



10 November 2005

**MCL LAND LIMITED  
THIRD QUARTER 2005 FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT**

**Highlights**

- Good progress in sale of MeraPrime, The Metz, The Calrose and The Grange
- Improved market conditions allow write-back of provisions of US\$12.8 million
- Changed accounting policy defers profit recognition

“The sentiment for the residential property market in Singapore is expected to remain healthy as high-end condominium developments continue to attract foreign interest. The Group’s underlying profit for the full year will, however, be significantly lower than 2004 as only the development profit arising from The Yardley will be recorded under the new accounting policy.”

Anthony Nightingale, Chairman  
10 November 2005

**Group Results**

|  | Nine months ended 30 September |                           |             |                         |             |
|--|--------------------------------|---------------------------|-------------|-------------------------|-------------|
|  | 2005<br>US\$m                  | Restated<br>2004<br>US\$m | Change<br>% | 2005<br>S\$m            | Change<br>% |
| Revenue  | 1.5                            | 114.1                     | -99         | 2.5                     | -99         |
| Profit/(loss) after tax                        | 14.4                           | (8.5)                     | n/m         | 24.0                    | n/m         |
| Underlying profit attributable to shareholders | 13.6                           | 11.9                      | 14          | 22.6                    | 12          |
| Profit/(loss) attributable to shareholders     | 14.4                           | (8.6)                     | n/m         | 23.9                    | n/m         |
|  | US¢                            | US¢                       |             | S¢                      |             |
| Underlying earnings* per share                 | 3.67                           | 3.22                      | 14          | 6.10                    | 12          |
| Earnings/(loss) per share                      | 3.89                           | (2.34)                    | n/m         | 6.45                    | n/m         |
|  | At<br>30.9.2005<br>US\$m       | At<br>31.12.2004<br>US\$m | Change<br>% | At<br>30.9.2005<br>S\$m | Change<br>% |
| Shareholders’ funds                            | 378.0                          | 498.6                     | -24         | 638.3                   | -22         |
|  | US\$                           | US\$                      |             | S\$                     |             |
| Net asset value per share                      | 1.04                           | 1.36                      | -24         | 1.75                    | -22         |

*The exchange rate of US\$1=S\$1.6887 (31.12.2004: US\$1=S\$1.6339) was used for translating assets and liabilities at the balance sheet date and US\$1=S\$1.6607 (30.9.2004: US\$1=S\$1.7038) was used for translating the results for the financial period.*

*The financial results for the nine months ended 30 September 2005 have been prepared in accordance with the International Financial Reporting Standards (“IFRS”). The financial results for the nine months ended 30 September 2004 have been restated following the change in accounting policy as set out in Note 7 of this report. These results have not been audited or reviewed by the Auditors.*

*The financial results for the year ended 31 December 2004 were audited in accordance with the Singapore Standards on Auditing.*

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

- more -

MCL Land Limited  
78 Shenton Way #33-00 Singapore 079120 Tel: 6221 8111 Fax: 6225 3383  
Co. Reg. No. 196300074K www.melland.com.sg

A member of the Jardine Cycle & Carriage Group

## **CHAIRMAN'S STATEMENT**

### **Overview**

The Group continued to make good progress in the construction and sale of units in its existing development projects in the first nine months of the year. The adoption of the new accounting policy in 2004 to recognise profit on development projects only when the projects have been completed and delivered, rather than the percentage of completion method, has resulted in no development profit being recorded in the first nine months of 2005.

### **Group Performance**

MCL Land recorded an underlying profit of US\$13.6 million for the nine months ended 30 September 2005 largely from write-back in provision for foreseeable losses of US\$12.8 million for The Grange, The Metz, Robertson 100 and Balmoral Residences and rental and interest income. No development property profit was recognised during this period. This compares with the underlying profit of US\$11.9 million earned in the same period in 2004 when the profit from Rio Vista was recognised in full on its completion.

Net profit attributable to shareholders was US\$14.4 million and included the exceptional gain from the sale of units of Juniper at Ardmore compared to the net loss of US\$8.6 million in the corresponding period last year following the write-down of US\$19.4 million in the value of 78 Shenton Way prior to its sale.

Shareholders' funds decreased from US\$498.6 million at the end of 2004 to US\$378.0 million at the end of September 2005, following payment of a special dividend of US\$108.9 million in May 2005 to return surplus funds to shareholders following the sale of 78 Shenton Way. The Group had net debt of US\$68.5 million or net gearing of 18% at 30<sup>th</sup> September, compared to the net cash of US\$100.1 million at the end of 2004, due to the payment of the special dividend and purchase of sites for development.

### **Dividends**

The Board is not recommending the payment of any interim dividend for the nine months ended 30 September 2005 (2004: nil).

### **Properties**

Despite an improvement in sentiment following the changes to the policies on property market in Singapore, sales of new residential properties dropped to about 2,530 units in the third quarter from 2,780 units in the previous quarter as fewer new projects were launched. High-end condominium projects continued to attract foreign interest and produced higher increases than the 1.2% rise for the market as a whole.

