

**NEWS RELEASE**

To: Business Editor

29th February 2008

For immediate release

**MCL Land Limited**  
**2007 Financial Statements and Dividend Announcement**

The following announcement was issued today by the Company's 77%-owned subsidiary, MCL Land Limited.

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29 February 2008

## MCL LAND LIMITED 2007 FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

### Highlights

- Good profit growth following completion of The Calrose
- Excellent response to sale launches in Singapore
- Entered agreements to acquire five development sites for US\$390.2 million

"The current uncertainties in world financial markets have the potential to affect the Singapore residential property sector in the short term, although its longer-term prospects remain positive. The expected completion of The Grange, The Esta and Mera Springs in Singapore should benefit MCL Land's overall performance in 2008."

Y K Pang, Chairman  
 29 February 2008

### Group Results

	Financial year ended 31 December				
	2007	2006	Change	2007	Change
	US\$m	US\$m	%	S\$m	%
Revenue	391.1	110.8	253	576.9	236
Profit before tax	73.4	33.2	121	106.4	105
Underlying profit attributable to shareholders *	61.0	31.0	97	88.4	82
Profit attributable to shareholders	61.9	30.5	103	89.8	88
	US¢	US¢		S¢	
Underlying earnings per share *	16.47	8.38	97	23.89	82
Earnings per share	16.73	8.25	103	24.27	88
Gross dividend per share	6.93	3.80	82	10.00	67
	At	At		At	
	31.12.2007	31.12.2006	Change	31.12.2007	Change
	US\$m	US\$m	%	S\$m	%
Shareholders' funds	524.2	449.2	17	756.7	10
	US\$	US\$		S\$	
Net asset value per share	1.42	1.21	17	2.05	10

The exchange rate of US\$1=S\$1.44 (31.12.2006: US\$1=S\$1.54) was used for translating assets and liabilities at the balance sheet date and average monthly transaction rates of US\$1=S\$1.50 (2006: US\$1=S\$1.58) was used for translating the results for the financial year.

The financial results for the financial year ended 31 December 2007 and 31 December 2006 have been prepared in accordance with the International Financial Reporting Standards ("IFRS"). The 2007 results have not been audited or reviewed by the Auditors.

The financial results for the financial year ended 31 December 2006 were extracted from the financial statements which were audited in accordance with the Singapore Standards on Auditing.

\* The basis for calculating underlying profit and earnings is set out in Note 5 of this report.

## CHAIRMAN'S STATEMENT

### Overview

The residential market in Singapore performed strongly in 2007 as the number of new residential units sold reached an historic high of 14,811, some 33% more than in 2006. Market sentiment turned cautious, however, in the last quarter due to the uncertainties in global financial markets, and the pace of sales activity slowed as developers held back launches following the withdrawal of the deferred payment scheme. New residential sales by developers in the last three months of the year fell to 1,449 units, as compared to an average of 4,454 units in the previous three quarters.

The rise in residential property prices in Singapore also moderated in the fourth quarter with an increase of 6.8%, as compared with an increase of 8.3% in the third quarter. For the year as a whole residential property prices rose 31.2 %, compared with a 10.2% increase in 2006.

### Group Performance

MCL Land achieved revenues of US\$391.1 million for the year ended 31 December 2007, mainly due to the completion of The Calrose, Mera East and The Metz. The underlying profit for the year was US\$61.0 million, compared with US\$31.0 million in 2006. An underlying profit of US\$60.0 million profit arose upon the completion of The Calrose and Mera East and US\$3.7 million on the completion of the Kuala Lumpur Suburban Centre shops in Malaysia. The Metz recorded a loss of US\$0.4 million, which had been provided for in prior years. The 2006 comparative included a US\$14.7 million profit on the completion of MeraPrime, a gain of US\$8.3 million from land sales in Malaysia and US\$5.8 million from the write-back of provisions. The profit attributable to shareholders for 2007 was US\$61.9 million, benefiting from modest fair value adjustments to the Group's investment properties, compared with US\$30.5 million in 2006.

