



AGILITY

Seizing Opportunities

Report to
Shareholders
2014

AGILITY

Seizing Opportunities

Agility marks the ability of the Keppel Group to respond to market and environmental changes in ways that drive performance and build competitive advantage. We are configured with our financial and organisational strengths to navigate challenging terrain and scour new markets, offer new solutions through innovation, and execute with precision and enhanced productivity.

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VISION

A leading real estate company, shaping the best for future generations.

MISSION

Guided by our operating principles and core values, we will create value for all stakeholders through innovative real estate solutions.

OPERATING PRINCIPLES

- 1 Best value propositions to customers
- 2 Tapping and developing best talents from our global workforce
- 3 Cultivating a spirit of innovation and enterprise
- 4 Executing our projects well
- 5 Being financially disciplined to earn best risk-adjusted returns
- 6 Clarity of focus and operating within our core competence
- 7 Being prepared for the future

Key Figures for 2014

01

Record Completion in China

5,100

A record 5,100 residential units were completed in China

Revenue

\$1.5b

Revenue rose by 2.5% year-on-year to \$1.5b

Net Asset Value Per Share

\$4.95

Net asset value per share increased 9.5% year-on-year to \$4.95

Dividend Per Share

14cts

Higher final one-tier tax exempt dividend of 14 cents per share

Global 100 Most Sustainable Corporations

4th

Ranked 4th among Global 100 Most Sustainable Corporations in the World 2015, the first time an Asian company has made it to the Top 10

Energy Savings

\$30m

When fully completed, all the Green Mark-certified projects will provide total energy savings of about \$30 million per annum

Volunteerism

2,254

A total of 2,254 volunteer hours were clocked by staff for corporate social responsibility activities in Singapore and overseas

Zero Fatalities

0

No fatalities in 2014 as Keppel Land continues to uphold high safety standards

Group Financial Highlights

	2014	2013	% Increase/ (Decrease)
For the year (\$'000)			
Sales	1,497,177	1,461,048	2.5
Pre-tax profit			
Before fair value gain on investment properties	733,111	669,712	9.5
After fair value gain on investment properties	953,325	1,000,773	(4.7)
Net profit	752,486	885,892	(15.1)
Funds from/(used in) operations	200,443	(1,308,680)	nm
Capital expenditure on investment properties and fixed assets	(81,003)	(87,692)	(7.6)
Proposed dividend	216,323	200,956	7.6
Economic value added	417,100	126,000	231.0
At year-end (\$'000)			
Shareholders' equity	7,655,537	6,989,419	9.5
Non-controlling interests	489,401	496,168	(1.4)
Long-term borrowings	3,147,338	3,869,749	(18.7)
Short-term borrowings	1,055,670	283,275	272.7
Other non-current liabilities	66,181	59,112	12.0
Total funds invested	12,414,127	11,697,723	6.1
Per share			
Earnings (cents) (Note 1)			
After taxation but before fair value gain on investment properties	35.7	37.8	(5.6)
After taxation and fair value gain on investment properties	48.7	57.3	(15.0)
Dividend (cents)	14.0	13.0	7.7
Net asset value (\$)	4.95	4.52	9.5
Financial ratios			
Return on equity (%) (Note 2)			
After taxation but before fair value gain on investment properties	7.9	9.3	(15.1)
After taxation and fair value gain on investment properties	10.7	14.1	(24.1)
Dividend cover (times) (Note 3)	2.6	2.9	(10.3)
Interest cover (times) (Note 4)	8.4	8.9	(5.6)
Net debt-equity ratio (times) (Note 5)	0.20	0.38	(47.4)
Employees (Note 6)			
Number (average)	4,071	4,207	(3.2)
Wages and salaries (\$'000)	195,940	176,189	11.2
Pre-tax profit per employee (\$'000)	111	105	5.7

nm – not meaningful

Notes:

- Earnings per share are calculated by reference to the weighted average number of shares in issue during the year.
- In the calculation of return on equity, the weighted average basis has been used.
- In the calculation of dividend cover, fair value gain on investment properties and related taxation have been excluded.
- In the calculation of interest cover, fair value gain on investment properties has been excluded. Net interest cost, comprising net interest expense taken to the profit and loss account and interest capitalised under investment properties, properties held for sale and fixed assets, has been used.
- In the calculation of the net debt-equity ratio, net debt includes borrowings net of cash and equity includes non-controlling interests in subsidiaries.
- Wages and salaries include amounts capitalised under investment properties and properties held for sale. In the calculation of pre-tax profit per employee, the share of results of associates and joint ventures, and fair value gain on investment properties have been excluded.

Five-Year Group Financial Profile

03

	2010	2011	2012	2013	2014
For the year (\$'000)					
Sales	685,408	948,974	938,856	1,461,048	1,497,177
Pre-tax profit					
Before fair value gain on investment properties/impairment	744,886	885,703	613,813	669,712	733,111
After fair value gain on investment properties/impairment	1,170,696	1,476,993	987,308	1,000,773	953,325
Net profit	1,068,199	1,374,682	838,368	885,892	752,486
At year-end (\$'000)					
Fixed assets and investment properties	1,906,435	837,784	1,590,744	1,894,051	1,577,281
Investments	1,526,709	2,263,559	2,709,394	3,040,799	3,028,776
Non-current assets	446,161	646,487	775,886	761,409	211,603
Net current assets (Note 1)	3,257,294	4,693,077	4,784,231	6,183,482	7,767,480
Deferred taxation	(35,170)	(32,500)	(150,544)	(182,018)	(171,013)
Assets employed	<u>7,101,429</u>	<u>8,408,407</u>	<u>9,709,711</u>	<u>11,697,723</u>	12,414,127
Shareholders' equity	4,275,736	5,575,314	6,169,141	6,989,419	7,655,537
Non-controlling interests	309,232	295,680	477,314	496,168	489,401
Long-term borrowings	2,199,669	2,336,200	2,348,613	3,869,749	3,147,338
Short-term borrowings	316,792	201,213	714,643	283,275	1,055,670
Other non-current liabilities	-	-	-	59,112	66,181
Total funds invested	<u>7,101,429</u>	<u>8,408,407</u>	<u>9,709,711</u>	<u>11,697,723</u>	12,414,127
Per share					
Earnings (cents) (Note 2)					
After taxation but before fair value gain on investment properties/impairment	44.7	53.8	31.6	37.8	35.7
After taxation and fair value gain on investment properties/impairment	74.3	93.8	55.5	57.3	48.7
Dividend (cents)	18.0	20.0	12.0	13.0	14.0
Net asset value (\$)	2.95	3.74	3.99	4.52	4.95
Financial ratios					
Return on equity (%) (Note 3)					
After taxation but before fair value gain on investment properties/impairment	18.9	18.4	8.4	9.3	7.9
After taxation and fair value gain on investment properties/impairment	31.4	32.1	14.8	14.1	10.7
Dividend cover (times) (Note 4)	2.5	2.6	2.6	2.9	2.6
Interest cover (times) (Note 5)	23.5	16.7	12.3	8.9	8.4
Net debt-equity ratio (times) (Note 6)	0.20	0.10	0.22	0.38	0.20
Employees (Note 7)					
Number (average)	2,835	3,038	4,107	4,207	4,071
Wages and salaries (\$'000)	124,866	148,547	144,212	176,189	195,940
Pre-tax profit per employee (\$'000)	193	234	58	105	111