The Group continues to make good progress in the sale of its development properties. More than 90% of the 213 units in MeraPrime and 96% of the 169 units in The Metz have been sold to-date, and the properties will be completed in 2006 and 2007 respectively. More than 84% of The Calrose, a 421-unit condominium at Yio Chu Kang Road, has been sold to-date, and the project is expected to be completed in 2007. The Grange, a 53.5% joint venture project with WingTai also achieved good results with more than 76% being sold to-date. Mera Springs, a 129-unit condominium at Norfolk Road and The Esta, a 400-unit condominium at Amber Road, are due to be launched in the last quarter.

Construction work on the Group's development properties is progressing well. The Temporary Occupation Permit was obtained for The Yardley in October 2005 and the project will give rise to a profit of some US\$5 million, which will be accounted for in full in the final quarter of the year.

The residential property market in Malaysia remains healthy. Demand for affordable residential properties is firm while the up-market condominium sector continues to attract interest.

### **Properties (continued)**

The Group's joint venture development with the Landmarks Group performed well with all of the 94 units in Desa Villas and 73% of the 436 units in Desa Putra sold to-date. Desa Villas and Desa Putra are expected to be completed in 2006 and 2007, respectively.

In September 2005, MCL Land completed its acquisition of a 50% interest in Landmarks Land & Properties Sdn Bhd ("LLP") for US\$21 million (RM77.9 million).

Century Gardens Sdn Bhd, a 70% owned subsidiary, entered into two sale and purchase agreements for the sale of the 48-acre land at Senai Kulai, District of Johor Bahru for RM12.6 million and another two plots of land in the city of Johor Bahru for RM7.9 million. The sales are expected to complete by the first quarter of 2006.

In September 2005, MCL Land entered into an agreement to purchase the remaining 30% of the shareholding in Century Gardens Sdn Bhd from Teluk Kencana Sdn Bhd for RM30 million. The purchase is conditional upon approval of the Malaysian Foreign Investment Committee.

### **Acquisition**

The en-bloc purchase of the freehold Marine Parade Garden at St. Patrick's Road was approved by The Strata Title Board. Completion is scheduled for January 2006.

### **Prospects**

The sentiment for the residential property market in Singapore is expected to remain healthy as high-end condominium developments continue to attract foreign interest. The Group's underlying profit for the full year will, however, be significantly lower than 2004 as only the development profit arising from The Yardley will be recorded under the new accounting policy.

Anthony Nightingale  
Chairman  
10 November 2005

## MCL Land Limited Consolidated Profit and Loss Account

|                                       | Note | Three months ended   |                                  |             | Nine months ended    |                                  |             |
|---------------------------------------|------|----------------------|----------------------------------|-------------|----------------------|----------------------------------|-------------|
|                                       |      | 30.09.05<br>US\$'000 | Restated<br>30.09.04<br>US\$'000 | Change<br>% | 30.09.05<br>US\$'000 | Restated<br>30.09.04<br>US\$'000 | Change<br>% |
| <b>Revenue</b>                        |      | <b>425</b>           | 13,049                           | - 97        | <b>1,506</b>         | 114,066                          | - 99        |
| Cost of sales                         |      | -                    | (10,934)                         | -100        | -                    | (107,295)                        | -100        |
| <b>Gross profit</b>                   |      | <b>425</b>           | 2,115                            | - 80        | <b>1,506</b>         | 6,771                            | - 78        |
| Other operating income/(expenses)     |      | <b>14,389</b>        | 451                              | n/m         | <b>17,202</b>        | (15,668)                         | n/m         |
| Property related expenses             |      | <b>(198)</b>         | (666)                            | - 70        | <b>(560)</b>         | (1,933)                          | - 71        |
| Administrative expenses               |      | <b>(1,087)</b>       | (892)                            | 22          | <b>(3,268)</b>       | (2,909)                          | 12          |
| <b>Operating profit/(loss)</b>        |      | <b>13,529</b>        | 1,008                            | n/m         | <b>14,880</b>        | (13,739)                         | n/m         |
| Financing charges                     |      | <b>(83)</b>          | -                                | n/m         | <b>(151)</b>         | -                                | n/m         |
| Share of joint ventures' results      |      | <b>(23)</b>          | (9)                              | 156         | <b>(23)</b>          | 5,558                            | n/m         |
| <b>Profit/(loss) before tax</b>       | 3    | <b>13,423</b>        | 999                              | n/m         | <b>14,706</b>        | (8,181)                          | n/m         |
| Tax                                   | 4    | <b>(70)</b>          | (640)                            | - 89        | <b>(277)</b>         | (274)                            | 1           |
| <b>Profit/(loss) after tax</b>        |      | <b>13,353</b>        | 359                              | n/m         | <b>14,429</b>        | (8,455)                          | n/m         |
| <b>Profit/(loss) attributable to:</b> |      |                      |                                  |             |                      |                                  |             |
| Shareholders of the Company           |      | <b>13,384</b>        | 298                              | n/m         | <b>14,379</b>        | (8,634)                          | n/m         |
| Minority interests                    |      | <b>(31)</b>          | 61                               | n/m         | <b>50</b>            | 179                              | - 72        |
|                                       |      | <b>13,353</b>        | 359                              | n/m         | <b>14,429</b>        | (8,455)                          | n/m         |
|                                       |      | <b>US¢</b>           | US¢                              | %           | <b>US¢</b>           | US¢                              | %           |
| Earnings/(loss) per share             |      |                      |                                  |             |                      |                                  |             |
| - basic                               | 5    | <b>3.62</b>          | 0.08                             | n/m         | <b>3.89</b>          | (2.34)                           | n/m         |
| - diluted                             | 5    | <b>3.62</b>          | 0.08                             | n/m         | <b>3.89</b>          | (2.34)                           | n/m         |