Shareholders' funds were US\$524.2 million at the end of 2007, US\$75.0 million higher than at the prior year end. Sales proceeds from development projects during the year reduced the Group's net debt from US\$262 million to US\$244 million producing net gearing of 47% at the end of 2007, compared with 58% at the end of 2006.

### Dividends

The Board is recommending a one-tier first and final dividend of S\$10.00 per share payable on 27 May 2008 (2006: S\$2.20 per share less 18% income tax and a one-tier dividend of S\$4.30 per share).

### Properties

There was an excellent response to the Group's Singapore development property launches in the year. The Fernhill, a 25-unit apartment block at Fernhill Road; Tierra Vue, a 129-unit condominium at St. Patrick's Road; and Waterfall Gardens, a 132-unit condominium at Farrer Road/Holland Road, were all fully sold. Hillcrest Villa, a 163-unit cluster housing development at Hillcrest Road, also achieved strong interest with only two units remaining uncommitted at the end of the year.

Work on the Group's other fully-sold developments is progressing well. The Calrose, Mera East and The Metz obtained their Temporary Occupation Permits during 2007. The Grange is due to complete in the first quarter of 2008, while The Esta and Mera Springs are expected to complete in the second half of 2008. Completions of The Fernhill, Tierra Vue and Hillcrest Villa are scheduled for 2009, with Waterfall Gardens in 2010.

#### Properties (continued)

The Group's joint venture developments in Malaysia have also performed well. The 300 shop units at Kuala Lumpur Suburban Centre, which completed in June 2007, were 96% sold at end of the year. The sales launch of the 391-unit condominium development, Riana Green Phase 1 in Malaysia, a joint venture development of our joint venture company, MSL Properties Sdn Bhd, was also well received with over 55% of the units sold. Progress has also made in the sales of the joint venture development in Seremban with Sunrise Berhad comprising 110 terrace houses, 41 bungalows and 15 bungalow lots, where 69 terrace houses, 18 bungalows and three bungalow lots had been sold as at the end 2007.

#### Acquisitions

Acquisitions of Nob Hill at Ewe Boon Road, Dynasty Garden Court 1 at Sixth Avenue and Holland Hill Mansions at Holland Hill, for a total cost of US\$305.7 million, were completed in 2007. The acquisition of Nim Park at Nim Road for US\$54.8 million was completed in January 2008. The Group's offer to purchase Casa Nassau and an adjoining bungalow at Upper East Coast Road for US\$29.7 million remains subject to approvals from the Strata Titles Board and the Controller of Residential Property.

With the addition of these new sites, the Group's land bank will generate some 780 residential units with gross floor area of approximately 1.4 million sq. ft.

#### Prospects

The current uncertainties in world financial markets have the potential to affect the Singapore residential property sector in the short term, although its longer-term prospects remain positive. The expected completion of The Grange, The Esta and Mera Springs in Singapore should benefit MCL Land's overall performance in 2008.

Y K Pang  
Chairman  
29 February 2008

## MCL Land Limited

## Consolidated Profit and Loss Account for the financial year ended 31 December

	Note	2007 US\$'000	2006 US\$'000	Change %
Revenue	2	391,115	110,816	253
Cost of sales		(317,096)	(81,024)	291
Gross profit		<u>74,019</u>	<u>29,792</u>	148
Other operating income		6,375	4,842	32
Property related expenses		(2,578)	(1,150)	124
Administrative expenses		(6,219)	(1,535)	305
Financing charges		-	(109)	- 100
Share of joint ventures' results		1,815	1,371	32
Profit before tax	2	<u>73,412</u>	<u>33,211</u>	121
Tax	3	(11,521)	(2,677)	330
Profit after tax attributable to shareholders		<u>61,891</u>	<u>30,534</u>	103
		US¢	US¢	%
Earnings per share ("EPS") attributable to shareholders				
- basic and diluted*	5	16.73	8.25	103

\* Diluted EPS is the same as basic EPS, as there were no outstanding share options.