Notes:

1. In arriving at net current assets, short-term borrowings have been excluded.
2. Earnings per share are calculated by reference to the weighted average number of shares in issue during the year.
3. In the calculation of return on equity, the weighted average basis has been used.
4. In the calculation of dividend cover, fair value gain on investment properties/impairment and related taxation have been excluded.
5. In the calculation of interest cover, fair value gain on investment properties/impairment has been excluded. Net interest cost, comprising net interest expense taken to the profit and loss account and interest capitalised under investment properties, properties held for sale and fixed assets, has been used.
6. In the calculation of the net debt-equity ratio, net debt includes borrowings net of cash and equity includes non-controlling interests in subsidiaries.
7. Wages and salaries include amounts capitalised under investment properties and properties held for sale. In the calculation of pre-tax profit per employee, the share of results of associates and joint ventures, and fair value gain on investment properties/impairment have been excluded.

Group Quarterly Results

	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Full Year
	\$'000	%	\$'000	%	\$'000	%	\$'000	%	\$'000
Sales									
2014	295,331	20	314,969	21	181,495	12	705,382	47	1,497,177
2013	206,975	14	330,464	23	417,871	29	505,738	34	1,461,048
Pre-tax profit before fair value gain on investment properties									
2014	112,205	15	148,103	20	163,282	22	309,521	43	733,111
2013	93,030	14	118,257	18	156,805	23	301,620	45	669,712
Pre-tax profit after fair value gain on investment properties									
2014	112,205	12	148,103	16	163,282	17	529,735	55	953,325
2013	93,030	9	118,257	12	156,805	16	632,681	63	1,000,773
Net profit									
2014	87,727	12	107,239	14	112,996	15	444,524	59	752,486
2013	96,567	11	95,549	11	126,436	14	567,340	64	885,892

During 2014, the Group achieved the highest sales and profits in the fourth quarter compared with the other three quarters. This was attributable largely to the divestment of Al Mada Towers, a condominium development in Jeddah, Saudi Arabia. There were also new revenue streams from Phase 1 of Seasons Residence in Shanghai and Phase 1 of Park Avenue Heights in Chengdu which were both completed in December 2014.

The Group's performance for the fourth quarter of 2014 was further boosted by a fair value gain on investment properties (net of deferred tax and non-controlling interests) of \$200.5 million, a gain of \$94.6 million from the divestment of the Group's one-third interest in Marina Bay Financial Centre Tower 3

to Keppel REIT as well as share of a divestment gain recorded by Keppel Data Centres Holding Pte. Ltd. ("Data Centre JV Co") of \$61.5 million. The Data Centre JV Co, in which the Group owns 30% stake, divested its two assets to the newly listed Keppel DC REIT in December 2014.

Against 2013, the Group recorded higher sales in the first and fourth quarters of 2014 but lower sales in the other two quarters. The higher sales achieved in the first quarter of 2014 came largely from the China trading projects, mainly Plot 2-2 of The Springdale in Shanghai which was completed in March 2014 and Phases 4 and 5 of 8 Park Avenue in Shanghai which were launched in June 2013. The improved sales in the fourth quarter of 2014 were due to

divestment of Al Mada Towers and revenue recognition for Phase 1 of Seasons Residence and Phase 1 of Park Avenue Heights as mentioned earlier. Sales for the second and third quarters of 2014 were lower primarily because there were no overseas projects/phases completed in the two quarters. In comparison, Plot 2-1 of The Springdale in Shanghai was completed in September 2013.

In terms of the bottomline, the Group registered lower profits than all the quarters of 2013 except for the second quarter. In particular, the Group's net profit for the fourth quarter of 2014 dropped by 21.6% or \$122.8 million, as a result of a lower fair value gain on investment properties (net of deferred tax and non-controlling interests) of \$101.7 million.



Keppel Land is the property arm of the Keppel Group, one of Singapore's largest multinational groups with key businesses in offshore and marine, infrastructure as well as property.

One of Asia's premier property companies, Keppel Land is recognised for its sterling portfolio of award-winning residential developments and investment-grade commercial properties as well as high standards of corporate governance and transparency.

The Company is geographically diversified in Asia, with Singapore and China as its core markets as well as Indonesia and Vietnam as its growth markets. It focuses on a two-pronged strategy of property development for sale and property fund management.

Keppel Land is one of the largest listed property companies by total assets on the Singapore Exchange. The Group's total assets amounted to about \$14.5 billion as at 31 December 2014. It is also a component of several stock indices including the FTSE ST Real Estate Index, FTSE ST China Top Index, FTSE All-World Index, FTSE Asia Pacific ex-Japan Index, FTSE EPRA/NAREIT Global Real Estate Index and EPRA/NAREIT Index.

Keppel Land was listed in the prestigious Corporate Knights' Global 100 Most Sustainable Corporations in the World 2015. The Company was ranked fourth, placing it first in Asia and in real estate

companies worldwide. Keppel Land is a component of the Dow Jones Sustainability World and Asia Pacific Indices. It retains its position in the RobecoSAM Sustainability Yearbook for the fifth year as one of the top 15% of companies worldwide in sustainability leadership. The Company is also a constituent of the MSCI Global Sustainability and Socially Responsible Indices.

A leading prime office developer in Singapore, Keppel Land contributes to enhancing the city's skyline with landmark developments such as Marina Bay Financial Centre, Ocean Financial Centre and One Raffles Quay.