n/m = not meaningful

**MCL Land Limited**  
**Consolidated Balance Sheet**

|                                      | Note | At<br>30.9.2005<br>US\$'000 | At<br>31.12.2004<br>US\$'000 |
|--------------------------------------|------|-----------------------------|------------------------------|
| <b>Non-current assets</b>            |      |                             |                              |
| Plant and equipment                  |      | 1,758                       | 501                          |
| Investment properties                |      | 25,765                      | 27,313                       |
| Investments in joint ventures        |      | 40,493                      | 20,620                       |
|                                      |      | <u>68,016</u>               | <u>48,434</u>                |
| <b>Current assets</b>                |      |                             |                              |
| Development properties for sale      |      | 414,420                     | 286,205                      |
| Amounts owing by joint ventures      |      | 53,210                      | 45,681                       |
| Debtors                              |      | 25,147                      | 102,636                      |
| Bank balances and other liquid funds |      | 22,877                      | 139,887                      |
|                                      |      | <u>515,654</u>              | <u>574,409</u>               |
| <b>Total assets</b>                  |      | <u>583,670</u>              | <u>622,843</u>               |
| <b>Non-current liabilities</b>       |      |                             |                              |
| Borrowings due after one year        | 6    | 81,421                      | 39,782                       |
| Deferred tax liabilities             |      | 825                         | 798                          |
| Retention money payable              |      | 1,821                       | 745                          |
|                                      |      | <u>84,067</u>               | <u>41,325</u>                |
| <b>Current liabilities</b>           |      |                             |                              |
| Amounts owing to joint ventures      |      | 15,721                      | 9,901                        |
| Creditors                            |      | 86,690                      | 57,179                       |
| Current tax liabilities              |      | 3,178                       | 9,837                        |
| Borrowings due within one year       | 6    | 9,949                       | -                            |
|                                      |      | <u>115,538</u>              | <u>76,917</u>                |
| <b>Total liabilities</b>             |      | <u>199,605</u>              | <u>118,242</u>               |
| <b>Net assets</b>                    |      | <u>384,065</u>              | <u>504,601</u>               |
| <b>Financed by:</b>                  |      |                             |                              |
| <b>Share capital and reserves</b>    |      |                             |                              |
| Share capital                        |      | 200,034                     | 200,006                      |
| Share premium                        |      | 76,623                      | 76,622                       |
| Translation reserve                  |      | 37,264                      | 52,858                       |
| Retained earnings                    |      | 64,087                      | 169,157                      |
| Shareholders' funds                  |      | <u>378,008</u>              | <u>498,643</u>               |
| Minority interests                   |      | 6,057                       | 5,958                        |
|                                      |      | <u>384,065</u>              | <u>504,601</u>               |
| <b>Net asset value per share</b>     |      | <b>US\$1.04</b>             | <b>US\$1.36</b>              |

**MCL Land Limited**  
**Consolidated Statement of Changes in Equity for the three months ended 30 September**

|  | Attributable to shareholders |                              |                                    |                                  | Total<br>US\$'000 | Minority<br>interests<br>US\$'000 | Total<br>equity<br>US\$'000 |
|--|------------------------------|------------------------------|------------------------------------|----------------------------------|-------------------|-----------------------------------|-----------------------------|
|  | Share<br>capital<br>US\$'000 | Share<br>premium<br>US\$'000 | Translation<br>reserve<br>US\$'000 | Retained<br>earnings<br>US\$'000 |                   |                                   |                             |
| <b>2005</b>  |                              |                              |                                    |                                  |                   |                                   |                             |
| <b>Balance at 1 July</b>   | 200,034                      | 76,623                       | 38,139                             | 50,703                           | 365,499           | 6,039                             | 371,538                     |
| Translation difference   | -                            | -                            | (875)                              | -                                | (875)             | 49                                | (826)                       |
| Net gain/(loss) recognised directly<br>in equity                 | -                            | -                            | (875)                              | -                                | (875)             | 49                                | (826)                       |
| Net profit for the financial period                              | -                            | -                            | -                                  | 13,384                           | 13,384            | (31)                              | 13,353                      |
| <b>Total recognised gain/(loss) for the<br/>financial period</b> | -                            | -                            | (875)                              | 13,384                           | 12,509            | 18                                | 12,527                      |
| <b>Balance at 30 September</b>                                   | 200,034                      | 76,623                       | 37,264                             | 64,087                           | 378,008           | 6,057                             | 384,065                     |
| <b>2004</b>  |                              |                              |                                    |                                  |                   |                                   |                             |
| <b>Balance at 1 July</b>   | 199,734                      | 76,618                       | 30,237                             | 108,560                          | 415,149           | 5,868                             | 421,017                     |
| Translation difference   | -                            | -                            | 5,943                              | -                                | 5,943             | -                                 | 5,943                       |
| Net gain recognised directly in equity                           | -                            | -                            | 5,943                              | -                                | 5,943             | -                                 | 5,943                       |
| Net profit for the financial period                              | -                            | -                            | -                                  | 298                              | 298               | 61                                | 359                         |
| <b>Total recognised gain for the<br/>financial period</b>        | -                            | -                            | 5,943                              | 298                              | 6,241             | 61                                | 6,302                       |
| Issue of shares  | 242                          | 4                            | -                                  | -                                | 246               | -                                 | 246                         |
| <b>Balance at 30 September</b>                                   | 199,976                      | 76,622                       | 36,180                             | 108,858                          | 421,636           | 5,929                             | 427,565                     |