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MCL Land Limited  
Consolidated Balance Sheet

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	Note	At 31.12.2007 US\$'000	At 31.12.2006 US\$'000
<b>Non-current assets</b>			
Plant and equipment		354	1,576
Investment properties		17,675	25,365
Investments in joint ventures		30,743	27,776
Deferred tax assets		319	-
		49,091	54,717
<b>Current assets</b>			
Development properties for sale		761,363	737,681
Amounts owing by joint ventures		100,763	76,341
Debtors and prepayments		169,953	22,645
Bank balances		78,419	48,801
		1,110,498	885,468
<b>Total assets</b>		<b>1,159,589</b>	<b>940,185</b>
<b>Non-current liabilities</b>			
Borrowings	7	227,863	258,405
Deferred tax liabilities		958	999
Retention money payable		6,337	3,593
		235,158	262,997
<b>Current liabilities</b>			
Borrowings	7	94,760	52,376
Amounts owing to joint ventures		139	130
Creditors		290,385	168,071
Current tax liabilities		14,974	7,430
		400,258	228,007
<b>Total liabilities</b>		<b>635,416</b>	<b>491,004</b>
<b>Net assets</b>		<b>524,173</b>	<b>449,181</b>
<b>Equity:</b>			
<b>Share capital and reserves</b>			
Share capital		276,657	276,657
Translation reserve		105,228	77,370
Retained earnings		142,288	95,154
Shareholders' funds		524,173	449,181
<b>Net asset value per share</b>		<b>US\$1.42</b>	<b>US\$1.21</b>

## MCL Land Limited

## Consolidated Statement of Changes in Equity for the financial year ended 31 December

	Attributable to shareholders				
	Share capital US\$'000	Share premium US\$'000	Translation reserve US\$'000	Retained earnings US\$'000	Total equity US\$'000
<b>2007</b>					
Balance at 1 January	276,657	-	77,370	95,154	449,181
Net gain recognised directly in equity - translation difference	-	-	27,858	-	27,858
Profit for the financial year	-	-	-	61,891	61,891
Total recognised gain for the financial year	-	-	27,858	61,891	89,749
Dividend (net) (Note 4)	-	-	-	(14,757)	(14,757)
<b>Balance at 31 December</b>	<b>276,657</b>	<b>-</b>	<b>105,228</b>	<b>142,288</b>	<b>524,173</b>
<b>2006</b>					
Balance at 1 January	200,034	76,623	43,802	75,853	396,312
Effect of Companies (Amendment) Act 2005 *	76,623	(76,623)	-	-	-
Net gain recognised directly in equity - translation difference	-	-	33,568	-	33,568
Profit for the financial year	-	-	-	30,534	30,534
Total recognised gain for the financial year	-	-	33,568	30,534	64,102
Dividend (net) (Note 4)	-	-	-	(11,233)	(11,233)
<b>Balance at 31 December</b>	<b>276,657</b>	<b>-</b>	<b>77,370</b>	<b>95,154</b>	<b>449,181</b>

The number of issued ordinary shares as at 31 December 2007 is 369,985,977 (2006: 369,985,977) and the Company did not hold any treasury shares as at 31 December 2007 and 2006.

- \* Under the Companies (Amendment) Act 2005 that came into effect on 30 January 2006, the concept of par value was abolished and the amount of share premium account as at 30 January 2006, is required to become part of the company's share capital.

