

FULL YEAR 2011 FINANCIAL STATEMENTS ANNOUNCEMENT**UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2011****TABLE OF CONTENTS**

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1. UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2011

The Directors of Keppel Land Limited announce the following unaudited results of the Group for the full year ended 31 December 2011:

1(a) GROUP PROFIT AND LOSS ACCOUNT for the Full Year Ended 31 December 2011

	Note	Fourth Quarter			Full Year		
		31.12.11	31.12.10	+ / (-)	31.12.11	31.12.10	+ / (-)
		\$'000	\$'000	%	\$'000	\$'000	%
Sales		375,173	131,020	186.3	948,974	685,408	38.5
Cost of sales		(267,297)	(66,691)	300.8	(635,536)	(392,375)	62.0
Gross profit		107,876	64,329	67.7	313,438	293,033	7.0
Distribution costs	1	(9,135)	(3,896)	134.5	(24,481)	(11,623)	110.6
Administrative and other expenses	2	(47,274)	(28,757)	64.4	(123,868)	(91,359)	35.6
Other income	3	4,518	3,150	43.4	21,806	6,041	261.0
Investment income	4	8,445	227	nm	19,300	5,425	255.8
Interest income		10,706	6,383	67.7	30,146	24,321	24.0
Interest expense		(8,951)	(5,433)	64.8	(34,795)	(38,245)	(9.0)
Share of results of associated companies	5	92,221	12,822	619.2	174,960	196,868	(11.1)
Gain on acquisition of additional interest in an associated company	6	3,629	2,678	35.5	3,629	2,678	35.5
Corporate restructuring surplus	7	508,085	363,848	39.6	508,085	363,848	39.6
Other gain	8	-	-	nm	24,418	-	nm
Pre-tax profit before fair value gain on investment properties/impairment		670,120	415,351	61.3	912,638	750,987	21.5
Fair value gain on investment properties/impairment	9	591,290	425,810	38.9	591,290	425,810	38.9
Pre-tax profit after fair value gain on investment properties/impairment		1,261,410	841,161	50.0	1,503,928	1,176,797	27.8
Taxation	10	(81,284)	(46,182)	76.0	(108,226)	(118,834)	(8.9)
Profit for the year		1,180,126	794,979	48.4	1,395,702	1,057,963	31.9
Profit attributable to:							
Shareholders of the Company		1,173,866	796,789	47.3	1,365,646	1,052,919	29.7
Non-controlling interests	10	6,260	(1,810)	nm	30,056	5,044	495.9
		1,180,126	794,979	48.4	1,395,702	1,057,963	31.9
Basic earnings per share (cents)							
before fair value gain on investment properties/impairment		42.6	27.3		55.7	45.1	
after fair value gain on investment properties/impairment		80.1	55.4		93.2	73.3	
Diluted earnings per share (cents)							
before fair value gain on investment properties/impairment		42.5	27.2		55.6	45.0	
after fair value gain on investment properties/impairment		80.0	55.4		93.0	73.2	
Return on equity (%)							
before fair value gain on investment properties/impairment		nm	nm		19.6	19.1	
after fair value gain on investment properties/impairment		nm	nm		32.9	31.0	
Pre-tax profit is arrived at after charging/(crediting) the following:							
Depreciation charge		2,894	2,148		8,782	9,007	
Profit on sale of fixed assets and investment properties		(13)	(3,142)		(2,421)	(5,996)	
Provision/(write-back of provision) for properties held for sale		18,175	(1,285)		11,117	(3,872)	
(Write-back of allowance)/allowance for doubtful debts		-	(13)		(486)	409	
Cost of share-based payments							
- Cash-settled		141	-		256	-	
- Equity-settled		1,325	1,123		4,326	3,099	
Foreign exchange losses		4,855	2,425		11,406	2,895	
Fair value loss/(gain) on foreign currency forward contracts		1,821	(1,046)		563	(4,701)	
Employee emoluments		39,689	52,693		125,475	111,425	

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 2011, mainly for The Lakefront Residences and Ocean Financial Centre ("OFC").
2. The increase in administrative and other expenses was due mainly to higher staff costs and a higher foreign exchange loss reported in 2011, partly offset by the higher costs being capitalised as part of the project costs.
3. Other income for 2011 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 were minimum contributions from KTGE in 2010 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 2011 investment income was due largely to higher dividend income received from the Group's investments in the funds managed by the wholly-owned Alpha Investment Partners Limited ("Alpha").
5. The higher profits from the associated companies in 4Q2011 were due largely to the completion of Reflections at Keppel Bay and certain phases of The Botanica in Chengdu and Central Park City in Wuxi in December 2011. There were also higher contributions from K-REIT Asia as well as Marina Bay Suites as a result of a higher percentage of physical completion achieved.
6. This gain arose from the excess of the Group's share of identifiable net tangible assets of K-REIT Asia over the acquisition price of the additional units acquired.
7. The corporate restructuring surplus for 2011 arose from the disposal of the Group's 87.51% equity interest in Ocean Properties Pte. Limited ("OPPL") (which owns OFC) to K-REIT Asia in December 2011. The corporate restructuring surplus for 2010 arose from the disposal of the Group's one-third interest in Marina Bay Financial Centre ("MBFC") Phase 1 to K-REIT Asia as part of an asset swap arrangement between the Group and K-REIT Asia.
8. 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 Ltd ("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 2011.

Notes to Group Profit and Loss Account - continued

9. The fair value gain on investment properties/impairment consisted of:

	FY2011			FY2010 (Restated)		
	Tax and Non- controlling			Tax and Non- controlling		
	Gross \$'000	Interests \$'000	Net \$'000	Gross \$'000	Interests \$'000	Net \$'000
Completed investment properties	530,670	(36,683)	493,987	344,068	(7,285)	336,783
Investment properties under construction/redevelopment	82,398	(14,008)	68,390	98,582	(19,737)	78,845
	613,068	(50,691)	562,377	442,650	(27,022)	415,628
Impairment for diminution in value of hotels and resorts in Indonesia	(21,778)	9,217	(12,561)	(16,840)	6,286	(10,554)
	591,290	(41,474)	549,816	425,810	(20,736)	405,074

10. The Group's full year profit from operations and fair value gain on investment properties/impairment were as follow:

	FY2011			FY2010 (Restated)		
	Fair Value Gain/ Impairment			Fair Value Gain/ Impairment		
	Operations \$'000	Impairment \$'000	Total \$'000	Operations \$'000	Impairment \$'000	Total \$'000
Pre-tax profit	912,638	591,290	1,503,928	750,987	425,810	1,176,797
Taxation	(71,939)	(36,287)	(108,226)	(96,000)	(22,834)	(118,834)
	840,699	555,003	1,395,702	654,987	402,976	1,057,963
Non-controlling interests	(24,869)	(5,187)	(30,056)	(7,142)	2,098	(5,044)
Profit attributable to shareholders	815,830	549,816	1,365,646	647,845	405,074	1,052,919