The Company is committed to grow its commercial portfolio in key Asian cities. Its portfolio of overseas commercial properties includes Park Avenue Central and Life Hub @ Jinqiao in Shanghai, a Grade A office development in Beijing and Seasons City in the Sino-Singapore Tianjin Eco-City, China, Saigon Centre in Ho Chi Minh City, Vietnam, International Financial Centre Jakarta in Indonesia as well as an office development in Yangon, Myanmar.

The Company is also commencing on Phase 2 of the SM-KL development in Manila, the Philippines. Beyond Asia, the Group has acquired an office building in London, United Kingdom. To strengthen Keppel Land's retail capabilities, the Group has acquired a 75% stake

in retail management company, Array Real Estate.

Keppel Land is Asia's premier home developer with world-class iconic waterfront residences at Keppel Bay and Marina Bay in Singapore. The Group has also ventured into the United States with a residential development in Manhattan, New York.

With a pipeline of over 70,000 homes in Singapore and overseas as well as an increasing commercial presence in the region, Keppel Land is well-positioned to meet the growing demands for quality residential, office and mixed-use developments.

An established property fund manager, Keppel Land has two property fund management vehicles, Keppel REIT, a pan-Asian commercial real estate investment trust, and Alpha Investment Partners (Alpha).

As at 31 December 2014, Keppel REIT and Alpha's total assets under management have grown to \$18.7 billion, when fully leveraged and invested.

01

Keppel Land aims to create sustainable live-work-play environments in its properties with its hallmark excellence.

LOH CHIN HUA
CHAIRMAN

Keppel Land's strong balance sheet, with a low gearing of 0.2 times and a strong cash position of \$2.6 billion as at end-2014, will give us the financial strength to seize attractive opportunities as they arise.



Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Keppel Land's annual report for the year ended 31 December 2014.

CREDITABLE PERFORMANCE

The global economy continued to expand in 2014 but growth was affected by challenges such as the falling oil prices, economic uncertainty over Greece's possible exit from the European Union and slowing growth in China. Economic growth for 2015 is expected to be marginally better than 2014 although the pace of recovery is likely to remain uneven across the different geographies.

Notwithstanding the softer market conditions, the Group managed to achieve a creditable performance in 2014. For the year ended 31 December 2014, Keppel Land achieved a revenue of \$1.5 billion, up 2.5% from the previous year. However, net profit fell to \$752.5 million, compared with \$885.9 million a year ago, mainly due to a lower fair value gain on investment properties.

The Board of Directors has proposed a final dividend of 14 cents per share, compared with 13 cents paid for 2013. The proposed distribution of \$216.3 million is equivalent to a dividend payout of about 39% of net profit before fair value gain on investment properties. Subject to shareholders' approval at the Annual General Meeting to be held on 30 April 2015, the proposed final dividend is expected to be paid on or about 20 May 2015.

FOCUS ON KEY MARKETS

Keppel Land, as one of Asia's leading real estate companies, is committed to grow into a multi-faceted property player, providing sustainable urban living solutions.

The Group will continue to focus on its core markets of Singapore and China and its growth markets of Indonesia and Vietnam. We remain confident about the long-term fundamentals and growth potential of these markets.

With property tightening measures dampening home sales in Singapore and China, Keppel Land sold about 2,450 homes in Asia during the year, compared with some 4,400 homes sold in the previous year.

Demand from homebuyers in Singapore is expected to remain subdued. However, demand for well-located and well-planned residential projects such as our Highline Residences, located in Tiong Bahru, is expected to hold up better. Highline Residences, which held an exclusive preview in September 2014, received good response with 148 units sold as at end-2014.

China has started to ease its home purchase restrictions and monetary policies, resulting in improving property sales towards the end of the year. The Group has a healthy pipeline of launch-ready units for 2015 which puts us in a favourable position to capture pent-up demand for quality homes when the market recovers.

Following its first joint venture on The Glades at Tanah Merah in Singapore in April 2013, Keppel Land has recently extended its strategic alliance with China Vanke to develop a 16.7-hectare prime residential site in Chengdu, China. Well-located between the third and fourth ring roads and in close proximity to the Metro Line 2, the site will comprise about 6,500 units of high-rise apartments. This is our sixth project in Chengdu and will further enhance our market presence in the city.

In Indonesia, the Jakarta residential market remains resilient as apartments continue to see good demand supported by a growing middle income population and urbanisation. In January 2015, a year after the first residential site in West Jakarta

The Group will continue to focus on its core markets of Singapore and China and its growth markets of Indonesia and Vietnam.



01

Keppel Land will continue to scale up in key focus cities in China to deepen its presence in this core market.

for a condominium project named West Vista was secured, Keppel Land is acquiring a second residential site in the same vicinity which will strengthen the Group's position in the capital city. We are preparing for the launch of West Vista soon to capitalise on the area's vibrancy and increasing popularity.

Vietnam's economy is showing signs of improvement following its government's market reforms. The government's relaxation of foreign housing ownership restrictions in July 2015 is expected to boost demand. Following the sell-out of homes at The Estella in Ho Chi Minh City, Keppel Land raised its stake in the remaining phase of the development, named Estella Heights, from 55% to 98%. A weekend preview of Estella Heights in January 2015 drew good response, selling 120 of the 150 units launched.

While we focus on Asia, we also invest opportunistically in key global cities with good growth potential. Keppel Land made its maiden investment in a residential development in Manhattan, New York, the United States in July 2014. In February 2015, we ventured into the office market in London and purchased a freehold office building with a net lettable area of about 126,000 sf in the City, the business and financial centre, where the Bank of England and prominent financial institutions are located. Both investments will be managed by Alpha Investment Partners (Alpha), the Group's private property fund management vehicle.

SCALE UP COMMERCIAL PRESENCE

The Group is expanding its commercial portfolio to capitalise on the rising demand for prime office and retail space in Asia as well as to grow a steady recurring income stream to balance the cyclical nature of the property development business. The new developments announced in 2014, together with the recent London acquisition, will add about 393,000 sm of gross floor area to its current portfolio of overseas commercial properties, totalling about one million sm of prime office and retail space over the next few years.

In Indonesia, Keppel Land is redeveloping International Financial Centre Jakarta Tower 1, which is located at Jalan Sudirman, into a state-of-the-art office tower as Tower 2 progresses towards completion at the end of 2015. In Vietnam, Keppel Land has held on to its pole position with the development of Saigon Centre Phase 2 in Ho Chi Minh City, which will comprise a retail podium and an office-cum-serviced apartment tower. The Group is also proceeding with an office and retail development under Phase 2 of the SM-KL project in the Ortigas central business district (CBD) in Manila, the Philippines.