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MCL Land Limited  
Company Balance Sheet

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	At 31.12.2007 US\$'000	At 31.12.2006 US\$'000
<b>Non-current assets</b>		
Plant and equipment	304	377
Interests in subsidiaries	103,650	97,608
Investments in joint ventures	27,684	27,029
	131,638	125,014
<b>Current assets</b>		
Amounts owing by subsidiaries	460,975	384,089
Amounts owing by joint ventures	99,558	75,209
Debtors and prepayments	201	410
Bank balances	3,029	429
	563,763	460,137
<b>Total assets</b>	<b>695,401</b>	<b>585,151</b>
<b>Non-current liability</b>		
Borrowings	45,025	16,286
<b>Current liabilities</b>		
Borrowings	94,760	52,376
Amounts owing to subsidiaries	93,128	83,712
Amounts owing to joint ventures	139	130
Creditors	5,101	2,029
Current tax liabilities	2,276	2,140
	195,404	140,387
<b>Total liabilities</b>	<b>240,429</b>	<b>156,673</b>
<b>Net assets</b>	<b>454,972</b>	<b>428,478</b>
<b>Equity:</b>		
<b>Share capital and reserves</b>		
Share capital	276,657	276,657
Translation reserve	93,361	67,077
Retained earnings	84,954	84,744
Shareholders' funds	<b>454,972</b>	<b>428,478</b>
<b>Net asset value per share</b>	<b>US\$1.23</b>	<b>US\$1.16</b>

## MCL Land Limited

## Company Statement of Changes in Equity for the financial year ended 31 December

	Share capital US\$'000	Share premium US\$'000	Translation reserve US\$'000	Retained earnings US\$'000	Total equity US\$'000
<b>2007</b>					
Balance at 1 January	276,657	-	67,077	84,744	428,478
Net gain recognised directly in equity - translation difference	-	-	26,284	-	26,284
Profit for the financial year	-	-	-	14,967	14,967
Total recognised gain for the financial year	-	-	26,284	14,967	41,251
Dividend (net) (Note 4)	-	-	-	(14,757)	(14,757)
Balance at 31 December	276,657	-	93,361	84,954	454,972
<b>2006</b>					
Balance at 1 January	200,034	76,623	36,247	54,349	367,253
Effect of Companies (Amendment) Act 2005 *	76,623	(76,623)	-	-	-
Net gain recognised directly in equity - translation difference	-	-	30,830	-	30,830
Profit for the financial year	-	-	-	41,628	41,628
Total recognised gain for the financial year	-	-	30,830	41,628	72,458
Dividend (net) (Note 4)	-	-	-	(11,233)	(11,233)
Balance at 31 December	276,657	-	67,077	84,744	428,478

The number of issued ordinary shares as at 31 December 2007 is 369,985,977 (2006: 369,985,977) and the Company did not hold any treasury shares as at 31 December 2007 and 2006.

\* Under the Companies (Amendment) Act 2005 that came into effect on 30 January 2006, the concept of par value was abolished and the amount of share premium account as at 30 January 2006, is required to become part of the company's share capital.