**1(b) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 for the Full Year Ended 31 December 2011**

	Note	Fourth Quarter		Full Year	
		31.12.11	31.12.10 (Restated)	31.12.11	31.12.10 (Restated)
		\$'000	\$'000	\$'000	\$'000
Profit for the quarter/year		1,180,126	794,979	1,395,702	1,057,963
Other comprehensive income:					
Available-for-sale financial assets					
- Net fair value change		5,091	(1,918)	272	1,885
- Fair value change transferred to profit and loss account		-	-	-	(13)
Exchange differences on consolidation	1	88,868	(19,998)	10,200	(59,456)
Exchange differences transferred to profit and loss account	2	(300)	222	(5,126)	163
Share of other comprehensive income of associated companies	3	26,347	(7,889)	(2,008)	(9,745)
Other comprehensive income for the quarter/year, net of tax		120,006	(29,583)	3,338	(67,166)
Total comprehensive income for the quarter/year		1,300,132	765,396	1,399,040	990,797
Total comprehensive income attributable to :					
Shareholders of the Company		1,280,539	772,128	1,379,408	998,403
Non-controlling interests		19,593	(6,732)	19,632	(7,606)
		1,300,132	765,396	1,399,040	990,797

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 4Q2011 was due mostly to the strengthening of Renminbi and United States dollar against the Singapore dollar in the current quarter. On a year-to-date basis, the Group recorded a smaller translation gain as a result of the strengthening of Renminbi against the Singapore dollar, partly offset by the weakening of United States dollar, 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 the profit and loss account upon the disposal or liquidation of foreign operations.
- The share of other comprehensive income of associated companies for 4Q2011 related primarily to the share of K-REIT Asia's cash flow hedge gain and share of foreign associated companies translation gain as a result of the strengthening of Renminbi against the Singapore dollar. The amount for 2011 comprised mainly the share of K-REIT Asia's cash flow hedge loss, partly offset by the share of foreign associated companies' translation gain as a result of the strengthening of Australian dollar and Renminbi against the Singapore dollar. The comparatives for 2010 related mainly to the Group's share of foreign associated companies' translation adjustments.

1(c)(i) BALANCE SHEETS as at 31 December 2011

	GROUP			COMPANY	
	31.12.11	31.12.10 (Restated)	31.12.09 (Restated)	31.12.11	31.12.10
	\$'000	\$'000	\$'000	\$'000	\$'000
Share capital	2,219,880	2,061,020	1,987,542	2,219,880	2,061,020
Reserves	3,199,339	2,067,657	1,208,565	1,569,526	960,157
Share capital and reserves	5,419,219	4,128,677	3,196,107	3,789,406	3,021,177
Non-controlling interests	294,401	301,836	385,308	-	-
Total equity	5,713,620	4,430,513	3,581,415	3,789,406	3,021,177
Long-term borrowings	2,336,200	2,199,669	903,570	1,565,373	1,298,436
	8,049,820	6,630,182	4,484,985	5,354,779	4,319,613
Represented by:					
Fixed assets	203,733	206,595	227,838	38	42
Investment properties	634,051	1,699,840	1,404,992	-	-
Amounts owing by associated companies	542,587	446,161	940,708	-	-
Other non-current asset	103,900	-	-	-	-
Investments					
Subsidiary companies	-	-	-	1,318,267	1,272,995
Associated companies	1,992,694	1,328,567	1,324,145	70,015	101,861
Long-term investments	125,763	111,338	67,884	8,366	7,254
	2,118,457	1,439,905	1,392,029	1,396,648	1,382,110
Current assets					
Properties held for sale	3,148,649	1,977,208	1,030,675	-	-
Stocks	3,725	3,265	3,692	-	-
Debtors	622,595	586,753	295,208	4,167	4,828
Amounts owing by holding company and related parties	157,960	135,269	134,301	3,744,630	2,245,152
Cash and cash equivalents	1,941,937	1,589,046	892,711	1,855,864	1,061,267
	5,874,866	4,291,541	2,356,587	5,604,661	3,311,247
Less:					
Current liabilities					
Creditors	1,051,417	894,197	715,188	50,087	50,977
Tax provision	124,066	136,883	132,763	12,137	9,976
Short-term borrowings	201,213	316,792	823,153	150,000	302,536
Amounts owing to holding company and related parties	6,306	3,167	67,542	1,430,796	5,240
	1,383,002	1,351,039	1,738,646	1,643,020	368,729
Net current assets	4,491,864	2,940,502	617,941	3,961,641	2,942,518
Deferred taxation	(44,772)	(102,821)	(98,523)	(3,548)	(5,057)
	8,049,820	6,630,182	4,484,985	5,354,779	4,319,613
Group net debt (\$'000)	595,476	927,415	834,012		
Group net debt-equity ratio (times)	0.10	0.21	0.23		
Net asset value per share (\$)	3.64	2.85	2.24		

Review of Financial Position

Share capital and reserves for the Group increased by \$1,290.5 million due to the profits retained for the year and the increase in foreign currency translation reserves arising from the strengthening of Renminbi against the Singapore dollar, partly offset by the weakening of United States dollar, Vietnamese dong and Indonesian rupiah against the Singapore dollar. As a result, the Group's net asset value per share increased to \$3.64 as at 31 December 2011 from \$2.85 as at 31 December 2010.

The Group's investment properties decreased by \$1,065.8 million due mainly to the disposal of the Group's 87.51% equity interest in OPPL (which owns OFC) to K-REIT Asia.

The Group's properties held for sale increased by \$1,171.4 million due to land acquisition costs and development expenditures incurred, offset by progress billings received during the current year.

The Group's net debt-equity ratio improved to 0.10 at end-December 2011 from 0.21 at end-December 2010, attributable mainly to the net cash inflows of about \$1,577.8 million from the divestment of OPPL and Keppel Digihub. These inflows were partly reduced by the land payment for The Luxurie in Singapore, development expenditure for 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 31.12.11		As at 31.12.10	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
19,423	181,790	13,513	303,279

Amount Repayable after One Year

As at 31.12.11		As at 31.12.10	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
452,750	1,883,450	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-December 2011, about 51% of the Group's borrowings were on fixed interest rate basis. For the year ended 31 December 2011, the Group's net cost of funds was 1.9% 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 \$1,144.8 million (31.12.10: \$1,806.6 million).

