



28 April 2006

MCL LAND LIMITED

FIRST QUARTER 2006 FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT

Highlights

- Good progress in sales of development properties
- US\$3.0 million gain on land disposal

“The residential property market in Singapore is expected to remain positive. The Group’s performance in 2006 should reflect the completion of MeraPrime, Desa Villas and Desa Putra.”

Nicholas Sallnow-Smith, Chairman
28 April 2006

Group Results

	Three months ended 31 March				
	2006 US\$m	2005 US\$m	Change %	2006 S\$m	Change %
Revenue	3.7	0.5	n/m	6.1	n/m
Profit after tax	3.9	-	n/m	6.3	n/m
Underlying profit attributable to shareholders	3.9	-	n/m	6.3	n/m
Profit attributable to shareholders	3.9	-	n/m	6.3	n/m
	US¢	US¢		S¢	
Underlying earnings* per share	1.05	-	n/m	1.71	n/m
Earnings per share	1.05	(0.01)	n/m	1.71	n/m
	At 31.3.2006 US\$m	At 31.12.2005 US\$m	Change %	At 31.3.2006 S\$m	Change %
Shareholders' funds	411.2	396.3	4	666.1	1
	US\$	US\$		S\$	
Net asset value per share	1.11	1.07	4	1.80	1

n/m = not meaningful

The exchange rate of US\$1=S\$1.6199 (31.12.2005: US\$1=S\$1.665) was used for translating assets and liabilities at the balance sheet date and US\$1=S\$1.6234 (31.3.2005: US\$1=S\$1.6387) was used for translating the results for the three months ended 31 March 2006.

The financial results for the three months ended 31 March 2006 and 31 March 2005 have been prepared in accordance with the International Financial Reporting Standards (“IFRS”). These results have not been audited or reviewed by the Auditors.

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

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CHAIRMAN'S STATEMENT

Overview

The residential property market in Singapore remained positive in the first quarter of 2006 and prices rose 1.5% to their highest level in five years. In the first quarter 1,800 units were launched in the market and some 1,200 units were sold, including 408 units from the Group.

Group Performance

Despite no development property profit being recognised during the period, MCL Land recorded an underlying profit of US\$3.9 million in the first quarter of 2006, compared to only a modest sum in the corresponding period in 2005. The improved result was due primarily to a gain of US\$3.0 million on the sale of a 48-acre plot of land in Senai-Kulai in Malaysia and the write-back of a US\$1.0 million provision in respect of one of the Group's development properties.

Shareholders' funds increased from US\$396.3 million at the end of 2005 to US\$411.2 million at the end of 31st March 2006, representing net tangible assets per share of US\$1.11. As at 31st March 2006, the Group had net debt of US\$61.0 million or net gearing of 15%, compared with US\$43.7 million and net gearing of 11% at the end of 2005.

Dividends

The Board is not recommending the payment of an interim dividend for the first quarter of 2006 (2005: nil).

Review of operations

Progress continued in the sale and construction of development properties. MeraPrime and The Metz, which have been fully sold, are scheduled to complete at the end of 2006 and in 2007, respectively. The Calrose, a 421-unit condominium at Yio Chu Kang Road, has been 93% sold and should complete in 2007. The Esta, a 400-unit condominium at Amber Road, and The Grange, a 95-unit 53.5% joint-venture project with WingTai, have also achieved good sales with more than 85% and 92% sold, respectively. Mera Springs, a 129-unit condominium at Norfolk Road was well received on its launch in April 2006 and has achieved sales of more than 61%.

The Group's joint-venture development with the Landmarks Group in Malaysia performed well. All the 94 units in Desa Villas, and 88% of the 436 units in Desa Putra have been sold. Both projects are expected to complete by the end of 2006.

Construction is in progress for the first two phases of the development of 110 terrace houses and 41 bungalow units in Seremban, Malaysia, the Group's other joint venture development with Sunrise Berhad. So far, 43 terrace houses and 8 bungalow units have been sold.

Acquisitions

On 25 April 2006, the Group's US\$14.1 million offer to purchase all 32 units of Boon Teck Heights was accepted. The purchase of the 2,540 square metres freehold site located along Boon Teck Road remains subject to approval from the Strata Titles Board and the Controller of Residential Property.

Prospects

The residential property market in Singapore is expected to remain positive. The Group's performance in 2006 should reflect the completion of MeraPrime, Desa Villas and Desa Putra.

