, the Group's profit was \$242.5 million compared with \$335.6 million for YTD 3Q2010. Excluding the one-off gain of \$24.4 million from the disposal of Keppel Digihub, the Group's pre-tax profit of \$218.1 million, showed a decline of \$117.5 million or 35% compared with YTD 3Q2010. The lower profit for current period was due particularly to the lower contributions from the overseas trading projects. The profits from the property trading segment in YTD 3Q2011 comprised mainly contributions from several Singapore trading projects on progressive payment scheme as well as Elita Promenade in Bangalore which was completed in 1Q2011. The higher trading profits achieved in YTD 3Q2010 were attributable primarily to the contributions from several projects/phases in China which were completed during the first nine months of 2010, namely Villa Riviera in Shanghai, Phase 2 of Serenity Cove in Tianjin, Phase 1 of Stamford City in Jiangyin and certain phases of The Botanica in Chengdu and Central Park City in Wuxi. The YTD 3Q2010 profits also included the full profit recognition for those units of Marina Bay Residences sold under DPS following its completion in 2Q2010. The decline was, however, partly cushioned by improved performance from the fund management and property investment segments, as well as higher dividend income received from the equity investments and lower net interest expenses.

After accounting for non-controlling interests' share of profits, the Group's net profit was \$191.8 million, a decrease of 25.1% from \$256.1 million reported in YTD 3Q2010.

Earnings from overseas (excluding the one-off gain on disposal of Keppel Digihub) represented about 8.9% of the Group's net profit compared with 41.4% for YTD 3Q2010.

## 8. REVIEW OF GROUP PERFORMANCE - continued

### Segmental Performance

#### Property Trading

(\$'000)	3Q2011	3Q2010 (Restated)	Change (%)	YTD 3Q2011	YTD 3Q2010 (Restated)	Change (%)
<b>Revenue</b>	53,287	82,004	(35.0)	415,483	406,322	2.3
<b>Net profit</b>	46,007	30,781	49.5	116,525	201,811	(42.3)

Revenue for 3Q2011 was lower compared with the corresponding revenue last year. The decrease was mainly because with the adoption of COC method, no revenue was recognised for the uncompleted overseas trading projects, other than the sale of remaining units for the overseas projects/phases which was completed by end-2010. In contrast, revenue was recognised in 3Q2010 for two projects/phases in China completed last year. Singapore trading projects on progressive payment scheme such as The Lakefront Residences and Madison Residences had, however, reported higher revenue.

Despite lower revenue recorded in 3Q2011, the revenue for YTD 3Q2011 was higher than YTD 3Q2010. The increase came primarily from the revenue recognised for Elita Promenade in Bangalore which was completed in 1Q2011.

Net profit for 3Q2011 was higher compared with 3Q2010, because of higher contribution from Singapore trading projects, mainly Reflections at Keppel Bay and Madison Residences as a result of higher percentage of physical completion achieved, as well as The Lakefront Residences which was launched in November 2010. On a year-to-date basis, net profit was lower compared with YTD 3Q2010 due to lower profits recognised from the overseas projects as mentioned earlier.

#### Property Investment

(\$'000)	3Q2011	3Q2010 (Restated)	Change (%)	YTD 3Q2011	YTD 3Q2010 (Restated)	Change (%)
<b>Revenue</b>	21,787	18,173	19.9	53,258	54,009	(1.4)
<b>Net profit</b>	18,339	15,881	15.5	46,120	43,339	6.4

Rental income for 3Q2011 was higher against the comparative for 3Q2010, due largely to higher revenue from the office tower of Ocean Financial Centre which was completed in April 2011, as well as Equity Plaza in Singapore because of higher occupancy rates achieved. These increases were partly offset by the lower rental income from Saigon Centre in Ho Chi Minh City and International Financial Centre in Jakarta. The marginal decrease in the year-to-date rental income was attributable mainly to lower revenue reported by the investment properties in Vietnam.

Net profit for 3Q2011 improved by 15.5% compared with 3Q2010 due to higher contributions from Ocean Financial Centre and K-REIT Asia.