## MCL Land Limited

## Consolidated Statement of Cash Flows for the financial year ended 31 December

	2007 US\$'000	2006 US\$'000
Profit before tax	73,412	33,211
<b>Non-cash items</b>		
Interest income	(1,521)	(1,158)
Financing charges	-	109
Share of joint ventures' results	(1,815)	(1,371)
Depreciation	201	296
Fair value (gains)/losses for investment properties	(1,238)	470
Unrealised translation (gains)/losses	(83)	141
(Profit)/Loss on disposal of plant and equipment	(2)	15
	<u>(4,458)</u>	<u>(1,498)</u>
Operating profit before working capital changes	68,954	31,713
<b>Changes in working capital</b>		
Development properties for sale	36,422	(267,219)
Amount owing by joint ventures	(18,969)	(9,395)
Debtors and prepayments	(144,256)	(6,649)
Creditors	108,777	62,131
	<u>(18,026)</u>	<u>(221,132)</u>
Cash flows generated from/(used in) operations	50,928	(189,419)
Interest paid	(11,945)	(7,557)
Interest received	1,733	1,372
Income tax paid	(3,200)	(99)
	<u>(13,412)</u>	<u>(6,284)</u>
Net cash flows generated from/(used in) operating activities	37,516	(195,703)
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(56)	(295)
Purchase of shares in joint ventures	-	(326)
Net proceeds from sale of plant and equipment	2	123
Net proceeds from sale of investment property	11,432	-
Net cash flows provided by/(used in) investing activities	11,378	(498)
<b>Cash flows from financing activities</b>		
Dividend paid (net)	(14,757)	(11,233)
Drawdown of loans	180,942	238,404
Repayment of loans	(189,970)	(11,217)
Net cash flows (used in)/provided by financing activities	<u>(23,785)</u>	<u>215,954</u>
Net change in cash and cash equivalents	25,109	19,753
Cash and cash equivalents at the beginning of the financial year	48,801	26,098
Effect of exchange rate changes	4,509	2,950
Cash and cash equivalents at the end of the financial year	<u>78,419</u>	<u>48,801</u>

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MCL Land Limited  
Notes

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## 1 Accounting policies and basis of preparation

The financial statements contained in this announcement are based on the results for the financial year ended 31 December 2007 which have been prepared in conformity with International Financial Reporting Standards ("IFRS"), including International Accounting Standards ("IAS") and interpretations adopted by the International Accounting Standards Board.

In 2007, the Group adopted the following standards and interpretation to existing standards which are relevant to its operations:

IFRS 7	Financial Instruments: Disclosures
Amendment to IAS 1	Presentation of Financial Statements - Capital Disclosures
IFRIC 9	Reassessment of Embedded Derivatives
IFRIC 10	Interim Financial Reporting and Impairment

There have been no changes to the Group's accounting policies set out in the 2006 annual financial statements as a result of the adoption of these standards and interpretations.

## 2 Revenue and Profit

For the financial year ended 31 December	Group		Change %
	2007 US\$'000	2006 US\$'000	
<b>Revenue:</b>			
1st half	133,864	4,143	<i>n/m</i>
2nd half	257,251	106,673	141
	<u>391,115</u>	<u>110,816</u>	253
<b>Profit after tax:</b>			
1st half	3,189	6,727	- 53
2nd half	58,702	23,807	147
	<u>61,891</u>	<u>30,534</u>	103
<b>Profit before tax is determined after including:</b>			
Reversal of write-down of development properties	-	3,474	-100
Fair value gains/(losses) for investment properties	1,238	(470)	<i>n/m</i>
Net exchange loss	(125)	(7)	<i>n/m</i>
Rental income	1,502	1,444	4
Interest income	1,521	1,158	31
Interest expense	-	(109)	-100
Depreciation on plant and equipment	(201)	(296)	- 32
Profit/(loss) on disposal of plant and equipment	2	(15)	<i>n/m</i>

*n/m = not meaningful*

### 3 Tax

The provision for income tax is based on the statutory tax rates prevailing in the respective countries in which Group companies operate after taking into account expenses which are not tax deductible, income not subject to tax and Group tax relief.

### 4 Dividend (net)

At the Annual General Meeting to be held on 29 April 2008, a first and final and one-tier dividend of S¢10.00 per share (amounting to approximately US\$25.7 million) in respect of 2007 will be proposed. These financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the financial year ending 31 December 2008.