Nicholas Sallnow-Smith
Chairman
28 April 2006

MCL Land Limited
Consolidated Profit and Loss Account for the three months ended 31 March

	Note	2006 US\$'000	2005 US\$'000	Change %
Revenue		3,740	489	<i>n/m</i>
Cost of sales		(356)	-	<i>n/m</i>
Gross profit		3,384	489	<i>n/m</i>
Other operating income		1,858	880	111
Property related expenses		(165)	(125)	32
Administrative expenses		(169)	(1,074)	- 84
Operating profit		4,908	170	<i>n/m</i>
Financing charges		(40)	-	<i>n/m</i>
Share of joint ventures' results		(98)	-	<i>n/m</i>
Profit before tax	3	4,770	170	<i>n/m</i>
Tax	4	(874)	(129)	<i>n/m</i>
Profit after tax		3,896	41	<i>n/m</i>
Profit/(loss) attributable to:				
Shareholders		3,896	(19)	<i>n/m</i>
Minority interests		-	60	-100
		3,896	41	<i>n/m</i>

		US¢	US¢	%
Earnings/(loss) per share				
- basic and diluted*	5	1.05	(0.01)	<i>n/m</i>

n/m = not meaningful

* As there were no outstanding share options, the diluted EPS is the same as the basic earnings per share.

MCL Land Limited
Consolidated Balance Sheet

	Note	At 31.3.2006 US\$'000	At 31.12.2005 US\$'000
Non-current assets			
Plant and equipment		1,567	1,602
Investment properties		24,695	24,099
Investments in joint ventures		24,817	34,023
		<u>51,079</u>	<u>59,724</u>
Current assets			
Development properties for sale		479,115	415,927
Amounts owing by joint ventures		63,733	60,392
Debtors		17,564	15,755
Bank balances and other liquid funds		42,678	26,098
		<u>603,090</u>	<u>518,172</u>
Total assets		<u>654,169</u>	<u>577,896</u>
Non-current liabilities			
Borrowings due after one year	6	81,188	69,782
Deferred tax liabilities		1,067	911
Retention money payable		2,723	1,865
		<u>84,978</u>	<u>72,558</u>
Current liabilities			
Borrowings due within one year	6	22,532	-
Amounts owing to joint ventures		309	9,783
Creditors		130,144	94,861
Current tax liabilities		5,004	4,382
		<u>157,989</u>	<u>109,026</u>
Total liabilities		<u>242,967</u>	<u>181,584</u>
Net assets		<u>411,202</u>	<u>396,312</u>
Financed by:			
Share capital and reserves			
Share capital		276,657	200,034
Share premium		-	76,623
Translation reserve		54,796	43,802
Retained earnings		79,749	75,853
Shareholders' funds		<u>411,202</u>	<u>396,312</u>
Net asset value per share		US\$1.11	US\$1.07

MCL Land Limited
Consolidated Statement of Changes in Equity for the three months ended 31 March

	Attributable to shareholders					Minority interests	Total equity
	Share capital US\$'000	Share premium US\$'000	Translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000	US\$'000	US\$'000
2006							
Balance at 1 January	200,034	76,623	43,802	75,853	396,312	-	396,312
Effect of Companies (Amendment) Act 2005 *	76,623	(76,623)	-	-	-	-	-
Translation difference	-	-	10,994	-	10,994	-	10,994
Net gain/(loss) recognised directly in equity	76,623	(76,623)	10,994	-	10,994	-	10,994
Profit for the financial period	-	-	-	3,896	3,896	-	3,896
Total recognised gain/(loss) for the financial period	76,623	(76,623)	10,994	3,896	14,890	-	14,890
Balance at 31 March	276,657	-	54,796	79,749	411,202	-	411,202
2005							
Balance at 1 January	200,006	76,622	52,858	169,157	498,643	5,958	504,601
Translation difference	-	-	(4,288)	-	(4,288)	-	(4,288)
Net loss recognised directly in equity	-	-	(4,288)	-	(4,288)	-	(4,288)
Profit/(loss) for the financial period	-	-	-	(19)	(19)	60	41
Total recognised gain/(loss) for the financial period	-	-	(4,288)	(19)	(4,307)	60	(4,247)
Issue of shares	28	1	-	-	29	-	29
Balance at 31 March	200,034	76,623	48,570	169,138	494,365	6,018	500,383