The increase in net profit for YTD 3Q2011 was contributed mainly by K-REIT Asia and Equity Plaza, as well as the gain from the sale of units at Quartz Industrial Building.

## 8. REVIEW OF GROUP PERFORMANCE - continued

### Segmental Performance

#### Fund Management

(\$'000)	3Q2011	3Q2010 (Restated)	Change (%)	YTD 3Q2011	YTD 3Q2010 (Restated)	Change (%)
<b>Revenue</b>	18,093	12,440	45.4	52,485	38,606	36.0
<b>Net profit</b>	12,237	6,900	77.3	39,673	23,351	69.9

The Group's fund management business continued to perform well. Fund management fees for the current periods were higher as a result of higher acquisition and management fees reported by K-REIT Asia Management ("KRAM") and Alpha Investment Partners ("Alpha"). Included in YTD 3Q2011 revenue were acquisition fees of \$3.4 million earned by KRAM from K-REIT Asia's acquisition of additional four floors of Prudential Tower, and 8 Chifley Square in Sydney, Australia. Alpha also earned acquisition fees of \$4.9 million from the acquisitions in Singapore and overseas made by the funds it managed.

Net profits for current periods increased on account of higher fees recorded by Alpha and KRAM as well as higher dividend income received from the equity investments.

#### Hotels and Resorts, Property Services, and Others

(\$'000)	3Q2011	3Q2010 (Restated)	Change (%)	YTD 3Q2011	YTD 3Q2010 (Restated)	Change (%)
<b>Revenue</b>	18,555	17,278	7.4	52,575	55,451	(5.2)
<b>Net profit/(loss)</b>	(18,613)	828	nm	(10,538)	(12,371)	(14.8)

nm - not meaningful

Revenue from this segment for 3Q2011 was higher compared with 3Q2010. The increase was due largely to higher revenue recorded by the hotels in Indonesia and Myanmar as a result of higher occupancy and room rates. This was partly offset by the absence of revenue from Keppel Digihub following the divestment in January 2011. Year-to-date revenue was lower compared with YTD 3Q2010 due largely to the absence of revenue from Keppel Digihub, partly mitigated by the improved performance from the hotels and resorts segment.

This segment reported a net loss for 3Q2011 compared with a net profit for 3Q2010 due mainly to the lower contribution from the Spring City Resort in Kunming, and higher staff costs. On a year-to-date basis, this segment reported a lower net loss compared with YTD 3Q2010, due mainly to the one-off gain of \$24.4 million from the disposal of Keppel Digihub.

**9. VARIANCE FROM FORECAST STATEMENT**

No forecast for the nine months ended 30 September 2011 was previously provided.

**10. PROSPECTS**

Growth in private residential prices moderated for the eighth consecutive quarter, slowing down to 1.3% in third quarter of 2011 from 2.0% in the second quarter. New home sales at 4,380 units in this quarter is a slight decline from the 4,444 units sold in the previous quarter, according to flash estimates from the Urban Redevelopment Authority.

In Singapore, the Group sold about 420 homes in the first nine months of 2011, mostly from its latest residential development near Sengkang MRT station, The Luxurie. The encouraging take-up of 216 units out of the 250 launched units within a month of The Luxurie's launch reflects the continuing interest in good quality and well-located suburban homes.

Grade A rents rose 4.3% quarter-on-quarter to \$11.06 psf in the third quarter of 2011, according to CB Richard Ellis ("CBRE"). While the office rental market will continue to be challenging, CBRE expects positive tenant interest to keep Grade A rental rates stable over the next few months.

Overseas, the Group sold more than 1,600 homes in the first nine months, with almost 900 homes sold in the third quarter. In the third quarter, the Group's projects in China continue to sell at a moderate pace. The recent launch of Phase 6 of The Botanica in Chengdu, the first phase of The Seasons in Shenyang and Phase 2 of The Springdale in Shanghai met with warm response. Sales from the three launches totalled about 700 units in the third quarter of 2011. Keppel Land China acquired a prime 21.5-ha lakefront site in Wuxi, which will yield around 2,500 units, including commercial components.