---

**MCL Land Limited**  
**Consolidated Statement of Changes in Equity for the nine months ended 30 September**


---

|  | Attributable to shareholders |                           |                                 |                               |                   | Minority interests | Total equity   |
|--|------------------------------|---------------------------|---------------------------------|-------------------------------|-------------------|--------------------|----------------|
|  | Share capital<br>US\$'000    | Share premium<br>US\$'000 | Translation reserve<br>US\$'000 | Retained earnings<br>US\$'000 | Total<br>US\$'000 | US\$'000           | US\$'000       |
| <b>2005</b>  |                              |                           |                                 |                               |                   |                    |                |
| <b>Balance at 1 January</b>                                  | 200,006                      | 76,622                    | 52,858                          | 169,157                       | 498,643           | 5,958              | 504,601        |
| Translation difference                                       | -                            | -                         | (15,594)                        | -                             | (15,594)          | 49                 | (15,545)       |
| Net gain/(loss) recognised directly in equity                | -                            | -                         | (15,594)                        | -                             | (15,594)          | 49                 | (15,545)       |
| Net profit for the financial period                          | -                            | -                         | -                               | 14,379                        | 14,379            | 50                 | 14,429         |
| <b>Total recognised gain/(loss) for the financial period</b> | -                            | -                         | (15,594)                        | 14,379                        | (1,215)           | 99                 | (1,116)        |
| Dividend (net)   | -                            | -                         | -                               | (119,449)                     | (119,449)         | -                  | (119,449)      |
| Issue of shares  | 28                           | 1                         | -                               | -                             | 29                | -                  | 29             |
| <b>Balance at 30 September</b>                               | <b>200,034</b>               | <b>76,623</b>             | <b>37,264</b>                   | <b>64,087</b>                 | <b>378,008</b>    | <b>6,057</b>       | <b>384,065</b> |
| <b>2004</b>  |                              |                           |                                 |                               |                   |                    |                |
| <b>Balance at 1 January</b>                                  | 199,654                      | 76,617                    | 35,500                          | 165,684                       | 477,455           | 5,750              | 483,205        |
| - effect of change in accounting policy (Note 7)             | -                            | -                         | (1,486)                         | (37,861)                      | (39,347)          | -                  | (39,347)       |
| - as restated  | 199,654                      | 76,617                    | 34,014                          | 127,823                       | 438,108           | 5,750              | 443,858        |
| Translation difference                                       | -                            | -                         | 2,166                           | -                             | 2,166             | -                  | 2,166          |
| Net gain recognised directly in equity                       | -                            | -                         | 2,166                           | -                             | 2,166             | -                  | 2,166          |
| Net loss for the financial period                            | -                            | -                         | -                               | (8,634)                       | (8,634)           | 179                | (8,455)        |
| <b>Total recognised gain/(loss) for the financial period</b> | -                            | -                         | 2,166                           | (8,634)                       | (6,468)           | 179                | (6,289)        |
| Dividend (net)   | -                            | -                         | -                               | (10,331)                      | (10,331)          | -                  | (10,331)       |
| Issue of shares  | 322                          | 5                         | -                               | -                             | 327               | -                  | 327            |
| <b>Balance at 30 September</b>                               | <b>199,976</b>               | <b>76,622</b>             | <b>36,180</b>                   | <b>108,858</b>                | <b>421,636</b>    | <b>5,929</b>       | <b>427,565</b> |

---

**MCL Land Limited**  
**Company Balance Sheet**


---

|                                      | At<br>30.9.2005<br>US\$'000 | At<br>31.12.2004<br>US\$'000 |
|--------------------------------------|-----------------------------|------------------------------|
| <b>Non-current assets</b>            |                             |                              |
| Plant and equipment                  | 421                         | 431                          |
| Interests in subsidiaries            | 83,753                      | 115,634                      |
| Investments in joint ventures        | 33,962                      | 13,848                       |
|                                      | <u>118,136</u>              | <u>129,913</u>               |
| <b>Current assets</b>                |                             |                              |
| Amounts owing by subsidiaries        | 292,531                     | 248,574                      |
| Amounts owing by joint ventures      | 52,882                      | 44,945                       |
| Debtors                              | 1,198                       | 49,311                       |
| Bank balances and other liquid funds | 1,394                       | 117,701                      |
|                                      | <u>348,005</u>              | <u>460,531</u>               |
| <b>Total assets</b>                  | <u>466,141</u>              | <u>590,444</u>               |
| <b>Non-current liability</b>         |                             |                              |
| Deferred tax liabilities             | 45                          | 47                           |
|                                      | <u>45</u>                   | <u>47</u>                    |
| <b>Current liabilities</b>           |                             |                              |
| Amounts owing to subsidiaries        | 87,799                      | 108,032                      |
| Amounts owing to joint ventures      | 15,720                      | 9,901                        |
| Creditors                            | 1,279                       | 1,082                        |
| Current tax liabilities              | 116                         | 121                          |
| Borrowings due within one year       | 8,883                       | -                            |
|                                      | <u>113,797</u>              | <u>119,136</u>               |
| <b>Total liabilities</b>             | <u>113,842</u>              | <u>119,183</u>               |
| <b>Net assets</b>                    | <u>352,299</u>              | <u>471,261</u>               |
| <b>Financed by:</b>                  |                             |                              |
| <b>Share capital and reserves</b>    |                             |                              |
| Share capital                        | 200,034                     | 200,006                      |
| Share premium                        | 76,623                      | 76,622                       |
| Translation reserve                  | 29,837                      | 45,131                       |
| Retained earnings                    | 45,805                      | 149,502                      |
| Shareholders' funds                  | <u>352,299</u>              | <u>471,261</u>               |
| <b>Net asset value per share</b>     | <b>US\$0.95</b>             | <b>US\$1.28</b>              |