The dividends paid in 2007 and 2006 were as follows:

	Group and Company	
	2007	2006
	US\$'000	US\$'000
One-tier dividend of S¢4.30 per share paid in 2007 (2006: Nil)	10,396	-
Final dividend of S¢2.20 per share paid in 2007 (2006: S¢6.00 per share) less income tax of 18% (2006: 20%)	4,361	11,233
	<u>14,757</u>	<u>11,233</u>

### 5 Earnings per share \*

For the financial year ended 31 December	Group	
	2007	2006
Basic earnings per share*		
Profit attributable to shareholders (US\$'000)	61,891	30,534
Weighted average number of ordinary shares in issue ('000)	369,986	369,986
Basic earnings per share (US¢)	<u>16.73</u>	<u>8.25</u>
Underlying earnings per share		
Underlying profit attributable to shareholders (US\$'000)	60,951	31,004
Basic underlying earnings per share (US¢)	<u>16.47</u>	<u>8.38</u>

A reconciliation of the underlying profit and profit attributable to shareholders is as follows:

For the financial year ended 31 December	Group	
	2007	2006
	US\$'000	US\$'000
Profit attributable to shareholders	61,891	30,534
Fair value (gains)/losses of investment properties (net of tax)	(940)	470
Underlying profit attributable to shareholders	<u>60,951</u>	<u>31,004</u>

\* Diluted EPS is the same as basic EPS, as there were no outstanding share options.

## 6 Segment information

No segment information is reported as there is only one reportable business segment and one reportable geographical segment for the financial year ended 31 December 2007.

## 7 Group borrowings

	Group	
	At	At
	31.12.2007	31.12.2006
	US\$'000	US\$'000
Borrowings due within one year		
- unsecured	94,760	52,376
Borrowings due after one year		
- unsecured	45,025	16,286
- secured	182,838	242,119
	227,863	258,405
	322,623	310,781

Certain subsidiaries of the Company have mortgaged their development properties as security for bank loans. The net book value of properties mortgaged as at 31 December 2007 was US\$325.8 million (31 December 2006: US\$400.2 million).

## 8 Interested person transactions

<u>Name of interested person</u>	Aggregate value of all interested person transactions (excluding transactions less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)	Aggregate value of interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	US\$'000	US\$'000
<b>Twelve months ended 31 December 2007</b>		
Sale of two cluster housing units at Hillcrest Villa to directors	3,460	-
Sale of three condominium units at Waterfall Gardens to directors	6,065	-
Chang See Hiang & Partners - Legal fees	276	-
Hongkong Land Limited - Management consultancy fee	560	-
<b>Three months ended 31 December 2007</b>		
Chang See Hiang & Partners - Legal fees	276	-
Hongkong Land Limited - Management consultancy fee	346	-

- more -

## 9 Issue of shares

There were no rights, bonus or equity issues during the period 1 October 2007 to 31 December 2007.

## 10 Closure of books

NOTICE IS HEREBY GIVEN to the members of the Company that the Transfer Books and Register of Members of the Company will be close on 13 May 2008 for preparation of dividend warrants. Duly completed and stamped transfers received by the Company's share registrars, M&C Services Private Limited at 138 Robinson Road, #17-00, The Corporate Office, Singapore 068906 before 5.00 pm on 12 May 2008 (the "Books' Closure Date") will be registered to determine shareholders' entitlements to the final dividend. Shareholders (being depositors) whose securities' accounts with The Central Depository (Pte) Limited are credited with shares as at the Books' Closure Date will be entitled to the payment of the first and final dividend which will be paid on 27 May 2008, subject to approval by shareholders at the Annual General Meeting of the Company to be held on 29 April 2008.

## 11 Others

The results do not include any pre-acquisition profits and have not been affected by any item, transaction or event of a material and unusual nature. No significant transaction or event has occurred between 31 December 2007 and the date of this report.

## 12 Notification pursuant to Rule 704(11) of the listing manual

Pursuant to Rule 704(11) of the SGX-ST Listing manual, MCL Land Limited wishes to announce that no person occupying a managerial position in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or a substantial shareholder of the Company.

- end -

For further information, please contact:

MCL Land Limited  
Steve Chu

Full text of the Financial Statements and Dividend Announcement for the financial year ended 31 December 2007 can be accessed through the internet at [www.mclland.com.sg](http://www.mclland.com.sg).