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY
for the Full Year Ended 31 December 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
GROUP							
Balance at 1 January 2011, as previously reported	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)
Balance at 1 January 2011, as restated	2,061,020	23,341	(67,531)	2,111,847	4,128,677	301,836	4,430,513
Total comprehensive income for the year							
Profit for the year	-	-	-	1,365,646	1,365,646	30,056	1,395,702
Other comprehensive income	-	(4,728)	18,490	-	13,762	(10,424)	3,338
Total comprehensive income for the year	-	(4,728)	18,490	1,365,646	1,379,408	19,632	1,399,040
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Issue of shares							
- Under the Dividend Reinvestment Scheme	154,411	-	-	-	154,411	-	154,411
- Under the Keppel Land Restricted Share Plan	1,149	(1,149)	-	-	-	-	-
- Under the Keppel Land Share Option Scheme	3,460	-	-	-	3,460	-	3,460
Share issuance expenses	(160)	-	-	-	(160)	-	(160)
Cost of share-based payments	-	4,326	-	-	4,326	-	4,326
Capital contribution	-	-	-	-	-	40,355	40,355
Dividend paid							
- Cash	-	-	-	(106,938)	(106,938)	(2,668)	(109,606)
- Shares	-	-	-	(154,411)	(154,411)	-	(154,411)
Disposal of a subsidiary company	-	37,847	-	(37,847)	-	(76,659)	(76,659)
Share of capital reserve of an associated company	-	(2,486)	-	-	(2,486)	-	(2,486)
Transfer from capital reserves to revenue reserves	-	234	-	(234)	-	(154)	(154)
Total contributions by and distributions to owners	158,860	38,772	-	(299,430)	(101,798)	(39,126)	(140,924)
<u>Changes in ownership interests in subsidiary companies</u>							
Disposal of interest in a subsidiary company without loss of control	-	12,932	-	-	12,932	12,059	24,991
Total changes in ownership interests in subsidiary companies	-	12,932	-	-	12,932	12,059	24,991
Total transactions with owners	158,860	51,704	-	(299,430)	(88,866)	(27,067)	(115,933)
Balance at 31 December 2011	2,219,880	70,317	(49,041)	3,178,063	5,419,219	294,401	5,713,620

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY
for the Full Year Ended 31 December 2011**

	Share Capital	Capital Reserves	Foreign Currency Translation Account	Revenue Reserves	Total	Non- controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP							
Balance at 1 January 2010, as previously reported	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)
Balance at 1 January 2010, as restated	1,987,542	50,220	(12,718)	1,171,063	3,196,107	385,308	3,581,415
Total comprehensive income for the year							
Profit for the year	-	-	-	1,052,919	1,052,919	5,044	1,057,963
Other comprehensive income	-	113	(54,629)	-	(54,516)	(12,650)	(67,166)
Total comprehensive income for the year	-	113	(54,629)	1,052,919	998,403	(7,606)	990,797
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Issue of shares							
- Under the Dividend Reinvestment Scheme	70,078	-	-	-	70,078	-	70,078
- Under the Keppel Land Share Option Scheme	3,550	-	-	-	3,550	-	3,550
Share issuance expenses	(150)	-	-	-	(150)	-	(150)
Cost of share-based payments	-	3,099	-	-	3,099	-	3,099
Capital contribution	-	-	-	-	-	40,523	40,523
Dividend paid							
- Cash	-	-	-	(44,351)	(44,351)	(42,042)	(86,393)
- Shares	-	-	-	(70,078)	(70,078)	-	(70,078)
Transfer from translation reserves to revenue reserves	-	-	(184)	184	-	-	-
Transfer from capital reserves to revenue reserves	-	(2,110)	-	2,110	-	-	-
Issue of convertible bond - equity component	-	12,050	-	-	12,050	-	12,050
Total contributions by and distributions to owners	73,478	13,039	(184)	(112,135)	(25,802)	(1,519)	(27,321)
<u>Changes in ownership interests in subsidiary companies</u>							
Acquisition of non-controlling interests	-	(40,031)	-	-	(40,031)	(74,347)	(114,378)
Total changes in ownership interests in subsidiary companies	-	(40,031)	-	-	(40,031)	(74,347)	(114,378)
Total transactions with owners	73,478	(26,992)	(184)	(112,135)	(65,833)	(75,866)	(141,699)
Balance at 31 December 2010	2,061,020	23,341	(67,531)	2,111,847	4,128,677	301,836	4,430,513

**1(d)(i) STATEMENTS OF CHANGES IN EQUITY
for the Full Year Ended 31 December 2011**

	<u>Share Capital</u> \$'000	<u>Capital Reserves</u> \$'000	<u>Revenue Reserves</u> \$'000	<u>Total Equity</u> \$'000
COMPANY				
Balance at 1 January 2011	2,061,020	62,218	897,939	3,021,177
Total comprehensive income for the year				
Profit for the year	-	-	866,429	866,429
Other comprehensive income	-	1,112	-	1,112
Total comprehensive income for the year	-	1,112	866,429	867,541
Transactions with owners, recognised directly in equity				
<u>Contributions by and distributions to owners</u>				
Issue of shares				
- Under the Dividend Reinvestment Scheme	154,411	-	-	154,411
- Under the Keppel Land Restricted Share Plan	1,149	(1,149)	-	-
- Under the Keppel Land Share Option Scheme	3,460	-	-	3,460
Share issuance expenses	(160)	-	-	(160)
Cost of share-based payments	-	4,326	-	4,326
Dividend paid				
- Cash	-	-	(106,938)	(106,938)
- Shares	-	-	(154,411)	(154,411)
Total transactions with owners	158,860	3,177	(261,349)	(99,312)
Balance at 31 December 2011	2,219,880	66,507	1,503,019	3,789,406
Balance at 1 January 2010				
Balance at 1 January 2010	1,987,542	46,036	828,391	2,861,969
Total comprehensive income for the year				
Profit for the year	-	-	183,977	183,977
Other comprehensive income	-	1,033	-	1,033
Total comprehensive income for the year	-	1,033	183,977	185,010
Transactions with owners, recognised directly in equity				
<u>Contributions by and distributions to owners</u>				
Issue of shares				
- Under the Dividend Reinvestment Scheme	70,078	-	-	70,078
- Under the Keppel Land Share Option Scheme	3,550	-	-	3,550
Share issuance expenses	(150)	-	-	(150)
Cost of share-based payments	-	3,099	-	3,099
Dividend paid				
- Cash	-	-	(44,351)	(44,351)
- Shares	-	-	(70,078)	(70,078)
Issue of convertible bond - equity component	-	12,050	-	12,050
Total transactions with owners	73,478	15,149	(114,429)	(25,802)
Balance at 31 December 2010	2,061,020	62,218	897,939	3,021,177

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 year ended 31 December 2011, the Company issued 1,554,596 ordinary shares upon the exercise of options granted under the Keppel Land Share Option Scheme to executive employees. The Company also issued 297,700 ordinary shares upon the vesting of shares released under the Keppel Land Restricted Share Plan.