* Under the Companies (Amendment) Act 2005 that come into effect on 30 January 2006, the concept of par value is 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
Company Balance Sheet

	At 31.3.2006 US\$'000	At 31.12.2005 US\$'000
Non-current assets		
Plant and equipment	288	315
Interests in subsidiaries	89,408	86,362
Investments in joint ventures	25,305	34,228
	<u>115,001</u>	<u>120,905</u>
Current assets		
Amounts owing by subsidiaries	335,414	303,987
Amounts owing by joint ventures	62,659	59,669
Debtors	1,132	666
Bank balances and other liquid funds	996	961
	<u>400,201</u>	<u>365,283</u>
Total assets	<u>515,202</u>	<u>486,188</u>
Non-current liability		
Deferred tax liabilities	47	46
	<u>47</u>	<u>46</u>
Current liabilities		
Borrowings due within one year	22,532	-
Amounts owing to subsidiaries	112,075	107,048
Amounts owing to joint ventures	309	9,783
Creditors	1,080	1,940
Current tax liabilities	122	118
	<u>136,118</u>	<u>118,889</u>
Total liabilities	<u>136,165</u>	<u>118,935</u>
Net assets	<u>379,037</u>	<u>367,253</u>
Financed by:		
Share capital and reserves		
Share capital	276,657	200,034
Share premium	-	76,623
Translation reserve	46,475	36,247
Retained earnings	55,905	54,349
Shareholders' funds	<u>379,037</u>	<u>367,253</u>
Net asset value per share	US\$1.02	US\$0.99

MCL Land Limited
Company Statement of Changes in Equity for the three months ended 31 March

	Share capital US\$'000	Share premium US\$'000	Translation reserve US\$'000	Retained earnings US\$'000	Total US\$'000
2006					
Balance at 1 January	200,034	76,623	36,247	54,349	367,253
Effect of Companies (Amendment) Act 2005 *	76,623	(76,623)	-	-	-
Translation difference	-	-	10,228	-	10,228
Net gain/(loss) recognised directly in equity	76,623	(76,623)	10,228	-	10,228
Profit for the financial period	-	-	-	1,556	1,556
Total recognised gain/(loss) for the financial period	76,623	(76,623)	10,228	1,556	11,784
Balance at 31 March	<u>276,657</u>	<u>-</u>	<u>46,475</u>	<u>55,905</u>	<u>379,037</u>
2005					
Balance at 1 January	200,006	76,622	45,131	149,502	471,261
Translation difference	-	-	(4,202)	-	(4,202)
Net loss recognised directly in equity	-	-	(4,202)	-	(4,202)
Profit for the financial period	-	-	-	12	12
Total recognised gain/(loss) for the financial period	-	-	(4,202)	12	(4,190)
Issue of shares	28	1	-	-	29
Balance at 31 March	<u>200,034</u>	<u>76,623</u>	<u>40,929</u>	<u>149,514</u>	<u>467,100</u>

* Under the Companies (Amendment) Act 2005 that come into effect on 30 January 2006, the concept of par value is 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 three months ended 31 March

	2006 US\$'000	2005 US\$'000
Profit before tax	4,770	170
Non-cash items		
Interest income	(500)	(625)
Financing charges	40	-
Share of joint ventures' results	98	-
Depreciation	78	60
Write-back in provisions for foreseeable losses	(1,043)	-
Foreign currency translation difference	64	1
Loss on disposal/write-off of plant and equipment	-	15
	(1,263)	(549)
Operating profit/(loss) before working capital changes	3,507	(379)
Changes in working capital		
Development properties for sale	(50,778)	(3,100)
Debtors	(1,088)	50,341
Creditors	33,255	(7,654)
	(18,611)	39,587
Cash flows from operating activities	(15,104)	39,208
Interest paid	(676)	(149)
Interest received	218	491
Income tax paid	(256)	(80)
	(714)	262
Cash flows from investing activities		
Purchase of plant and equipment	(4)	(4)
Purchase of shares in joint ventures	-	(2)
Purchase of investment properties	-	(9,555)
Net cash flows used in investing activities	(4)	(9,561)
Cash flows from financing activities		
(Advances to)/Repayment from joint ventures	(307)	4,736
Proceeds from issue of shares	-	29
Net drawdown/(repayment) of loans	31,995	(37,790)
Net cash flows generated from/(used in) financing activities	31,688	(33,025)
Net change in cash and cash equivalents	15,866	(3,116)
Cash and cash equivalents at the beginning of the financial period	26,098	139,887
Effect of exchange rate changes	714	(1,157)
Cash and cash equivalents at the end of the financial period	42,678	135,614

MCL Land Limited
Notes

1 Basis of preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and are consistent with those set out in the 2005 annual report.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from these estimates.