---

**MCL Land Limited**  
**Company Statement of Changes in Equity for the three months ended 30 September**


---

|  | Share<br>capital<br>US\$'000 | Share<br>premium<br>US\$'000 | Translation<br>reserve<br>US\$'000 | Retained<br>earnings<br>US\$'000 | Total<br>US\$'000 |
|--|------------------------------|------------------------------|------------------------------------|----------------------------------|-------------------|
| <b>2005</b>  |                              |                              |                                    |                                  |                   |
| <b>Balance at 1 July</b>   | 200,034                      | 76,623                       | 30,783                             | 32,853                           | 340,293           |
| Translation difference   | -                            | -                            | (946)                              | -                                | (946)             |
| Net loss recognised directly in equity                           | -                            | -                            | (946)                              | -                                | (946)             |
| Net profit for the financial period                              | -                            | -                            | -                                  | 12,952                           | 12,952            |
| <b>Total recognised gain/(loss) for the<br/>financial period</b> | -                            | -                            | (946)                              | 12,952                           | 12,006            |
| <b>Balance at 30 September</b>                                   | <u>200,034</u>               | <u>76,623</u>                | <u>29,837</u>                      | <u>45,805</u>                    | <u>352,299</u>    |
| <br>   |                              |                              |                                    |                                  |                   |
| <b>2004</b>  |                              |                              |                                    |                                  |                   |
| <b>Balance at 1 July</b>   | 199,734                      | 76,618                       | 23,142                             | 94,492                           | 393,986           |
| Translation difference   | -                            | -                            | 5,846                              | -                                | 5,846             |
| Net gain recognised directly in equity                           | -                            | -                            | 5,846                              | -                                | 5,846             |
| Net loss for the financial period                                | -                            | -                            | -                                  | (359)                            | (359)             |
| <b>Total recognised gain/(loss) for the<br/>financial period</b> | -                            | -                            | 5,846                              | (359)                            | 5,487             |
| Issue of shares  | 242                          | 4                            | -                                  | -                                | 246               |
| <b>Balance at 30 September</b>                                   | <u>199,976</u>               | <u>76,622</u>                | <u>28,988</u>                      | <u>94,133</u>                    | <u>399,719</u>    |

---

**MCL Land Limited**  
**Company Statement of Changes in Equity for the nine months ended 30 September**


---

|  | Share<br>capital<br>US\$'000 | Share<br>premium<br>US\$'000 | Translation<br>reserve<br>US\$'000 | Retained<br>earnings<br>US\$'000 | Total<br>US\$'000 |
|--|------------------------------|------------------------------|------------------------------------|----------------------------------|-------------------|
| <b>2005</b>  |                              |                              |                                    |                                  |                   |
| <b>Balance at 1 January</b>                                      | 200,006                      | 76,622                       | 45,131                             | 149,502                          | 471,261           |
| Translation difference   | -                            | -                            | (15,294)                           | -                                | (15,294)          |
| Net loss recognised directly in equity                           | -                            | -                            | (15,294)                           | -                                | (15,294)          |
| Net profit for the financial period                              | -                            | -                            | -                                  | 15,752                           | 15,752            |
| <b>Total recognised gain/(loss) for<br/>the financial period</b> | -                            | -                            | (15,294)                           | 15,752                           | 458               |
| Dividend (net)   | -                            | -                            | -                                  | (119,449)                        | (119,449)         |
| Issue of shares  | 28                           | 1                            | -                                  | -                                | 29                |
| <b>Balance at 30 September</b>                                   | <u>200,034</u>               | <u>76,623</u>                | <u>29,837</u>                      | <u>45,805</u>                    | <u>352,299</u>    |
| <b>2004</b>  |                              |                              |                                    |                                  |                   |
| <b>Balance at 1 January</b>                                      | 199,654                      | 76,617                       | 26,851                             | 104,119                          | 407,241           |
| Translation difference   | -                            | -                            | 2,137                              | -                                | 2,137             |
| Net gain recognised directly in equity                           | -                            | -                            | 2,137                              | -                                | 2,137             |
| Net profit for the financial period                              | -                            | -                            | -                                  | 345                              | 345               |
| <b>Total recognised gain for<br/>the financial period</b>        | -                            | -                            | 2,137                              | 345                              | 2,482             |
| Dividend (net)   | -                            | -                            | -                                  | (10,331)                         | (10,331)          |
| Issue of shares  | 322                          | 5                            | -                                  | -                                | 327               |
| <b>Balance at 30 September</b>                                   | <u>199,976</u>               | <u>76,622</u>                | <u>28,988</u>                      | <u>94,133</u>                    | <u>399,719</u>    |