The share capital of the Company as at 31 December 2011 comprised 1,489,943,654 ordinary shares (31.12.10: 1,450,245,722 ordinary shares).

As at 31 December 2011, the Company did not hold any treasury shares (31.12.10: Nil).

Outstanding Share Options and Convertible Bonds

As at 31 December 2011, there were unexercised options for 3,768,308 (31.012.10: 5,551,871) 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 (31.12.10: 53,763,440 shares) at the adjusted conversion price of \$5.58 per share (31.12.10: \$5.58 per share). The \$500 million convertible bond issued on 29 November 2010 could be converted into 74,404,761 shares (31.12.10: 74,404,761 shares) at the conversion price of \$6.72 per share (31.12.10: \$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 31.12.11
<u>KLL RSP</u>				
30.06.10 ⁽¹⁾	874,000	(297,700)	(5,300)	571,000
30.06.11 ⁽²⁾	924,800	-	(2,600)	922,200
	1,798,800	(297,700)	(7,900)	1,493,200
<u>KLL PSP</u>				
30.06.10 ⁽³⁾	656,000	-	-	656,000
30.06.11 ⁽³⁾	524,000	-	-	524,000
	1,180,000	-	-	1,180,000

⁽¹⁾ As at 31 December 2011, there were 571,000 (31.12.10: Nil) restricted shares that were released but not vested.

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

⁽³⁾ 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 Full Year Ended 31 December 2011**

Note	Fourth Quarter		Full Year	
	31.12.11	31.12.10 (Restated)	31.12.11	31.12.10 (Restated)
	\$'000	\$'000	\$'000	\$'000
Operating activities:				
Pre-tax profit	1,261,410	841,161	1,503,928	1,176,797
Adjustments for:				
Depreciation charge	2,894	2,148	8,782	9,007
Profit on sale of fixed assets and investment properties	(13)	(3,142)	(2,421)	(5,996)
Provision/(write-back of provision) for foreseeable losses on properties held for sale	18,175	(1,285)	11,117	(3,872)
Allowance/(write-back of allowance) for doubtful debts	-	(13)	(486)	409
Cost of share-based payments	1,466	1,123	4,582	3,099
Net interest (income)/expense	(1,755)	(950)	4,649	13,924
Investment income	(8,445)	(227)	(19,300)	(5,425)
Fair value gain on investment properties/impairment	(591,290)	(425,810)	(591,290)	(425,810)
Corporate restructuring surplus	(508,085)	(363,848)	(508,085)	(363,848)
Gain on acquisition of additional interest in an associated company	(3,629)	(2,678)	(3,629)	(2,678)
Other gain	-	-	(24,418)	-
Share of results of associated companies	(92,221)	(12,822)	(174,960)	(196,868)
Operating cash flows before changes in working capital	78,507	33,657	208,469	198,739
Working capital changes:				
Debtors	72,872	(306,294)	34,574	(349,631)
Creditors	80,025	84,858	61,682	45,852
Work-in-progress	(95,134)	1,585	(108,510)	(82,583)
Consumable stocks	(63)	120	(460)	427
Development expenditures	(298,235)	(873,311)	(1,551,993)	(1,447,001)
Progress billings received/receivable	130,430	259,090	464,039	547,302
Cash flows used in operations	(31,598)	(800,295)	(892,199)	(1,086,895)
Interest received	10,706	6,383	30,146	24,321
Interest paid	(6,133)	(4,110)	(23,658)	(31,992)
Income taxes paid	(13,814)	(14,435)	(52,016)	(57,114)
Net cash flows used in operating activities	(40,839)	(812,457)	(937,727)	(1,151,680)
Investing activities:				
Investment in associated companies	(501,183)	(21,128)	(530,635)	(99,600)
Investment in investee companies	(5,126)	(2,136)	(12,568)	(12,886)
Purchase of fixed assets	(4,016)	(2,200)	(13,196)	(9,294)
Expenditure on investment properties	(5,182)	(102,605)	(119,737)	(262,372)
Disposal of subsidiary companies	1,559,616	-	1,577,765	-
Proceeds from disposal of interest in an associated company	-	839,840	-	839,840
Dividends received from associated companies	12,105	35,436	78,718	204,795
Dividends received from investee companies	8,445	227	19,300	5,425
Proceeds from sale of fixed assets and investment properties	56	9,562	14,797	20,365
Net cash flows from investing activities	1,064,715	756,996	1,014,444	686,273
Financing activities:				
Proceeds from issuance of shares, net of expenses in relation to Dividend Reinvestment Scheme	105	1,524	3,300	3,400
Drawdown of loans	255,411	687,428	926,566	1,695,634
Repayment of loans	(160,526)	(199,314)	(444,503)	(886,663)
Loans from/(repayment of loans to) related companies	1,588	327	775	(2,524)
(Loans to)/repayment by associated companies	(10,962)	546,482	(117,912)	488,796
Dividends paid to shareholders	-	-	(106,938)	(44,351)
Proceeds from disposal of interest in a subsidiary company without loss of control	-	-	24,991	-
Acquisition of non-controlling interests	-	(114,378)	-	(114,378)
Advances to non-controlling shareholders	(19,213)	58,721	(53,685)	40,762
Contribution from non-controlling shareholders	32,255	-	40,355	40,523
Dividends paid to non-controlling shareholders	(2,343)	(7,957)	(2,668)	(42,042)
Net cash flows from financing activities	96,315	972,833	270,281	1,179,157
Net increase in cash and cash equivalents	1,120,191	917,372	346,998	713,750
Cash and cash equivalents at beginning of quarter/year	800,281	675,568	1,589,046	892,711
Exchange adjustments	21,465	(3,894)	5,893	(17,415)
Cash and cash equivalents at end of quarter/year	1,941,937	1,589,046	1,941,937	1,589,046

Notes to Consolidated Statement of Cash Flows

1. The Group disposed of Keppel Digihub, a wholly-owned subsidiary company, on 25 January 2011 and 87.51% interest in OPPL on 14 December 2011. The effects of the disposals were as follows:

	Fourth Quarter		Full Year	
	31.12.11	31.12.10	31.12.11	31.12.10
	\$'000	\$'000	\$'000	\$'000
Investment properties	1,157,016	-	1,210,133	-
Fixed assets	54	-	139	-
Debtors	6,500	-	10,644	-
Cash and cash equivalents	19,626	-	20,467	-
Bank borrowings	(410,222)	-	(410,222)	-
Creditors	(110,282)	-	(116,137)	-
Amounts due to related companies	(146)	-	(68,424)	-
Deferred taxation	(59,201)	-	(60,076)	-
Tax provision	536	-	464	-
Non-controlling interest deconsolidated	(76,659)	-	(76,659)	-
Net assets disposed	527,222	-	510,329	-
Sales consideration	1,579,242	-	1,598,232	-
Less: cash and cash equivalents disposed	(19,626)	-	(20,467)	-
Net cash inflow on disposal	1,559,616	-	1,577,765	-

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 4Q2011**(i) Net cash flows used in operating activities**

The Group's net cash used in the operating activities was \$40.8 million compared with \$812.5 million for 4Q2010. Included in the outflows for 4Q2011 were largely development costs incurred for various residential projects in China and Vietnam. In 4Q2010, the outflows related mainly to the acquisition of the Keppel Towers and GE Tower in Singapore. The progress billings received for 4Q 2011 came largely from the newly launched The Luxurie in Singapore and on-going projects in China and Vietnam. Higher progress billings were received in 4Q2010, due largely to The Lakefront Residences in Singapore and Seasons Park in Tianjin Eco-City which were launched in 4Q2010 as well as The Springdale in Shanghai which was launched in 2Q2010.

(ii) Net cash flows from investing activities

A net cash of \$1,064.7 million was generated from the investing activities compared with \$757 million for 4Q2010. The net inflows for 4Q2011 comprised largely the proceeds from the disposal of the Group's 87.51 % interest in OPPL to K-REIT Asia. These inflows were partly offset by the Group's subscription for the rights units issued by K-REIT Asia, which amounted to \$458.5 million. In 4Q2010, an amount of \$839.8 million was received from the disposal of the Group's one-third interest in MBFC Phase 1. The development expenditures incurred in 4Q2010 were mainly for OFC.

(iii) Net cash flows from financing activities

The net cash generated from the financing activities was \$96.3 million compared with \$972.8 million for 4Q2010. The Group made a net drawdown of loan of \$94.9 million in 4Q2011 compared with \$488.1 million in 4Q2010. The higher drawdown in 4Q2010 was due mainly to the issuance of the \$500 million 5-year convertible bond in November 2010. In 4Q2010, the Group received a loan repayment of \$559.4 million from an associated company in connection with the disposal of interest in MBFC Phase 1. A consideration of \$114.4 million was paid for the acquisition of additional interests in two subsidiaries from the non-controlling shareholders in 4Q2010.

Overall, the net increase in cash and cash equivalents was \$1,120.2 million compared with \$917.4 million for 4Q2010.

Review of Cash Flows for Year 2011**(i) Net cash flows used in operating activities**

The Group's net cash used in the operating activities was \$937.7 million compared with \$1,151.7 million for last year. The outflows for 2011 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. In addition, higher development expenditures were incurred in 2011 for Tianjin Eco-City and 8 Park Avenue in China. Progress billings received in 2011 came largely from The Luxurie and The Lakefront Residences in Singapore as well as The Springdale in Shanghai.

(ii) Net cash flows from investing activities

A net cash of \$1,014.4 million was generated from the investing activities compared with \$686.3 million for 2010. The inflows for 2011 comprised mainly the net cash inflows from the disposal of Keppel Digihub and the Group's 87.51% interest in OPPL, as well as dividends received from the Group's associated and investee companies. These inflows were partly reduced by the Group's subscription for the rights units issued by K-REIT Asia as mentioned above, and development expenditures for OFC. The major inflows in 2010 were the proceeds from the disposal of the Group's one-third interest in MBFC Phase 1 and dividends received from the Group's associated companies.

(iii) Net cash flows from financing activities

The net cash generated from the financing activities was \$270.3 million compared with \$1,179.2 million for 2010. The lower inflow for 2011 resulted primarily from lower net drawdown of loans as well as higher loans/advances extended to the Group's associated companies and non-controlling shareholders. In addition, 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 2010. The outflows for 2011 were partly offset by the proceeds of \$25 million from the disposal of 49% interest in Alverno Investments Limited.

Overall, the net increase in cash and cash equivalents was \$347 million compared with \$713.8 million in 2010.

2. AUDIT

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

3. AUDITORS' REPORT

Not applicable.

4. ACCOUNTING POLICIES

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, the Group has applied the POC method. The ASC has issued a clarification note on 7 June 2011 to highlight that the accompanying note does not address the accounting treatment for sales under deferred payment scheme ("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 Fourth Quarter 2011 Financial Statements:**

The Fourth 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 are as follows:

Group Profit and Loss Account

	Full Year 31.12.10 \$'000
Decrease in revenue	(106,865)
Decrease in cost of sales	80,030
Increase in share of results of associated companies	20,489
Decrease in taxation	3,724
Decrease in profit for the year	<u>(2,622)</u>
Increase/(decrease) in profit attributable to:	
- Shareholders of the Company	7,088
- Non-controlling interests	(9,710)
	<u>(2,622)</u>
Increase in basic earnings per share (cents)	
Before fair value gain on investment properties/impairment	0.5
After fair value gain on investment properties/impairment	0.5
Increase in diluted earnings per share (cents)	
Before fair value gain on investment properties/impairment	0.5
After fair value gain on investment properties/impairment	0.5

Group Balance Sheet

	31.12.10 \$'000	31.12.09 \$'000
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

	GROUP		
	Full Year		
	31.12.11	31.12.10 (Restated)	+ / (-) %
Earnings per ordinary share of the Group based on net profit attributable to shareholders:			
(i) Based on the weighted average number of shares (cents)	93.2	73.3	27.1
- Weighted average number of shares ('000)	1,465,175	1,437,145	2.0
(ii) On a fully diluted basis (cents)	93.0	73.2	27.0
- Adjusted weighted average number of shares ('000)	1,467,974	1,439,091	2.0

7. NET ASSET VALUE

	GROUP	
	31.12.11	31.12.10 (Restated)
Net asset value per share based on issued share capital at the end of the year (\$)	3.64	2.85

8. REVIEW OF GROUP PERFORMANCE

Group Overview

(\$'000)	4Q2011	4Q2010 (Restated)	Change (%)	FY2011	FY2010 (Restated)	Change (%)
Revenue	375,173	131,020	186.3	948,974	685,408	38.5
Pre-tax profit after fair value gain on investment properties/impairment	1,261,410	841,161	50.0	1,503,928	1,176,797	27.8
Net profit	1,173,866	796,789	47.3	1,365,646	1,052,919	29.7

4Q2011 vs. 4Q2010

The Group's revenue for 4Q2011 increased substantially by \$244.2 million or 186.3% compared with that for 4Q2010. The increase was due to higher revenues reported by the property trading segment (\$226.2 million), property investment segment (\$10.7 million) and hotels and resorts, property services, and others segment (\$7.6 million), partly offset by a marginal decrease in the revenue reported by the fund management segment (\$0.3 million).