Leveraging our first-mover advantage in Myanmar, we entered into a joint venture to acquire a 40% stake in a 23-storey Grade A office development in Yangon's CBD. When completed, the office tower will cater to the multinational and foreign companies entering Yangon as the country opens up its economy.

To further strengthen our capability in retail management, Keppel Land acquired a 75% stake in Array Real Estate (Array), which has an experienced team involved in the development and management of three million sf of retail space. This will allow us to leverage Array's expertise and network to capture opportunities in the development and management of commercial and mixed-use projects in Singapore and overseas.

RECYCLE CAPITAL TO MAXIMISE RETURNS

As part of the Group's capital recycling strategy, Keppel Land divested several assets in Singapore and overseas during the year, including its one-third interest in Marina Bay Financial Centre (MBFC) Tower 3, a 65% stake in Equity Plaza as well as its stakes in Al Mada Towers in Jeddah, Saudi Arabia, and Elita Garden Vista in Kolkata, India.

Net proceeds of \$1 billion from these divestments will be redeployed to grow our presence in key markets, to seize opportunities in developed and emerging markets as well as to invest in new platforms. In 2014, the Group committed \$1.1 billion to investments in new projects and subsequent phases of existing projects.

Keppel Land's strong balance sheet, with a low gearing of 0.2 times and a strong cash position of \$2.6 billion as at end-2014, will give us the financial strength to capitalise on attractive opportunities as they arise.

GROW FUND MANAGEMENT

2014 was an active year for our property fund management vehicles, Keppel REIT and Alpha whose combined assets under management have grown to \$18.7 billion as at end-2014 from \$17.7 billion a year ago.

In 2014, Keppel REIT further strengthened its position as the leading landlord of Grade A offices in Singapore with the acquisition of a one-third stake in MBFC Tower 3 and divestment of its 92.8% interest in Prudential Tower. As at end-2014, Keppel REIT achieved 100% committed occupancies at nine of its office towers in Singapore and Australia.

Alpha Asia Macro Trends Fund II, a fund managed by Alpha, expanded its investment portfolio with several prime acquisitions in Taipei, Shanghai and Seoul while Alpha's fully-invested funds, Alpha Core Plus Real Estate Fund and Alpha Asia Macro Trends Fund, divested a total of five properties in Singapore and Tokyo.

In 2014, the Group committed \$1.1 billion to investments in new projects and subsequent phases of existing projects.

01

The West Vista residential project is located in the rapidly growing West Jakarta area.

DRIVE SUSTAINABILITY AND INNOVATION

The Group remains committed to advance its efforts in sustainability and innovation in its continued drive for excellence. Keppel Land jumped from 17th to fourth position in the prestigious Corporate Knights Global 100 Most Sustainable Corporations in the World ranking for 2015. This is the first time an Asian company has made it to be among the Top 10 companies. Keppel Land continued to be featured in the RobecoSAM Sustainability Yearbook 2015 for the fifth consecutive year. It was only one of two Singapore companies to be included in the Yearbook.

In recognition of our contribution to ASEAN's economic growth and progress, Keppel Land was named the Most Admired ASEAN Enterprise under the corporate excellence category at the ASEAN Business Awards.

Affirming our commitment as a green developer, the Group currently has in its portfolio a total of 47 Green Mark awards conferred by the Building and Construction Authority (BCA) of Singapore. Total savings from these developments are estimated at over 125 million kWh, or \$30 million per annum. In recognition of its environmental stewardship, Keppel Land was named the BCA Green Mark Champion at the BCA Awards 2014.

Demonstrating our brand tagline "Thinking Unboxed", Keppel Land won the Innovation Luminary Award at the Channel NewsAsia Luminary Award 2014 for excellence in innovation. In addition, Ocean Financial Centre bagged the Gold Award for Best Innovation Green Building category at the 2014 MIPIM Asia Awards.

Safety takes top priority as one of the Group's core values and is an integral aspect of its business operations. Keppel Land had zero fatalities for all its development projects in 2014 and garnered the International Safety Award with merit for our commitment in ensuring good workplace safety and health. In recognition of our



efforts in promoting workplace health, Keppel Land was conferred the Platinum Award at the Singapore HEALTH Award 2014.

At Keppel Land, people are our most valuable asset and remain central to the execution of our strategy. We recognise the importance of attracting, retaining and engaging the right talent and have implemented initiatives to build up our bench strength. Opportunities are given to our people to grow in different roles through planned rotation.

In 2014, the Group won three awards at the 2014 Singapore HR Awards, including the Leading HR Practices in Learning & Human Capital Development, Talent Management, Retention & Succession Planning, and Compensation & Rewards Management. This is an affirmation that we are heading in the right direction in our efforts to build up a strong pool of human capital.

VOLUNTARY UNCONDITIONAL CASH OFFER

On 23 January 2015, Keppel Corporation, which owned 54.6% of Keppel Land as at that date, made a voluntary unconditional cash offer for all the remaining shares of Keppel Land. The offer is two-tier with a base offer price of \$4.38 per share, and a higher offer price of \$4.60 per share if the acceptance level exceeds 90% for the remaining shares that Keppel Corporation did not own as at 23 January 2015.

The rationale for the offer is for Keppel Corporation to further grow as a strong conglomerate with sizeable contributions from all of its three core businesses. The offer will also allow Keppel Corporation to further develop and achieve greater scale for the property business leveraging the Keppel Group's financial and organisational strengths.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to thank our shareholders, customers and business partners for their continued support for the Group.

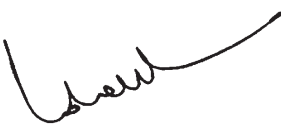
My appreciation also goes out to our Directors for their guidance in navigating the Company through these challenging times. The hard work and commitment of the management team and employees must also be acknowledged.

We would like to express our gratitude to the late Mr Teo Soon Hoe, Senior Advisor to the Board since 1 June 2014 and a Director from 1991 to 2012. Mr Teo played a key role in Keppel Land's transformation to a leading property company, helping to guide the Company through the Asian and Global financial crises.