## MCL Land Limited

### Consolidated Statement of Cash Flows

|   | Three months ended   |                      | Nine months ended    |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 |
| <b>Profit/(loss) before tax</b>   | <b>13,423</b>        | <b>999</b>           | <b>14,706</b>        | <b>(8,181)</b>       |
| <b>Non-cash items</b>   |                      |                      |                      |                      |
| Interest income   | (200)                | (200)                | (1,208)              | (847)                |
| Financing charges   | 83                   | -                    | 151                  | -                    |
| Share of joint ventures' results  | 23                   | 9                    | 23                   | (5,558)              |
| Depreciation  | 94                   | 85                   | 270                  | 179                  |
| Write-back in provision for foreseeable loss  | (12,827)             | -                    | (12,827)             | (2,940)              |
| Fair value change of investment property  | -                    | -                    | -                    | 19,378               |
| Foreign currency translation difference   | (131)                | 4                    | (474)                | (11)                 |
| Loss on disposal/write-off of plant and equipment   | -                    | -                    | 15                   | -                    |
|   | <b>(12,958)</b>      | <b>(102)</b>         | <b>(14,050)</b>      | <b>10,201</b>        |
| <b>Operating profit before working capital changes</b>  | <b>465</b>           | <b>897</b>           | <b>656</b>           | <b>2,020</b>         |
| <b>Changes in working capital</b>   |                      |                      |                      |                      |
| Development properties for sale<br>(excluding interest capitalised during the financial period) | (21,574)             | (7,439)              | (134,455)            | (8,197)              |
| Debtors   | 29,428               | 6,858                | 74,169               | (2,568)              |
| Creditors   | 22,772               | 885                  | 36,692               | 27,598               |
|   | <b>30,626</b>        | <b>304</b>           | <b>(23,594)</b>      | <b>16,833</b>        |
| Net cash flows from/(used in) operating activities  | <b>31,091</b>        | <b>1,201</b>         | <b>(22,938)</b>      | <b>18,853</b>        |
| Interest paid   | (710)                | (411)                | (1,299)              | (1,907)              |
| Interest received   | 219                  | 660                  | 1,234                | 1,100                |
| Income tax paid   | (3,521)              | (278)                | (6,591)              | (1,118)              |
|   | <b>(4,012)</b>       | <b>(29)</b>          | <b>(6,656)</b>       | <b>(1,925)</b>       |
| <b>Cash flows from investing activities</b>   |                      |                      |                      |                      |
| Purchase of plant and equipment   | (42)                 | (23)                 | (1,558)              | (387)                |
| Purchase of shares in joint ventures  | (20,562)             | -                    | (20,564)             | -                    |
| Purchase of investment properties   | -                    | -                    | (8,209)              | -                    |
| Net proceeds from sale of plant and equipment   | 1                    | -                    | 1                    | -                    |
| Net proceeds from sale of investment properties   | 1,807                | 1,967                | 9,488                | 7,998                |
| Net cash flows from/(used in) investing activities  | <b>(18,796)</b>      | <b>1,944</b>         | <b>(20,842)</b>      | <b>7,611</b>         |
| <b>Cash flows from financing activities</b>   |                      |                      |                      |                      |
| Repayment/(advances) from joint ventures  | (511)                | 9,227                | 3,644                | 35,354               |
| Proceeds from issue of shares   | -                    | 246                  | 29                   | 327                  |
| Dividend paid   | -                    | -                    | (119,449)            | (10,331)             |
| Drawdown/(repayment) of loans   | (23,815)             | (36,888)             | 52,879               | (68,608)             |
| Net cash flows used in financing activities   | <b>(24,326)</b>      | <b>(27,415)</b>      | <b>(62,897)</b>      | <b>(43,258)</b>      |
| <b>Net change in cash and cash equivalents</b>  | <b>(16,043)</b>      | <b>(24,299)</b>      | <b>(113,333)</b>     | <b>(18,719)</b>      |
| <b>Cash and cash equivalents at the beginning of the financial period</b>                       | <b>38,837</b>        | <b>49,676</b>        | <b>139,887</b>       | <b>44,438</b>        |
| <b>Effect of exchange rate changes</b>  | <b>83</b>            | <b>400</b>           | <b>(3,677)</b>       | <b>58</b>            |
| <b>Cash and cash equivalents at the end of the financial period</b>                             | <b>22,877</b>        | <b>25,777</b>        | <b>22,877</b>        | <b>25,777</b>        |

---

**MCL Land Limited**  
**Notes**


---

- 1 The financial statements are consistent with those set out in the 2004 audited accounts, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

There have been no changes to the accounting policies described in the 2004 audited accounts. In 2005, the Group adopted two amendments to IAS 39: Financial Instruments: Recognition and Measurement - Cash Flow Hedge Accounting of Forecast Intragroup Transactions, and The Fair Value Option, neither of which has had a significant impact on the Group's financial statements. The comparative figures for the nine months ended 30 September 2004 have been restated to reflect the change in accounting policy relating to the recognition of revenue in pre-completion contracts for the sale of development properties, which were adopted in the preparation of the 2004 annual financial statements as set out in Note 7 of this 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 consolidated 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 consolidated profit and loss account.

