

Keppel Land

FY2002 Results Presentation

27 January 2003

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Presentation Highlights

- **Financial Results FY2002**
- **Operations Review**
- **Market Outlook**
- **Going Forward**

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Financial Results FY2002

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Financial Performance

\$m	FY02	FY01	% Change
Turnover	298.9	300.5	(0.5)
EBITDA	134.6	142.4	(5.5)
Operating Profit	119.2	123.9	(3.8)
Pre-tax Profit	129.2	112.2	15.2
PATMI before EI	94.3	86.7	8.8
EI - Divestments	(67.9)*	-	-
EI - Provisions	-	(455.1)	-
PATMI after EI	26.4	(368.4)	nm

** Sale of Capital Square (loss of \$70.4m) and Bayswater (gain of \$2.5m)*

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Revaluation Deficit for Singapore Investment Buildings

	Attributable Book / Market Value (\$m)
As at Dec 2001	2,165
Less Sale of Capital Square	380
	1,785
Less Revaluation Deficit	164
As at Dec 2002	1,621

- Attributable revaluation deficit is \$164m
- Deficit will be charged against capital reserves of \$653.4m
- Revaluation deficit for investment buildings overall is 9.2% (10.4% for office buildings)

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Key Ratios

Key Ratios	Unit	FY02	FY01	% Change
EPS	¢	3.7	(52.0)	nm
NTA/share	\$	2.09	2.23	(6.3)
Gearing	x	1.09	1.30	(16.1)
Annualised ROE*	(%)	6.4	5.6	14.3

* Before EI

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Net Profit - by Business Segment

Business Segment	FY02 \$m	FY01 \$m	% Change
Property			
Investment	52.9	51.8	2.1
Trading	49.9	42.9	16.3
Others			
- Hotels & Resorts	(12.5)	(11.2)	nm
- Property Services	4.0	3.2	25.0
Net Profit before EI	94.3	86.7	8.8
Exceptional Items (EI)	(67.9)*	(455.1)	nm
Net Profit after EI	26.4	(368.4)	nm

** Sale of Capital Square (loss of \$70.4m) and Bayswater (gain of \$2.5m)*

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Net Profit - by Geographical Location

Business Segment	FY02 \$m	FY01 \$m	% Change
Singapore	91.7	84.1	9.0
Other Countries	2.6	2.6	-
Net Profit before EI	94.3	86.7	8.8
Exceptional Items	(67.9)	(455.1)	-
Net Profit after EI	26.4	(368.4)	nm

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Operations Review

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Strategic Focus Recap

- **Focus on two businesses :**
 - **Property development for sale in Asia**
 - ◆ **Grow overseas earnings to 50% by 2005**
 - **Property fund management**
- **Divest investment buildings**

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Operations Review

Property Development for Sale

- **Acquired residential sites in growth cities in Asia**

City	Site Area (sm)	Proposed Development
Beijing	72,400	1,860-unit condominium
Chengdu	41,500	1,200-unit condominium
Bangkok	82,332	178 detached houses
Ho Chi Minh City	59,000	120 villas

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Operations Review

- **Launched sales for One Park Avenue in Shanghai**
 - **Blocks 1 to 4 (504 units) launched in November 2002 : 100% take-up**
 - **Block 5 (97 units) was released in January 2003 due to demand**
 - **98% sold for Blocks 1 to 5 (601 units)**
 - **Average achieved price around RMB11,000 psm**
 - **Remaining Blocks 6 to 10 (517 units) to be launched in 1Q2003**

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Operations Review

Monetisation and Divestment

- Monetisation of \$355m worth of receivables from sale of Amaranda Gardens, Butterworth 8 and The Edgewater in June 2002
- Divestment of Capital Square for \$490m in November 2002 (KLL's stake - 70%)

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Operations Review

Corporate

- Recognition for Corporate Governance
 - Won the Best Annual Report Award at the 29th Annual Report Awards Competition for the fifth consecutive year
 - Runner-up for the SIAS Most Transparent Company Award under the Properties Category for the third consecutive year

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Market Outlook

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Singapore Market Outlook

Residential

- Home prices stabilised in 2002
- Buying sentiments currently affected by concerns over possible war in Iraq and economic recovery
- Possibly better market conditions in 2H2003

Office

- Pressure on rental due to present weak demand
- Office demand will pick up when economy starts to recover

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Asia Market Outlook

- **Growing demand in Asia for housing in developing countries that show continuous economic growth eg. China, Thailand and Vietnam**
- **Positive factors like government incentives, low interest rates and rising affluence further boost housing market in selected cities in Asia**

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Going Forward

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Going Forward

Singapore

- Selectively launch residential projects according to the market
- Continue efforts to divest investment buildings for re-investment in higher return projects

Overseas

- Continue to pursue opportunities in development for sale in Asian growth countries, especially in China, Thailand and Vietnam

Fee-based Business

- Grow property fund management business

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Residential Launches - Singapore

Project	Location	Total No. of Units	Expected Launch Date
<u>Launched</u>			
The Callista	22 Mar Thoma Road	39*	
The Elysia	6 Mar Thoma Road	36*	
<u>Launches in 2003</u>			
The Tresor	Duchess Park	62	1Q2003
The Linc	Lincoln Road	51	1Q2003
Cluny Hill Bglw Plots	Cluny Hill	10*	1Q2003
Freesia Woods	Sunset Way	98*	2Q2003
Pinnacles @ Wee Nam	Wee Nam Road	280	3Q2003
Avenue Park	Sixth Avenue	163	4Q2003
Caribbean at Keppel Bay	Keppel Bay Drive	664*	4Q2003

* Remaining units

** Norfolk Garden site was sold for \$26m in Jan 2003

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Residential Launches - Overseas

Projects	Total No. Of Units	Expected Launch Date
<u>China</u>		
One Park Avenue, Shanghai	517 condo units*	1Q2003
Eight Park Avenue, Shanghai	1,078 condo units	4Q2003
Park Avenue Central, Shanghai	862 condo units	4Q2004
Wang Jing Project, Beijing	1,860 condo units	1Q2004
Wang Jiang Garden, Chengdu	1,200 condo units	2Q2004
<u>Thailand</u>		
Srinakarin Road, Bangkok	178 detached houses	3Q2003
<u>Vietnam</u>		
An Phu Ward, Dist. 2, Ho Chi Minh City	120 villas	3Q2003

** Units from remaining 5 blocks*

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Thank You

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