We extend our deep appreciation to our two long-serving Directors who have retired from the Board, Mr Lim Ho Kee and Professor Tsui Kai Chong, who have each served close to 13 years. We are pleased to welcome Mr Chan Hon Chew as a non-independent, non-executive Director to the Board. With his wealth of experience and in-depth expertise in corporate finance and strategy, I am confident that he will be a strong asset to the Board.

Although 2015 is expected to be another challenging year, I am confident that Keppel Land will be able to ride through the challenges with guidance from the Board, strong commitment of its management team and staff as well as continued support from all stakeholders.

Yours sincerely,



LOH CHIN HUA
CHAIRMAN
17 February 2015

The Group remains committed to advance its efforts in sustainability and innovation in its continued drive for excellence.

ANG WEE GEE
CEO

While our strategy in property development and property fund management remains unchanged, we have sharpened our business focus, proactively recycled assets to maximise returns as well as embarked on new strategic platforms and investment approaches.



Can you give us insights into any strategy change for Keppel Land since you took over as CEO two years ago?



Since taking the helm at Keppel Land on 1 January 2013, my main priority has been to chart a path to achieve sustainable growth for the future. While our strategy in property development and property fund management remains unchanged, we have sharpened our business focus, proactively recycled assets to maximise returns as well as embarked on new platforms and investment approaches.

Over the past two years, we have established greater geographical focus in our property development business. While concentrating on our core markets of Singapore and China, and growth markets of Indonesia and Vietnam, we have also set our sights on the key cities in these markets. In China, the cities are Shanghai, Beijing, Chengdu, Tianjin and Wuxi, while in Indonesia, it is Jakarta, and in Vietnam, it is Ho Chi Minh City. We have deepened our presence in these cities with the acquisition of new residential and mixed development sites, increased our stake in an existing residential project and embarked on new phases of existing projects.

We acquired well-located residential sites in Tiong Bahru, in Singapore as well as in Sheshan, in Shanghai and within the Sino-Singapore Tianjin Eco-City.

We have also increased our footprint in Indonesia with two prime residential sites in West Jakarta. Strengthening our commercial portfolio, we acquired a stake in a completed retail mall, Life Hub @ Jinqiao in Shanghai. Confident about the recovery of the residential market in Ho Chi Minh City, we raised our stake in Estella Heights in Vietnam. Notwithstanding the countries and cities mentioned, we will also invest opportunistically, while monitoring promising markets with the potential for growth into key markets.

In an increasingly dynamic business environment, we need to strengthen our capabilities, scale up and build platforms to compete more effectively against our competitors.

In the past few years, we have expanded our commercial presence in Asia, namely Beijing, Tianjin, Jakarta, Ho Chi Minh City, Yangon and Manila. This allows us to draw on our experience as a developer of award-winning and sustainable office buildings in Singapore and our network of international blue-chip tenants. Before, we would undertake greenfield projects from scratch and take the lead in joint ventures. We have since taken a new investment approach, including buying into a completed development like Life Hub @ Jinqiao in Shanghai, and taking a minority stake in an office project in Yangon.

We have an active capital recycling strategy and will continue to step up efforts in this approach to grow our business. In the last two years, we have divested our interests in Marina Bay Financial Centre (MBFC) Tower 3 and Equity Plaza in Singapore, and sold our stakes in Al Mada Towers in Saudi Arabia, Jakarta Garden City and Hotel Sedona Manado in Indonesia as well as Elita Garden Vista in India. Unlocking our investment in these assets has allowed us to streamline our business and be more focused in the allocation of our resources in key countries and cities. For example, we have exited from Manado and will focus on Greater Jakarta in Indonesia.

Our fund management business comprising Keppel REIT and Alpha Investment Partners (Alpha) form an important part of our strategy to provide us with a steady recurring income. We will also look for ways to harness the synergies between our property development and fund management businesses. The divestment of MBFC Tower 3 to Keppel REIT has grown the fund management business by increasing the AUM of the REIT and also sealed its position as the leading landlord in Singapore's Raffles Place and Marina Bay financial area. We will continue to explore collaboration opportunities with Alpha on projects which fit our overall strategy. In 2013, we teamed up with Alpha to buy into Life Hub @ Jinqiao which provides another way for us to grow our overseas commercial portfolio instead of doing so organically. Further afield, we have planted seeds opportunistically in New York and London, and Alpha will be managing the two assets in these gateway cities, capitalising on its network in these markets.

To scale up our operations, we have forged strategic alliances with reputable companies. This allows us to leverage our partners' experience and networks as we move into new frontiers. We tied up with China Vanke, one of China's foremost property developers, to jointly develop properties in Singapore and China. Capitalising on our experience in developing quality homes in Singapore, we took the majority stake in The Glades at Tanah Merah. Conversely, leveraging China Vanke's knowledge and deep insights in the local markets, China Vanke will take the lead role in the development of a prime large-scale residential project in Chengdu. To strengthen our retail expertise, we acquired a majority stake in Array Real Estate, a retail management company with a proven track record. This will give us an edge in seizing opportunities in new retail and mixed-use developments in Singapore and overseas.



How do the new Vision and Mission dovetail with your strategy?



As the external environment changes and we move into a new phase of growth, we should continually reflect on and articulate how we can be relevant as an organisation. Our new Vision and Mission keep us focused on our goal to grow Keppel Land into a leading property company providing innovative real estate solutions to address the urbanisation needs in Asia into the future. Our new Mission encompasses the culture and core values of the Keppel Group, and addresses all stakeholders. We believe that all stakeholders' interests must be taken into consideration in the conduct of our business.



What are the steps taken to improve the Company's performance through innovation and talent management?



Innovation must be inherent in everything that we do – in our structures, systems, processes and our people. We aim to foster an open, collaborative, innovative and entrepreneurial culture where new ideas can flourish. It is this spirit of constantly looking out for ways to improve by doing things differently which sets us apart from other industry players in this highly competitive landscape. Hence, a new brand tagline,

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After the sale of interest in MBFC Tower 3, will you continue to develop commercial projects in Singapore or shift your focus to investing overseas instead?



The divestment of MBFC Tower 3 to Keppel REIT, as part of our strategy to actively recycle assets to maximise returns, has strengthened our financial position and enabled us to pursue opportunities to replenish our commercial landbank in Singapore and overseas.

We remain substantially invested in the office sector in Singapore through our 45.1% stake in Keppel REIT, which owns about 2.6 million sf of attributable net lettable area of prime office space in Singapore. While we continue to seek opportunities to acquire more commercial landbank in the Raffles Place and Marina Bay financial district, we will also look at commercial sites in suburban business districts, where demand for office and retail space is expected to grow.