Reflecting the stable economy in Indonesia, Jakarta Garden City has sold 94% out of the 909 launched township homes as at end-September 2011, with sales in the third quarter totalling 83 units.

The Group will monitor market conditions to time launches for new developments and phases and will at the same time explore opportunities for acquisition in Singapore and overseas for the development of residential, commercial and mixed-use projects.

The Group's property fund management vehicles remained active in seeking strategic acquisitions in Singapore and overseas. Keppel Land has proposed to divest its 87.5% interest in Ocean Properties Pte. Limited, the owner of OFC, to K-REIT Asia for about \$1.6 billion for a period of 99 years. The deal is subject to approvals from both minority shareholders and unitholders at their respective extraordinary general meetings, expected to be held on 10 November 2011.

Alpha Investment Partners has set up an office in Shanghai to strengthen its presence in China. The follow-on fund of Alpha Asia Macro Trends Fund ("AAMTF"), AAMTF II, achieved a first closing with over \$556 million committed and made its maiden investment in the 142-room boutique Central Park Hotel in Hong Kong.

## 11. BUSINESS DYNAMICS AND RISK FACTORS

The Group's strategy for enhancing shareholder value focuses on developing properties for sale and managing property funds. Besides the Singapore property market, the Group is mainly in the property markets of China, Vietnam, Indonesia and India where there is a shortage of good quality housing to satisfy the needs of their growing middle class populations.

Regionally, the success of the Group's efforts will be dependent, *inter alia*, on the following factors:

- Availability of residential sites at competitive prices for housing and also good sites at competitive prices in populous cities for township development so that economies of scale can be achieved to provide good quality and affordable urban housing;
- Effective partnerships with contractors, suppliers, joint venture partners and other stakeholders so that projects can be delivered on time and with quality;
- Favourable lending laws and interest rates for property developers and end-purchaser financing;
- Favourable tax laws and double taxation treaties with Singapore, and ease of repatriating funds to Singapore;
- Proper management of interest and currency rate exposures.

The US economy faces the spectre of a double-dip recession while Europe's recovery is hampered by sovereign debt issues, as the Greek crisis threatens to spread to neighbouring countries including Portugal, Italy, Spain and Ireland.

The Group also faces possible challenges such as political uncertainty issues, economic uncertainties or unfavourable regulatory measures by the governments in countries where it has operations.

The Group's property fund management business will be further developed for recurring income. Efforts are being made to identify and invest in projects that will give the expected rates of return required by investors.

The Company will continue to monitor all major risks affecting the Group and take the necessary actions to mitigate them.

## 12. DIVIDENDS

**(a) Current financial period reported on**

None.

**(b) Corresponding period of the immediately preceding financial year**

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**(e) If no dividend has been declared/recommended, a statement to that effect**

No dividend has been declared for the nine months ended 30 September 2011.