The Group's overseas revenue for 4Q2011 constituted 66.6% of the Group's total revenue compared with 58.8% in 4Q2010. 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. The improvement in overseas revenue was due mainly to the completion of several projects/phases in China and Vietnam in 4Q2011. In Singapore, residential units sold under the DPS are also accounted for based on the COC method. Singapore trading projects on progressive payment scheme, on the other hand, continue to be accounted for using the POC method. Higher revenues were reported by the Singapore trading projects, due primarily to the new revenue streams from The Lakefront Residences and The Luxurie which were launched in November 2010 and August 2011 respectively, 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 of \$1.26 billion increased by 50% compared with \$841.2 million reported in 4Q2010. The Group's strong performance for 4Q2011 was boosted by a gain of \$508.1 million from the disposal of the Group's 87.51% equity interest in OPPL (which owns OFC) to K-REIT Asia in December 2011, as well as a net fair value gain on investment properties/impairment of \$591.3 million. Higher contributions were also reported by the property trading and property investment segments. The improvement from the property trading segment was attributable largely to the completion of Reflections at Keppel Bay as well as several projects/phases in China and Vietnam in 4Q2011. The higher contribution from the property investment segment arose mainly from higher rental yields from the Group's investment properties in Singapore and increased contribution from K-REIT Asia. In addition, higher dividend income was received from the Group's equity investments.

After accounting for non-controlling interests' share of profits, the Group's net profit was \$1.17 billion, an increase of 47.3% from \$796.8 million reported in 4Q2010.

Earnings from overseas (excluding the corporate restructuring surplus, the net fair value gain on investment properties/impairment, and the gain on acquisition of additional interest in K-REIT Asia) represented about 46.3% of the Group's net profit compared with 19.4% for 4Q2010.

8. REVIEW OF GROUP PERFORMANCE - continued**Group Overview****FY2011 vs. FY2010**

The Group's revenue for 2011 grew by \$263.6 million or 38.5% over last year as a result of improvement across all the business segments. The property trading segment in particular had contributed \$235.4 million of the growth.

The Group's overseas revenue for 2011 constituted 57.1% of the Group's total revenue compared with 74.8% in 2010. As a result of the adoption of COC method, no revenue was recognised for uncompleted overseas trading projects despite the on-going sales and progressive construction. Nonetheless, the Group's overseas operations reported higher revenue of \$541.5 million compared with \$513 million for 2010, due largely to the completion of Elita Promenade in Bangalore in 1Q2011, and several projects/phases in China and Vietnam in 4Q2011. In Singapore, higher revenues were reported by those trading projects on progressive payment scheme, mainly from The Lakefront Residences, The Luxurie and Madison Residences.

The Group's pre-tax profit of \$1.50 billion outperformed 2010 by \$327.1 million or 27.8%. The improved performance was contributed primarily by the higher divestment gains and higher net fair value gain on investment properties/impairment. There was also higher contribution from the property investment segment, due mainly to increased contribution from K-REIT Asia. The property trading segment, on the other hand, reported marginally lower profits. The profits from the property trading segment in 2011 comprised mainly contributions from Reflections at Keppel Bay, Elita Promenade in Bangalore, as well as certain phases of The Springdale in Shanghai, Stamford City in Jiangyin and The Botanica in Chengdu. In contrast, the key contributors to the 2010 trading profits were Marina Bay Residences, The Arcadia and Phase 2 of Serenity Cove in Tianjin, and Villa Riviera in Shanghai. There were also higher dividend income from the Group's equity investments and lower net interest expenses in 2011.

Consequently, the Group closed the year with a record profit of \$1.37 billion, an increase of 29.7% from \$1.05 billion reported in 2010.

Earnings from overseas (excluding the corporate restructuring surplus, the net fair value gain on investment properties/impairment, the gain on acquisition of additional interest in K-REIT Asia and the gain on disposal of Keppel Digihub) represented about 24.0% of the Group's net profit compared with 39.5% for 2010.

8. REVIEW OF GROUP PERFORMANCE - continued**Segmental Performance****Property Trading**

(\$'000)	4Q2011	4Q2010 (Restated)	Change (%)	FY2011	FY2010 (Restated)	Change (%)
Revenue	292,596	66,396	340.7	708,079	472,718	49.8
Net profit	81,938	11,071	640.1	198,462	212,883	(6.8)

Revenue for current periods were higher compared with the corresponding revenues last year. The increase arose mainly from the completion of several projects/phases in 2011, namely Elita Promenade in Bangalore in 1Q2011, as well as Plots 1-1 and 1-2 of The Springdale in Shanghai, Phase 2 of Stamford City in Jiangyin and Riviera Cove in HCMC in 4Q2011. Singapore trading projects on progressive payment scheme such as The Lakefront Residences, The Luxurie and Madison Residences had also reported higher revenue.

Net profit for 4Q2011 increased compared with 4Q2010, due to same reasons mentioned above, as well as higher contribution from Reflections at Keppel Bay which obtained its Temporary Occupation Permit in December 2011. In addition, higher profits were reported by The Botanica in Chengdu and Central Park City in Wuxi following the completion of certain phases in December 2011. On a full-year basis, net profit was 6.8% lower than that for 2010 largely because of the absence of contributions from several projects/phases which were completed in 2010, mainly Marina Bay Residences, The Arcadia and Phase 2 of Serenity Cove in Tianjin, and Villa Riviera in Shanghai.

Property Investment

(\$'000)	4Q2011	4Q2010 (Restated)	Change (%)	FY2011	FY2010 (Restated)	Change (%)
Revenue	26,847	16,191	65.8	80,105	70,200	14.1
Net profit	1,094,962	792,084	38.2	1,141,083	835,423	36.6

Rental income for the current periods were higher than the comparatives for 2010, due largely to higher revenue from the office tower of OFC 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 HCMC.

Net profits recorded for the current periods included a gain of \$508.1 million from the sale of the Group's 87.51% equity interest in OPPL to K-REIT Asia in December 2011, as well as a net fair value gain on investment properties (net of deferred tax and non-controlling interests) of \$562.4 million. Together with the higher profit contribution from K-REIT Asia, this segment achieved higher net profits for the current periods against the corresponding periods last year.