With key cities in Asia seeing a growing demand for prime office and retail space due to rising affluence, consumption and urbanisation, it is opportune for us to enter into these markets and strengthen our commercial portfolio. As such, we have invested in cities with good growth potential and currently have about 830,000 sm of office space to be developed over the next few years in China, Indonesia, Vietnam, Myanmar and the Philippines. Together with completed properties Life Hub @ Jinqiao in Shanghai and 75 King William Street, an office development in London, we will own about one million sm of prime office and retail space when the developments are completed.

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Keppel Land and China Vanke have extended their strategic alliance into China with a 16.7-hectare prime residential site in Chengdu, which will be developed into high-rise apartments and retail shops.



What are some key risks and challenges in 2015, and what are your plans to achieve growth for the Company?

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Well-located projects with strong value propositions, such as Highline Residences in Singapore, continue to draw positive interest from homebuyers.



Looking ahead, we remain sanguine on the outlook for the property market even as the US recovery gains traction and China relaxes its stringent property measures to counter the effects of slower GDP growth. Barring external shocks, 2015 may be a better year as we remain optimistic about the long-term prospects of Asia's property markets, with their strong fundamentals such as continued economic growth, rising urbanisation and a growing middle-class.

In Singapore, the impact of property measures on the market has been apparent, with private home sales dropping by more than 50% year-on-year and some developers offering large discounts to move sales. Fortunately, we did not have to cut prices for our projects as we continued to achieve reasonably good sales amidst the challenging market. Our well-located projects with strong value propositions are likely to hold their value better.

As the relaxation of the Chinese government measures filters into the market and banks offer better mortgage terms, sentiments are expected to improve in 2015. We will continue to monitor the market closely and time our launches accordingly. Our landbank in China puts us in a good position to ride on the market recovery and capture any pent-up demand for quality homes.

In Indonesia and Vietnam, market conditions remain positive and housing demand is increasing. Demand for homes is expected to improve with the growing middle-class in Indonesia while the opening up of the residential market to foreigners will widen the pool of potential buyers in Vietnam.

A disciplined approach and prudent risk management have helped Keppel Land weather past crises and emerge stronger. While market sentiments may seem weak in the near term, they also present opportunities for us. Our strong balance sheet and lower debt-equity ratio put us in a good position to take advantage of opportunities when they arise.



Board of Directors



LOH CHIN HUA

Loh Chin Hua, 53
Chairman
Member, Nominating Committee
Member, Remuneration Committee
Member, Board Safety Committee

Ang Wee Gee, 53
Chief Executive Officer
Member, Board Safety Committee



ANG WEE GEE

Lee Ai Ming, 60
Member, Audit Committee
Member, Board Risk Committee

Tan Yam Pin, 74
Chairman, Remuneration Committee
Chairman, Board Safety Committee



LEE AI MING



TAN YAM PIN

**HENG CHIANG MENG**

Heng Chiang Meng, 69
Member, Audit Committee
Member, Board Safety Committee

Edward Lee Kwong Foo, 68
Chairman, Nominating Committee
Member, Remuneration Committee
Member, Board Risk Committee

Koh-Lim Wen Gin, 70
Member, Board Safety Committee

**EDWARD LEE KWONG FOO****KOH-LIM WEN GIN**

The Directors bring their diverse expertise and deep insights to the strategic governance of the Group, while safeguarding shareholders' interests.



YAP CHEE MENG

Yap Chee Meng, 59
Chairman, Audit Committee
Member, Nominating Committee
Member, Board Risk Committee

Huang Jing, 58
Member, Board Risk Committee

Oon Kum Loon, 64
Chairperson, Board Risk Committee
Member, Audit Committee

Chan Hon Chew, 49
Member, Audit Committee
Member, Board Risk Committee



HUANG JING



OON KUM LOON



CHAN HON CHEW

Senior Management



- | | |
|--|--|
| <p>1. Sam Moon Thong
 President
 Indonesia</p> | <p>6. Tan Swee Yiow
 President
 Singapore</p> |
| <p>2. Ho Cheok Kong
 President
 Keppel Land China Limited</p> | <p>7. Christina Tan Hua Mui
 Managing Director
 Alpha Investment
 Partners Limited</p> |
| <p>3. Ng Hsueh Ling
 Chief Executive Officer
 Keppel REIT Management Limited</p> | <p>8. Linson Lim Soon Kooi
 President
 Vietnam and
 The Philippines</p> |
| <p>4. Lim Kei Hin
 Chief Financial Officer</p> | <p>9. Ng Ooi Hooi
 President
 Regional Investments</p> |
| <p>5. Ang Wee Gee
 Chief Executive Officer
 Keppel Land Limited</p> | |



10. Khoo Peck Khoon
General Manager
 Keppel Land Hospitality
 Management Pte Ltd

11. Leong Chi Meng
General Manager
 Corporate Development

12. Chan Kam Fai
General Manager
 Human Resources

13. Albert Foo Cheur Wee
General Manager
 Marketing

14. Choo Chin Teck
Director
 Corporate Services

15. Lim Tow Fok
General Manager
 Property Management and
 Knowledge Management

16. Allen Tan Kuang Liang
Deputy General Manager
 Project Management
 and Sustainable Design

17. Peter Shane Jones
General Manager
 Workplace Safety and Health

Key Personnel

KEPPEL LAND LIMITED

Loh Chin Hua
CHAIRMAN

Ang Wee Gee
CHIEF EXECUTIVE OFFICER

PROPERTY INVESTMENT, DEVELOPMENT AND MANAGEMENT

KEPPEL LAND INTERNATIONAL LIMITED

Choo Chin Teck*
JOINT COMPANY SECRETARY
Keppel Land Limited
DIRECTOR, CORPORATE SERVICES
Keppel Land International Limited

Lim Kei Hin
CHIEF FINANCIAL OFFICER

* Choo Chin Teck stepped down as Joint Company Secretary on 31 December 2014 and retired on 31 March 2015.