13. SEGMENTAL ANALYSIS - Continued

	Third Quarter					Nine Months						
	Property Trading	Property Investment	Fund Management	Hotels and Resorts, Property Services, and Others	Inter-segment Elimination	Total	Property Trading	Property Investment	Fund Management	Hotels and Resorts, Property Services, and Others	Inter-segment Elimination	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Nine Months ended 30 September 2010 (Restated)</b>												
<b>External sales</b>	82,004	18,173	12,440	17,278	-	129,895	406,322	54,009	38,606	55,451	-	554,388
<b>Results</b>												
EBITDA	23,218	11,934	7,637	2,421	-	45,210	104,522	36,089	27,355	159	-	168,125
Depreciation charge	(913)	(73)	(57)	(1,195)	-	(2,238)	(2,761)	(234)	(110)	(3,754)	-	(6,859)
Investment income	1,500	-	-	81	-	1,581	5,020	-	-	178	-	5,198
Net interest income/(expenses)	2,330	(600)	68	(5,642)	-	(3,844)	4,213	(2,006)	194	(17,275)	-	(14,874)
Share of results of associated companies	11,065	9,235	441	7,363	-	28,104	148,407	24,205	1,167	10,267	-	184,046
Profit/(loss) before taxation	37,200	20,496	8,089	3,028	-	68,813	259,401	58,054	28,606	(10,425)	-	335,636
Taxation	(6,671)	(2,090)	(1,189)	(1,979)	-	(11,929)	(57,537)	(6,832)	(5,255)	(3,028)	-	(72,652)
Profit/(loss) after taxation	30,529	18,406	6,900	1,049	-	56,884	201,864	51,222	23,351	(13,453)	-	262,984
Non-controlling interests	252	(2,525)	-	(221)	-	(2,494)	(53)	(7,883)	-	1,082	-	(6,854)
Net profit/(loss)	30,781	15,881	6,900	828	-	54,390	201,811	43,339	23,351	(12,371)	-	256,130
<b>Other information</b>												
Segment assets	3,677,027	2,496,950	131,120	2,521,791	(2,103,093)	6,723,795	3,677,027	2,496,950	131,120	2,521,791	(2,103,093)	6,723,795
Segment liabilities	(1,799,687)	(792,682)	(23,152)	(2,438,612)	2,103,093	(2,951,040)	(1,799,687)	(792,682)	(23,152)	(2,438,612)	2,103,093	(2,951,040)
Net assets	1,877,340	1,704,268	107,968	83,179	-	3,772,755	1,877,340	1,704,268	107,968	83,179	-	3,772,755
Investment in associated companies	427,065	855,095	2,572	54,544	-	1,339,276	427,065	855,095	2,572	54,544	-	1,339,276
Additions to non-current assets *	123,533	153,655	1,065	15,765	-	294,018	123,533	153,655	1,065	15,765	-	294,018
<b>Geographical information</b>												
External sales												
Non-current assets												
							Singapore	Other Countries				Total
							\$'000	\$'000		\$'000		\$'000
							118,376	436,012		554,388		554,388
							3,428,010	789,785		4,217,795		4,217,795

\* Additions to non-current assets comprise investment in associated companies, purchase of fixed assets and expenditure on investment properties.

**14. REVIEW OF SEGMENTAL PERFORMANCE**

Please refer to Section 8.

**15. BREAKDOWN OF SALES**

	<b>GROUP</b>		
	<b>2011</b>	<b>2010</b>	<b>+ / (-)</b>
	<b>\$'000</b>	<b>(Restated) \$'000</b>	<b>%</b>
Sales reported for first quarter	<b>357,892</b>	106,475	236.1
Operating profit after tax before deducting non-controlling interests reported for first quarter	<b>101,892</b>	60,042	69.7
Sales reported for second quarter	<b>104,187</b>	318,018	(67.2)
Operating profit after tax before deducting non-controlling interests reported for second quarter	<b>51,905</b>	146,058	(64.5)
Sales reported for third quarter	<b>111,722</b>	129,895	(14.0)
Operating profit after tax before deducting non-controlling interests reported for third quarter	<b>61,779</b>	56,884	8.6