The financial effects on key financial information are disclosed as follows:

|  | Investment<br>properties<br>US\$'000 | Net<br>assets<br>US\$'000 | Profit<br>before tax<br>US\$'000 | Profit<br>attributable<br>to<br>shareholders<br>US\$'000 | Basic<br>earnings<br>per share<br>US¢ |
|--|--------------------------------------|---------------------------|----------------------------------|--|---------------------------------------|
| IFRS Group balances as at 30 September 2005                              | 25,765                               | 384,065                   | 14,706                           | 14,379   | <u>3.89</u>                           |
| Effect of transfer of fair value changes<br>to asset revaluation reserve | -                                    | -                         | 2,581                            | 2,581  |                                       |
| Tax effects  | -                                    | -                         | -                                | -  |                                       |
| FRS 25 Group adjusted balances as at<br>30 September 2005                | 25,765                               | 384,065                   | 17,287                           | 16,960   | 4.58                                  |

### 3 Profit/(loss) before tax

|   | Group                |                      |             |                      |                      |             |
|---|----------------------|----------------------|-------------|----------------------|----------------------|-------------|
|   | Three months ended   |                      |             | Nine months ended    |                      |             |
|   | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 | Change<br>% | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 | Change<br>% |
| Profit/(loss) before tax is determined after including: |                      |                      |             |                      |                      |             |
| Profit/(loss) on sale of an investment property         | 11                   | (32)                 | n/m         | 797                  | (1,143)              | n/m         |
| Write-back in provision for foreseeable loss            | 12,827               | -                    | n/m         | 12,827               | 2,940                | 336         |
| Fair value changes of investment property               | -                    | -                    | -           | -                    | (19,378)             | -100        |
| Net exchange gain                                       | 131                  | (4)                  | n/m         | 474                  | 11                   | n/m         |
| Interest income   | 200                  | 200                  | -           | 1,208                | 847                  | 43          |
| Financing charges                                       | (83)                 | -                    | n/m         | (151)                | -                    | n/m         |
| Depreciation  | (94)                 | (85)                 | 11          | (270)                | (179)                | 51          |
| Loss on disposal/write-off of plant and equipment       | -                    | -                    | -           | (15)                 | -                    | n/m         |

n/m = not meaningful

### 4 Tax

The Group's provision for income tax is based on the statutory tax rates of the respective countries in which the companies operate after taking into account expenses not deductible and Group tax relief.

The tax credit for the nine months ended 30 September 2004 was lower than the effective tax rate of the Group when applied to the losses mainly due to the fair value changes of investment property which is not deductible for tax purposes; offset by write-back in provision for foreseeable losses which is not taxable.

The effective tax rate of the Group was lower for the nine months ended 30 September 2005 than the statutory income tax rate due mainly to write-back in provision for foreseeable losses and profit on sale of some of the units of the Group's investment property which are not taxable.

### 5 Earnings/(loss) per share

|  | Group                |                      |                      |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Three months ended   |                      | Nine months ended    |                      |
|  | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 |
| <b>Basic earnings/(loss) per share</b>   |                      |                      |                      |                      |
| Profit/(loss) attributable to shareholders (US\$'000)                            | 13,384               | 298                  | 14,379               | (8,634)              |
| Weighted average number of ordinary shares in issue ('000)                       | 369,981              | 369,502              | 369,981              | 369,502              |
| Basic earnings/(loss) per share  | <u>US¢3.62</u>       | <u>US¢0.08</u>       | <u>US¢3.89</u>       | <u>US¢(2.34)</u>     |
| <b>Diluted earnings/(loss) per share</b>   |                      |                      |                      |                      |
| Weighted average number of ordinary shares in issue ('000)                       | 369,981              | 369,502              | 369,981              | 369,502              |
| Adjustment for assumed conversion of share options ('000)                        | -                    | 28                   | -                    | 28                   |
| Weighted average number of ordinary shares for diluted earnings per share ('000) | <u>369,981</u>       | <u>369,530</u>       | <u>369,981</u>       | <u>369,530</u>       |
| Diluted earnings/(loss) per share  | <u>US¢3.62</u>       | <u>US¢0.08</u>       | <u>US¢3.89</u>       | <u>US¢(2.34)</u>     |
| <b>Underlying earnings per share</b>   |                      |                      |                      |                      |
| Underlying profit attributable to shareholders (US\$'000)                        | 13,373               | 330                  | 13,582               | 11,887               |
| Basic underlying earnings per share  | <u>US¢3.61</u>       | <u>US¢0.09</u>       | <u>US¢3.67</u>       | <u>US¢3.22</u>       |
| Diluted underlying earnings per share  | <u>US¢3.61</u>       | <u>US¢0.09</u>       | <u>US¢3.67</u>       | <u>US¢3.22</u>       |