SINGAPORE

Tan Swee Yow
PRESIDENT
Singapore

INTERNATIONAL

China
Ho Cheok Kong
PRESIDENT
Keppel Land China Limited

Vietnam and The Philippines
Linson Lim Soon Kooi
PRESIDENT
Vietnam and The Philippines

Indonesia
Sam Moon Thong
PRESIDENT
Indonesia

**India, Malaysia, Middle East,
Myanmar, Sri Lanka and Thailand**
Ng Ooi Hooi
PRESIDENT
Regional Investments

PROPERTY FUND MANAGEMENT

Ng Hsueh Ling
CHIEF EXECUTIVE OFFICER
Keppel REIT Management Limited

Kelvin Chow Chung Yip
CHIEF FINANCIAL OFFICER
Keppel REIT Management Limited
(From 2 January 2015)

Christina Tan Hua Mui
MANAGING DIRECTOR
Alpha Investment Partners Limited

Goo Li Ling
CHIEF FINANCIAL OFFICER
Alpha Investment Partners Limited
(From 1 April 2014)

HOSPITALITY MANAGEMENT

Tan Swee Yiow
DIRECTOR
Keppel Land Hospitality
Management Pte Ltd

Khoo Peck Khoon
GENERAL MANAGER
Keppel Land Hospitality
Management Pte Ltd

CORPORATE

Group Finance and Accounts
Tan Boon Ping
FINANCIAL CONTROLLER

Finance and Administration
Melissa Tan Siew Ngok
GENERAL MANAGER

Marketing
Albert Foo Cheur Wee
GENERAL MANAGER

**Project Management
and Sustainable Design**
Allen Tan Kuang Liang
DEPUTY GENERAL MANAGER

**Property Management and
Knowledge Management**
Lim Tow Fok
GENERAL MANAGER

Workplace Safety and Health
John Henry Birchall
DIRECTOR
(Retired on 6 February 2015)

Peter Shane Jones
GENERAL MANAGER
(From 16 July 2014)

Human Resources
Chan Kam Fai
GENERAL MANAGER

**Investor Relations and
Corporate Social Responsibility**
Serena Toh Lai Siong
GENERAL MANAGER

Corporate Development
Leong Chi Meng
GENERAL MANAGER

Information Technology
Kevin Chua Kee Wee
DEPUTY GENERAL MANAGER

Group Internal Audit
Jessica Cheong Weai Mun
DEPUTY GENERAL MANAGER

Risk Management
April Chang Shu Ping
ASSISTANT GENERAL MANAGER
(Up till 31 January 2015)

Yeo Hwee Pey
SENIOR MANAGER
(From 1 February 2015)

**KEPPEL LAND
CHINA LIMITED****Ho Cheok Kong**
PRESIDENT**Patrick Lim Jean Loong**
CHIEF FINANCIAL OFFICER**Ben Lee Siew Keong**
GENERAL MANAGER
Operations**William Tan Tin Kwang**
GENERAL MANAGER
Northern China**Desmond Wong Hong Kiong**
GENERAL MANAGER
Regional Head**Benjamin Kang Min Shin**
GENERAL MANAGER
Business Development
(From 4 August 2014)**Lee Eng Beng**
GENERAL MANAGER
Marketing**Tan Joo Chuah**
GENERAL MANAGER
Project Management**Wong Wai Foo**
DEPUTY GENERAL MANAGER
Property Management**Vincent See Wing Chuen**
GENERAL MANAGER
Human Resources**Daniel Chong Siew Hoe**
GENERAL MANAGER
Wuxi**Kenny Phua Boon Peow**
DEPUTY GENERAL MANAGER
Chengdu
(From 10 September 2014)**Peter Lim Meng Peng**
DEPUTY GENERAL MANAGER
Seconded to Sino-Singapore
Tianjin Eco-City Investment and
Development Co., Ltd**Frank Ong Cheng Poh**
DEPUTY GENERAL MANAGER
Sino-Singapore Tianjin Eco-City**VIETNAM AND
THE PHILIPPINES****Linson Lim Soon Kooi**
PRESIDENT
Vietnam and The Philippines**Doan Anh Hung**
GENERAL MANAGER
Vietnam**Joseph Low Kar Yew**
DEPUTY GENERAL MANAGER
Operations**Lee Foo Tuck**
PRESIDENT
Keppel Philippines Properties, Inc.

INDONESIA

Sam Moon Thong
PRESIDENT
Indonesia

Wong Chee Wai
DEPUTY GENERAL MANAGER
Operations

Paul Ngu Doh Ming
SENIOR MANAGER
Surabaya
(Up till March 2015)

REGIONAL INVESTMENTS

Ng Ooi Hooi
PRESIDENT
Regional Investments

India and Middle East
Bernard Kong Yoon Leng
PRESIDENT
India and Middle East
(Retired on 2 January 2015)

Yeo Chee Kian
DEPUTY GENERAL MANAGER
Bangalore

Adris Bin Isnin
ASSISTANT GENERAL MANAGER
Kolkata
(Up till 17 July 2014)

Myanmar
Goh York Lin
PRESIDENT

Thailand
Oh Lock Soon
MANAGING DIRECTOR
Keppel Thai Properties
Public Company Limited

Malaysia
Steven Shum Wing On
DEPUTY GENERAL MANAGER

Sri Lanka
R. Pannir Chelvam s/o Ramaya
DEPUTY GENERAL MANAGER



NO. OF MEETINGS

170



NO. OF CONFERENCES

12



NO. OF SITE VISITS

25

ADDRESSING CONCERNS OVER MARKET UNCERTAINTIES

2014 was a difficult year as home sales in Singapore and China were affected by property tightening measures imposed by the governments. Despite these headwinds, Keppel Land's management remains positive about the longer term outlook for the respective property markets, and expects a resurgence of pent-up demand when these measures are lifted.

During the year, the investment community raised concerns over the sluggish residential market outlook and the Company's lack of commercial property exposure in Singapore following the divestment of its one-third stake in Marina Bay Financial Centre (MBFC) Tower 3 to Keppel REIT. In response, management highlighted that the Company will continue to maintain its exposure to the Grade A office market in Singapore through its 45.1% interest in Keppel REIT which owns the largest portfolio of prime office space in the central business district of Singapore with about 2.6 million sf of attributable net lettable area.

In addition, the Company is expanding its commercial presence overseas in key cities in Asia such as Jakarta in Indonesia, Ho Chi Minh City in Vietnam, Yangon in Myanmar and Manila in the Philippines, where the demand for quality office and retail space is strong.

While China's property market is still under pressure due to the home purchase restrictions, management assured investors that market sentiments have improved following the recent relaxation on mortgages and cuts in interest rates. With its healthy pipeline in China, the Company is confident of its ability to ride on the market recovery.