## 16. INTERESTED PERSON TRANSACTIONS

Name of Interested Person	Aggregate Value of all Interested Person Transactions during the Period under Review (excluding Transactions less than \$100,000 and Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST Listing Manual).		Aggregate Value of all Interested Person Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST Listing Manual.	
	Third Quarter		Third Quarter	
	30.09.11 \$'000	30.09.10 \$'000	30.09.11 \$'000	30.09.10 \$'000
(a) Property transactions -				
Keppel Corporation Limited Group:				
Project development and management fees received	-	-	420	419
Property management fees received	-	-	297	533
Marketing commission received	-	-	669	1,391
Management and support services fees received	-	-	2,231	2,046
Asset management fees received	-	-	7,852	3,752
Rental income	-	-	12	-
Rental expense	-	-	(1,103)	(968)
(b) Other services and products -				
Keppel Corporation Limited Group:				
Treasury – interest income	-	-	117	15
Treasury – interest expense	-	-	(461)	(486)
Treasury – foreign exchange transactions	-	-	19,508	102,571
Management fees paid	-	-	(1,186)	(1,278)
Other products and service fees paid	-	-	(143)	(174)
Deposits outstanding at period-end	-	-	118,575	60,036
Principal and interest of the shareholder's loan to Keppel Data Centres Holding Pte Ltd	31,539	-	-	-
Temasek Group:				
Rental received	-	-	34	57
Management fees paid	-	-	-	(68)
Committed capital for the formation of a joint-venture company, Singapore-Sichuan Investment Holdings Pte Ltd	14,400	-	-	-
(c) Transactions entered into by the Group with Directors of the Company:				
Consideration for sales of units in Singapore and overseas residential development to Directors of the Company and/or their immediate family members at prevailing prices applicable to third parties	1,429	1,209	-	-

BY ORDER OF THE BOARD

CHOO CHIN TECK  
Company Secretary  
19 October 2011

**CONFIRMATION BY THE BOARD**

We, CHOO CHIAU BENG and KEVIN WONG KINGCHEUNG, being two Directors of Keppel Land Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the 3Q2011 financial statements to be false or misleading in any material respect.

On behalf of the Board of Directors



CHOO CHIAU BENG  
Chairman



KEVIN WONG KINGCHEUNG  
Group Chief Executive Officer

Singapore, 19 October 2011

**Appendix**

**SEGMENTAL RESULTS – QUARTERLY BREAKDOWN**

**By Operating Segments (\$'m)**

	1Q10 (Restated)	2Q10 (Restated)	1H10 (Restated)	3Q10 (Restated)	4Q10 (Restated)	FY10 (Restated)	1Q11 (Restated)	2Q11	1H11	3Q11
<b>TURNOVER</b>										
Property										
Trading	56.0	268.3	324.3	82.0	66.4	472.7	309.2	53.0	362.2	53.3
Investment	17.9	17.9	35.8	18.2	16.2	70.2	15.3	16.2	31.5	21.8
Fund management	13.7	12.5	26.2	12.4	30.1	68.7	14.5	19.9	34.4	18.1
Hotels and resorts, property services, and others	18.8	19.3	38.1	17.3	18.4	73.8	18.9	15.1	34.0	18.5
<b>Total</b>	<b>106.4</b>	<b>318.0</b>	<b>424.4</b>	<b>129.9</b>	<b>131.1</b>	<b>685.4</b>	<b>357.9</b>	<b>104.2</b>	<b>462.1</b>	<b>111.7</b>
<b>EBITDA</b>										
Property										
Trading	10.8	70.4	81.2	23.2	2.1	106.5	61.5	9.4	70.9	23.8
Investment	11.3	12.9	24.2	11.9	12.6	48.7	9.8	8.3	18.1	13.1
Fund management	9.9	9.7	19.6	7.7	23.4	50.7	8.4	13.8	22.2	11.6
Hotels and resorts, property services, and others	1.7	(3.8)	(2.1)	2.4	(1.1)	(0.8)	(1.3)	(8.8)	(10.1)	(12.8)
<b>Total</b>	<b>33.7</b>	<b>89.2</b>	<b>122.9</b>	<b>45.2</b>	<b>37.0</b>	<b>205.1</b>	<b>78.4</b>	<b>22.7</b>	<b>101.1</b>	<b>35.7</b>
<b>PROFIT/(LOSS) BEFORE TAXATION *</b>										
Property										
Trading	54.0	168.2	222.2	37.2	8.9	268.3	73.0	32.7	105.7	44.1
Investment	17.6	20.0	37.6	20.5	20.7	78.8	19.1	17.9	37.0	23.3
Fund management	10.4	10.1	20.5	8.1	23.6	52.2	10.5	20.3	30.8	14.4
Hotels and resorts, property services, and others	(4.6)	(8.9)	(13.5)	3.0	(4.3)	(14.8)	(8.0)	(12.9)	(20.9)	(16.2)
<b>Total</b>	<b>77.4</b>	<b>189.4</b>	<b>266.8</b>	<b>68.8</b>	<b>48.9</b>	<b>384.5</b>	<b>94.6</b>	<b>58.0</b>	<b>152.6</b>	<b>65.6</b>
<b>NET PROFIT/(LOSS)</b>										
Property										
Trading	42.4	128.6	171.0	30.8	11.1	212.9	43.0	27.5	70.5	46.0
Investment	12.6	14.9	27.5	15.9	12.6	56.0	14.5	13.3	27.8	18.4
Fund management	7.7	8.7	16.4	6.9	17.7	41.0	9.4	18.0	27.4	12.2
Hotels and resorts, property services, and others	(4.8)	(8.4)	(13.2)	0.8	(16.2)	(28.6)	(8.0)	(8.3)	(16.3)	(18.6)
Corporate restructuring surplus/ enbloc property sales/ fair value gain on investment properties/ impairment provisions	-	-	-	-	768.9	768.9	-	-	-	-
Gain on acquisition of additional interest in an associated company	-	-	-	-	2.7	2.7	-	-	-	-
Other gain	-	-	-	-	-	-	24.4	-	24.4	-
<b>Total</b>	<b>57.9</b>	<b>143.8</b>	<b>201.7</b>	<b>54.4</b>	<b>796.8</b>	<b>1,052.9</b>	<b>83.3</b>	<b>50.5</b>	<b>133.8</b>	<b>58.0</b>