- more -

## 5 Earnings/(loss) per share (continued)

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

|   | Three months ended   |                      | Group<br>Nine months ended |                      |
|---|----------------------|----------------------|----------------------------|----------------------|
|   | 30.09.05<br>US\$'000 | 30.09.04<br>US\$'000 | 30.09.05<br>US\$'000       | 30.09.04<br>US\$'000 |
| <b>Profit/(loss) attributable to shareholders</b> | <b>13,384</b>        | 298                  | <b>14,379</b>              | (8,634)              |
| Less:   |                      |                      |                            |                      |
| <b>Exceptional items</b>                          |                      |                      |                            |                      |
| (Profit)/loss on sale of an investment property   | (11)                 | 32                   | (797)                      | 1,143                |
| Fair value changes of investment property         | -                    | -                    | -                          | 19,378               |
| Underlying profit attributable to shareholders    | <u>13,373</u>        | <u>330</u>           | <u>13,582</u>              | <u>11,887</u>        |

## 6 Group borrowings

|                                | Group                       |                              |
|--------------------------------|-----------------------------|------------------------------|
|                                | At<br>30.9.2005<br>US\$'000 | At<br>31.12.2004<br>US\$'000 |
| Borrowings due within one year |                             |                              |
| - secured                      | 1,066                       | -                            |
| - unsecured                    | 8,883                       | -                            |
| Borrowings due after one year  |                             |                              |
| - secured                      | 81,421                      | 39,782                       |
| Total borrowings               | <u>91,370</u>               | <u>39,782</u>                |

Certain subsidiaries of the Company mortgaged their development properties in order to obtain bank loans and guarantee facilities. The development properties mortgaged amounted to US\$301.9 million (31 December 2004: US\$246.5 million).

## 7 Change in accounting policy

The Group has consistently recognised revenue and profit from the sale of development properties using the percentage of completion ("POC") method by applying IAS 11: Construction Contracts for the year ended 31 December 2003 and Singapore Statement of Accounting Standard 11 for the years prior to 31 December 2003.

In November 2004, the International Financial Reporting Interpretation Committee ("IFRIC") issued a clarification, which indicated that the POC method might not apply to pre-completion contracts for the sale of development properties and the sale of development properties should be accounted for as sales of goods under IAS 18: Revenue and not accounted for under IAS 11 as the typical pre-completion contracts for the sale of development properties do not fall within the definition of construction contracts.

## 7 Change in accounting policy (continued)

For the financial year ended 31 December 2004, the Group changed its accounting policy to recognise revenue and profit on the sale of development properties from the percentage of completion method to the completion method when the projects have been completed and are delivered. The key effects on the financial statements for the period ended 30 September 2004 are as follows:

|  | Development<br>properties for<br>sale<br>US\$'000 | Shareholders'<br>funds<br>US\$'000 | Revenue<br>US\$'000 | Profit/(loss)<br>attributable<br>to<br>shareholders<br>US\$'000 | Earnings/<br>(loss)<br>per share<br>US¢ |
|--|---|------------------------------------|---------------------|---|---|
| <b>30 September 2004</b>                   |   |                                    |                     |   |   |
| Group's balances based on POC method       | 351,045   | 476,974                            | 124,697             | 7,023   | 1.90                                    |
| Impact of using completed method           | 85,055  | (55,338)                           | (10,631)            | (15,657)  |   |
| Group's balances based on completed method | 436,100   | 421,636                            | 114,066             | (8,634)   | (2.34)                                  |

## 8 Interested person transactions

| <u>Name of interested person</u>                              | Aggregate value of all<br>interested person transactions<br>(excluding transactions less<br>than S\$100,000 and<br>transactions conducted under<br>the shareholders' mandate<br>pursuant to Rule 920)<br>US\$'000 | Aggregate value of interested<br>person transactions<br>conducted under<br>shareholders' mandate<br>pursuant to Rule 920<br>(excluding transactions less<br>than S\$100,000)<br>US\$'000 |
|---|---|--|
| <b>Nine months ended 30 September 2005</b>                    |   |  |
| Jardine Cycle & Carriage Limited                              |   |  |
| - Management service charge                                   | -   | 223  |
| Cycle & Carriage Industries Pte Ltd                           |   |  |
| - Information technology service                              | -   | 88   |
| - Purchase of motor vehicle                                   | -   | 131  |
| - Project management fee income                               | -   | 127  |
| Landmarks Land and Properties Sdn Bhd                         |   |  |
| - Acquisition of site in Malaysia by<br>joint venture company | 3,002   | -  |
| <b>Three months ended 30 September 2005</b>                   |   |  |
| Jardine Cycle & Carriage Limited                              |   |  |
| - Management service charge                                   | -   | 223  |

## 9 Issue of shares

There were no other rights, bonus or equity issues during the period between 1 July 2005 to 30 September 2005.

## 10 Others

The results do not include any pre-acquisition profit 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 1 October 2005 and the date of this report.

- end -

For further information, please contact:

MCL Land Limited

Steve Chu

Tel: 65 64290828

Full text of the Financial Statements and Dividend Announcement for the nine months ended 30 September 2005 can be accessed through the internet at [www.mclland.com.sg](http://www.mclland.com.sg).