8. REVIEW OF GROUP PERFORMANCE - continued
Segmental Performance
Fund Management

(\$'000)	4Q2011	4Q2010 (Restated)	Change (%)	FY2011	FY2010 (Restated)	Change (%)
Revenue	29,815	30,117	(1.0)	82,300	68,723	19.8
Net profit	25,596	17,660	44.9	65,269	41,011	59.1

Revenue for 4Q2011 for fund management business showed a slight decline due largely to lower acquisition fees reported by Alpha. This was, however, partly cushioned by higher fees earned by K-REIT Asia Management ("KRAM"). Despite lower revenue recorded in 4Q2011, the 2011 revenue showed an increase of 19.8% as a result of higher acquisition and management fees reported by KRAM and Alpha. Included in 2011 revenue were acquisition fees of \$23.4 million earned by KRAM from K-REIT Asia's acquisition of additional four floors of Prudential Tower, 8 Chifley Square in Sydney, Australia as well as OFC. Alpha also earned acquisition fees of \$5.2 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)	4Q2011	4Q2010 (Restated)	Change (%)	FY2011	FY2010 (Restated)	Change (%)
Revenue	25,915	18,316	41.5	78,490	73,767	6.4
Net loss	(28,630)	(24,026)	19.2	(39,168)	(36,398)	7.6

Revenues from this segment for the current periods were higher compared with the corresponding periods last year. The increases were due to improved performance from the hotels in Indonesia and Myanmar as a result of higher occupancy and room rates as well as higher marketing fees and project development fees earned from the residential projects in Singapore. These increases were partly offset by the absence of rental income from Keppel Digihub following the divestment in January 2011.

Despite higher revenues and recognition of a gain of \$24.4 million from the disposal of Keppel Digihub, this segment reported higher losses in current periods mainly because of lower contribution from the Spring City Resort in Kunming, higher impairment provision for the hotels in Indonesia, as well as higher staff costs and overheads.

9. VARIANCE FROM FORECAST STATEMENT

No forecast for the full year ended 31 December 2011 was previously provided.

10. PROSPECTS

According to Urban Redevelopment Authority's flash estimates, growth in private home prices eased for the ninth consecutive quarter, rising only 0.2% in the fourth quarter of 2011, down from the 1.3% growth in the previous quarter. New home sales were estimated at about 16,000 units for 2011, close to the record take-up of 16,292 units in 2010.

In Singapore, the Group sold about 480 homes in 2011, primarily from suburban projects The Luxurie in Sengkang and The Lakefront Residences in Jurong Lake District.

The imposition of additional buyer's stamp duty, against the backdrop of an uncertain global economic outlook, is expected to affect buying sentiments in 2012. CB Richard Ellis ("CBRE") has forecasted new home sales to decline by 15 - 20% in 2012.

Grade A office rent was stable at \$11.00 psf* in the fourth quarter of 2011. The office sector is expected to moderate in 2012, with an anticipated slower Singapore economy due to uncertainty in the Euro zone and a slow US recovery.

In China, home sales have also slowed due to property cooling measures. Over 1,400 units of the Group's residential projects were sold in 2011, mostly from townships such as The Botanica in Chengdu, Central Park City in Wuxi and The Seasons in Shenyang. In Indonesia, township project Jakarta Garden City, drew good response with a total take-up of about 290 homes in 2011.

The Group acquired two prime residential sites in Shanghai and Wuxi in 2011. The Group is also enlarging its commercial portfolio overseas. In Vietnam, initial construction of the retail component of Phase 2 of Saigon Centre in Ho Chi Minh City will commence. When fully completed in 2015, this 45-storey mixed-use development will include 90,000 sm of retail and commercial space as well as serviced apartments.

The Group's fund management business continued to selectively acquire quality assets. Apart from K-REIT Asia's acquisition of OFC, Alpha's follow-on fund Alpha Asia Macro Trends Fund II has completed the acquisition of a 142-room boutique Central Park Hotel in Hong Kong. The Group's total assets under management has increased by 32% to \$14.8 billion as at end-2011 from \$11.2 billion a year ago.

The Group will continue to seek good sites for residential, commercial, township and mixed-use developments in Singapore and overseas. New projects and new phases of existing developments will be selectively launched in accordance with market demand.

* Source: CBRE

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 strong demand for 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 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**

The Directors propose that a final one-tier tax exempt dividend of 20 cents per share be paid for the year ended 31 December 2011. The Dividend Reinvestment Scheme will be applicable to this final one-tier tax exempt dividend.

(b) Corresponding period of the immediately preceding financial year

Name of dividend	Final
Dividend type	Cash and share scrip
Dividend rate	18 cents per share (comprising a final ordinary dividend of 9 cents per share and a special dividend of 9 cents per share) under one-tier system
Tax rate	Tax exempt

(c) Date payable

The proposed final dividend, if approved at the Annual General Meeting to be held on 20 April 2012, is expected to be paid on or about 15 June 2012.

(d) Books closure date

Notice is hereby given that the Share Transfer Books and the Register of Members of the Company will be closed from 26 April 2012 after 5.00 pm to 30 April 2012 (both dates inclusive) for the preparation of dividend warrants. Duly completed transfers in respect of ordinary shares in the capital of the Company ("Shares") received by the Company's registrar, KCK Corpserve Pte Ltd, 333 North Bridge Road #08-00, KH KEA Building, Singapore 188721 up to the close of business at 5.00 pm on 26 April 2012 will be registered to determine shareholders' entitlement to the proposed final dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares at 5.00 pm on 26 April 2012 will be entitled to the proposed final dividend.

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

Not applicable.

14. REVIEW OF SEGMENTAL PERFORMANCE

Please refer to Section 8.

15. BREAKDOWN OF SALES

	GROUP		
	2011 \$'000	2010 (Restated) \$'000	+ / (-) %
Sales reported for first half	462,079	424,493	8.9
Operating profit after tax before deducting non-controlling interests reported for first half	153,797	206,100	(25.4)
Sales reported for second half	486,895	260,915	86.6
Operating profit after tax before deducting non-controlling interests reported for second half	1,241,905	851,863	45.8

16. INTERESTED PERSON TRANSACTIONS

The Group has obtained a general mandate from the shareholders of the Company for interested person transactions in the Annual General Meeting held on 21 April 2011. During the financial year, the following interested person transactions were entered into by the Group:

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.	
	Full Year		Full Year	
	31.12.11 \$'000	31.12.10 \$'000	31.12.11 \$'000	31.12.10 \$'000
(a) Property transactions -				
Keppel Corporation Limited Group:				
Project development and management fees received	-	-	2,056	1,734
Property management fees received	-	-	1,215	2,043
Marketing commission received	-	-	3,772	5,504
Management and support services fees received	-	-	8,971	7,144
Asset management fees received	-	-	47,130	35,879
Rental income	-	-	66	-
Rental expense	-	-	4,723	3,666
Committed capital for the formation of a joint-venture company, Keppel Data Centres Holding Pte Ltd ("JV Co")	3,000	-	-	-
Consideration for the disposal of Keppel Digihub Ltd to the JV Co	18,990	-	-	-
Consideration for the acquisition of Keppel Datahub Pte Ltd by the JV Co	8,965	-	-	-
Consideration for the divestment of 87.51% interest in Ocean Properties Pte. Limited to K-REIT Asia	1,579,242	-	-	-
Aggregate consideration for the divestment of one-third interest in Marina Bay Financial Centre Phase 1	-	1,399,221	-	-
Consideration for the acquisition of Keppel Towers and GE Tower from K-REIT Asia	-	573,000	-	-
(b) Other services and products -				
Keppel Corporation Limited Group:				
Treasury – interest income	-	-	987	272
Treasury – interest expense	-	-	1,530	2,344
Treasury – foreign exchange transactions	-	-	74,468	363,712
Management fees paid	-	-	4,923	5,237
Other products and service fees paid	-	-	1,352	1,181
Deposits outstanding at end of year	-	-	1,032,672	932,580
Shareholder's loan to Keppel Data Centres Holding Pte Ltd	37,539	-	-	-
Temasek Group:				
Rental received	-	-	127	214
Committed capital for the formation of a joint-venture company, Singapore-Sichuan Investment Holdings Pte Ltd	14,400	-	-	-
Consideration for the sale of 3.5% effective interest in Singapore Tianjin Eco-City Investment Holdings Pte Ltd to Singbridge International Singapore Pte Ltd	-	5,698	-	-
(c) Transactions entered into by the Group with Directors of the Company:				
Consideration for the 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	-	-

17. REPORT OF PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO A DIRECTOR, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that none of the persons occupying managerial positions in Keppel Land Limited (the "Company") or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

CHOO CHIN TECK
Company Secretary
19 January 2012

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	4Q11	FY11
TURNOVER												
Property												
Trading	56.0	268.3	324.3	82.0	66.4	472.7	309.2	53.0	362.2	53.3	292.6	708.1
Investment	17.9	17.9	35.8	18.2	16.2	70.2	15.3	16.2	31.5	21.8	26.9	80.2
Fund management	13.7	12.5	26.2	12.4	30.1	68.7	14.5	19.9	34.4	18.1	29.8	82.3
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	25.9	78.4
Total	106.4	318.0	424.4	129.9	131.1	685.4	357.9	104.2	462.1	111.7	375.2	949.0
EBITDA												
Property												
Trading	10.8	70.4	81.2	23.2	2.1	106.5	61.5	9.4	70.9	23.8	33.8	128.5
Investment	11.3	12.9	24.2	11.9	12.6	48.7	9.8	8.3	18.1	13.1	18.7	49.9
Fund management	9.9	9.7	19.6	7.7	23.4	50.7	8.4	13.8	22.2	11.6	21.2	55.0
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)	(14.8)	(37.7)
Total	33.7	89.2	122.9	45.2	37.0	205.1	78.4	22.7	101.1	35.7	58.9	195.7
PROFIT/(LOSS) BEFORE TAXATION *												
Property												
Trading	54.0	168.2	222.2	37.2	8.9	268.3	73.0	32.7	105.7	44.1	111.6	261.4
Investment	17.6	20.0	37.6	20.5	20.7	78.8	19.1	17.9	37.0	23.3	31.7	92.0
Fund management	10.4	10.1	20.5	8.1	23.6	52.2	10.5	20.3	30.8	14.4	30.2	75.4
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)	(15.2)	(52.3)
Total	77.4	189.4	266.8	68.8	48.9	384.5	94.6	58.0	152.6	65.6	158.3	376.5
NET PROFIT/(LOSS)												
Property												
Trading	42.4	128.6	171.0	30.8	11.1	212.9	43.0	27.5	70.5	46.0	82.0	198.5
Investment	12.6	14.9	27.5	15.9	12.6	56.0	14.5	13.3	27.8	18.4	24.4	70.6
Fund management	7.7	8.7	16.4	6.9	17.7	41.0	9.4	18.0	27.4	12.2	25.7	65.3
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)	(19.8)	(54.7)
Corporate restructuring surplus/ enbloc property sales/ fair value gain on investment properties/ impairment	-	-	-	-	768.9	768.9	-	-	-	-	1,057.9	1,057.9
Gain on acquisition of additional interest in an associated company	-	-	-	-	2.7	2.7	-	-	-	-	3.6	3.6
Other gain	-	-	-	-	-	-	24.4	-	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	1,173.8	1,365.6

* before corporate restructuring surplus, enbloc property sales, fair value gain on investment properties/impairment, 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	4Q11	FY11
TURNOVER												
Singapore	40.3	40.7	81.0	37.4	54.0	172.4	137.1	71.3	208.4	73.8	125.3	407.5
Other countries	66.1	277.3	343.4	92.5	77.1	513.0	220.8	32.9	253.7	37.9	249.9	541.5
Total	106.4	318.0	424.4	129.9	131.1	685.4	357.9	104.2	462.1	111.7	375.2	949.0
EBITDA												
Singapore	18.9	14.9	33.8	24.6	28.6	87.0	36.1	22.4	58.5	30.8	29.7	119.0
Other countries	14.8	74.3	89.1	20.6	8.4	118.1	42.3	0.3	42.6	4.9	29.2	76.7
Total	33.7	89.2	122.9	45.2	37.0	205.1	78.4	22.7	101.1	35.7	58.9	195.7
PROFIT BEFORE TAXATION*												
Singapore	49.6	91.7	141.3	42.1	42.6	226.0	50.8	57.0	107.8	57.2	80.8	245.8
Other countries	27.8	97.7	125.5	26.7	6.3	158.5	43.8	1.0	44.8	8.4	77.5	130.7
Total	77.4	189.4	266.8	68.8	48.9	384.5	94.6	58.0	152.6	65.6	158.3	376.5
NET PROFIT												
Singapore	38.8	74.9	113.7	36.3	20.3	170.3	45.5	53.4	98.9	53.5	60.3	212.7
Other countries	19.1	68.9	88.0	18.1	4.9	111.0	13.4	(2.9)	10.5	4.5	52.0	67.0
Corporate restructuring surplus/ enbloc property sales/ fair value gain on investment properties/impairment	-	-	-	-	768.9	768.9	-	-	-	-	1,057.9	1,057.9
Gain on acquisition of additional interest in an associated company	-	-	-	-	2.7	2.7	-	-	-	-	3.6	3.6
Other gain	-	-	-	-	-	-	24.4	-	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	1,173.8	1,365.6

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