\* before corporate restructuring surplus, enbloc property sales, fair value gain on investment properties, impairment provision, gain on acquisition of additional interest in an associated company and other gain.

**Appendix (Cont'd)**

**By Geographical Segments (\$'m)**

	1Q10 (Restated)	2Q10 (Restated)	1H10 (Restated)	3Q10 (Restated)	4Q10 (Restated)	FY10 (Restated)	1Q11 (Restated)	2Q11	1H11	3Q11
<b>TURNOVER</b>										
Singapore	40.3	40.7	81.0	37.4	54.0	172.4	137.1	71.3	208.4	73.8
Other countries	66.1	277.3	343.4	92.5	77.1	513.0	220.8	32.9	253.7	37.9
Total	106.4	318.0	424.4	129.9	131.1	685.4	357.9	104.2	462.1	111.7
<b>EBITDA</b>										
Singapore	18.9	14.9	33.8	24.6	28.6	87.0	36.1	22.4	58.5	30.8
Other countries	14.8	74.3	89.1	20.6	8.4	118.1	42.3	0.3	42.6	4.9
Total	33.7	89.2	122.9	45.2	37.0	205.1	78.4	22.7	101.1	35.7
<b>PROFIT BEFORE TAXATION*</b>										
Singapore	49.6	91.7	141.3	42.1	42.6	226.0	50.8	57.0	107.8	57.2
Other countries	27.8	97.7	125.5	26.7	6.3	158.5	43.8	1.0	44.8	8.4
Total	77.4	189.4	266.8	68.8	48.9	384.5	94.6	58.0	152.6	65.6
<b>NET PROFIT</b>										
Singapore	38.8	74.9	113.7	36.3	20.3	170.3	45.5	53.4	98.9	53.5
Other countries	19.1	68.9	88.0	18.1	4.9	111.0	13.4	(2.9)	10.5	4.5
Corporate restructuring surplus/ enbloc property sales/ fair value gain on investment properties/impairment provision	-	-	-	-	768.9	768.9	-	-	-	-
Gain on acquisition of additional interest in an associated company	-	-	-	-	2.7	2.7	-	-	-	-
Other gain	-	-	-	-	-	-	24.4	-	24.4	-
Total	57.9	143.8	201.7	54.4	796.8	1,052.9	83.3	50.5	133.8	58.0

\* before corporate restructuring surplus, enbloc property sales, fair value gain on investment properties, impairment provision, gain on acquisition of additional interest in an associated company and other gain.