2 Reconciliation between IAS 17 and IAS 40 and FRS 25

A reconciliation on the differences between IAS 17 Leases ("IAS 17") and IAS 40 Investment Properties ("IAS 40") and Singapore's FRS 25: Accounting for Investments is to be disclosed as required by the Accounting and Corporate Regulatory Authority in approving the Company's application for the adoption of International Financial Reporting Standards.

The difference between IAS 17 and IAS 40 and FRS 25 arises from the accounting treatment of valuation changes in investment properties. Under IAS 40, investment properties are carried at fair value and changes in fair values are recognised directly in the profit and loss account. This contrasts with FRS 25 where the investment properties are carried at revalued amounts. The net surplus or deficit on revaluation is first taken to a revaluation reserve account unless the revaluation surplus is insufficient to cover the deficit, in which case, the amount by which the deficit exceeds the available surplus is charged to the consolidated profit and loss account. The surplus on revaluation not utilised at the date of the sale of investment properties is taken to the profit and loss account.

There are no financial effects in adopting these standards for the three months ended 31 March 2006.

3 Profit before tax

Three months ended 31 March	Group		Change %
	2006 US\$'000	2005 US\$'000	
Profit before tax is determined after including:			
Loss on sale of an investment property	-	(37)	-100
Profit on sale of land	2,998	-	n/m
Write-back in provisions in foreseeable losses	1,043	-	n/m
Net exchange loss	(64)	(1)	n/m
Interest income	500	625	- 20
Interest expense	(40)	-	n/m
Depreciation	(78)	(60)	30
Loss on disposal/write-off of plant and equipment	-	(15)	-100

n/m = not meaningful

4 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 not deductible and Group tax relief.

5 Earnings/(loss) per share *

For the three months ended 31 March	Group	
	2006	2005
Basic earnings/(loss) per share		
Profit/(loss) attributable to shareholders (US\$'000)	3,896	(19)
Weighted average number of ordinary shares in issue ('000)	369,986	369,971
Basic earnings/(loss) per share (US¢)	<u>1.05</u>	<u>(0.01)</u>
Underlying earnings per share		
Underlying profit attributable to shareholders (US\$'000)	3,896	18
Basic underlying earnings per share (US¢)	<u>1.05</u>	<u>-</u>

A reconciliation of the underlying profit and profit/(loss) attributable to shareholders is as follows:

For the three months ended 31 March	Group	
	2006 US\$'000	2005 US\$'000
Profit/(loss) attributable to shareholders	3,896	(19)
Exceptional items		
Loss on sale of an investment property	-	37
Underlying profit attributable to shareholders	<u>3,896</u>	<u>18</u>

* As there were no outstanding share options, the diluted EPS is the same as the basic earnings per share.

6 Group borrowings

	Group	
	At 31.3.06 US\$'000	At 31.12.05 US\$'000
Borrowings due within one year		
- unsecured	22,532	-
Borrowings due after one year		
- secured	81,188	69,782
Total borrowings	<u>103,720</u>	<u>69,782</u>

Certain subsidiaries of the Company have mortgaged their development properties in order to obtain bank loans. The net book value of development properties mortgaged as at 31 March 2006 was US\$306.7 million (31 December 2005: US\$293.5 million).

7 Interested person transactions

<u>Name of interested person</u>	<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)</u> US\$'000	<u>Aggregate value of interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</u> US\$'000
Three months ended 31 March 2006 Sale of one condominium unit at The Esta to a director	<u>1,032</u>	<u>-</u>

8 Issue of shares

There were no rights, bonus or equity issues during the period 1 January 2006 to 31 March 2006.

9 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 transactions or events have occurred between 31 March 2006 and the date of this report.

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For further information, please contact:

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Full text of the Financial Statements and Dividend Announcement for the three months ended 31 March 2006 can be accessed through the internet at www.mclland.com.sg.