REINFORCING THE COMPANY'S STRATEGY

In 2014, management and the Investor Relations (IR) team focused on communicating and reiterating the Company's key initiatives. Management participated in investor meetings and roadshows to keep analysts and fund managers updated on the Company's business strategy and direction.

FOCUSING ON KEY MARKETS

Management emphasised that the Company will continue to focus on its key markets in Asia, but will also invest strategically in new platforms and markets. In July 2014, Keppel Land partnered Macklowe Properties to invest in a prime residential development in New York City. Keppel Land will benefit from Macklowe's expertise and local market knowledge while Alpha Investment Partners, Keppel Land's private equity fund management vehicle, will build up its track record through managing the investment.

In December 2014, Keppel Land acquired a 75% stake in Array Real Estate (Array). Management explained that the investment will allow the Company to leverage Array's network and expertise to strengthen its retail management capability, which will be of value in the development of large-scale mixed-use projects.

GROWING COMMERCIAL PRESENCE OVERSEAS

To build up a stream of recurring income, management highlighted the Company's strategy to step up its commercial presence overseas through the redevelopment of International Financial Centre Jakarta Tower 1 as Tower 2 nears completion in Jakarta, Indonesia as well as the development of an office tower at Saigon Centre Phase 2 in Ho Chi Minh City, Vietnam, and an office and retail complex at SM-KL project Phase 2 in Manila, the Philippines. The Company also entered into a conditional joint venture to develop a Grade A office tower in Yangon, Myanmar. Keppel Land will hold a 40% stake in the office tower.

MAXIMISING RETURNS THROUGH UNLOCKING VALUE AND RECYCLING CAPITAL

As part of its capital recycling strategy, Keppel Land actively reviews its portfolio and pursues monetisation opportunities for its assets so that capital can be redeployed into new investments. During the year, the Company divested its stakes in MBFC Tower 3, Equity Plaza and two data centres in Singapore as well as overseas projects Elita Garden Vista in Kolkata, India and Al Mada Towers in Jeddah, Saudi Arabia. These divestments provided \$1 billion in net proceeds.

Proceeds from these divestments will be redeployed to grow the Group's presence in its key markets, invest strategically to strengthen capabilities as well as allow the Group to seize investment opportunities in other markets. In 2014, Keppel Land committed \$1.1 billion to investments in new projects and subsequent phases of existing projects.

ACTIVELY ENGAGING INVESTORS

In 2014, Keppel Land held about 170 meetings with analysts and fund managers across Singapore, Malaysia, Hong Kong, Japan, United Kingdom and United States. Management and the IR team also participated in investor conferences and roadshows in Singapore and overseas, organised by brokerages including Bank of America-Merrill Lynch, Citibank, Credit Suisse, Nomura, Deutsche Bank, Morgan Stanley, Mizuho and CIMB.

The IR team hosted a total of 25 visits to the Group's projects

01

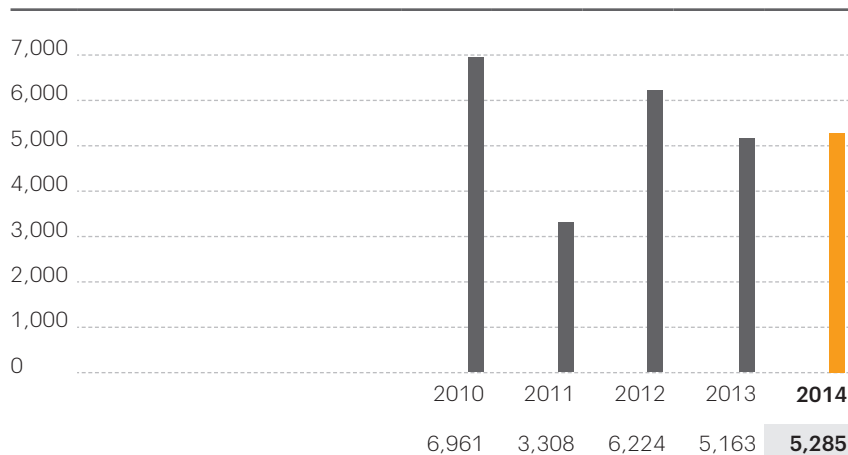
Senior management engaging media and analysts at the Company's results briefing.

in Singapore and China for fund managers and analysts to gain a better understanding of the market conditions and view the Company's projects. They visited projects such as Highline Residences, the iconic Reflections at Keppel Bay and the award-winning MBFC in Singapore. They also visited several projects in China including Park Avenue Heights and The Botanica in Chengdu, 8 Park Avenue, The Springdale and Life Hub @ Jinqiao in Shanghai as well as Central Park City in Wuxi.

CONTINUING COMMITMENT TO BEST SUSTAINABLE PRACTICES

The socially responsible investment market is fast growing in size and Keppel Land is committed to uphold the highest standards of environmental, social and governance (ESG) practices. Keppel Land was ranked fourth in the prestigious Corporate Knights' 11th annual Global 100 Most Sustainable Corporations in the World 2015, up from 17th position in the previous year. It was the only Asian company to have made it to Top 10 in the ranking.

MARKET CAPITALISATION OF KEPPEL LAND
as at end of year (\$ million)



Keppel Land's inclusion in the RobecoSAM Sustainability Yearbook 2015, the Dow Jones Sustainability World and Asia Pacific indices as well as the MSCI Global Sustainability and Socially Responsible indices will raise the Company's international profile and exposure to ESG funds. It was one of only two companies in Singapore to be included in the Sustainability Yearbook 2015.

Keppel Land clinched the Innovation Luminary Award at the Channel

NewsAsia Luminary Awards 2014, which honoured companies for excellence in innovation. The Company was also conferred the 2014 Asia Excellence Brand Award by Yazhou Zhoukan, a well-known Chinese current affairs magazine which recognises notable influential brands.

Keppel Land will continue to push forward its capability building through sustainability and innovation.

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Affirming the Company's longstanding commitment to strong corporate governance, Keppel Land was ranked 6th in the Governance & Transparency Index 2014 as one of the best governed and most transparent companies in Singapore. CFO Mr Lim Kei Hin (right) received the award on behalf of the Company.



INVESTOR RELATIONS CALENDAR

The investor relations team continues to actively engage the investment community to provide a balanced perspective of Keppel Land.



1Q 2014

- Announcement of 2013 financial results with a joint media and analysts' briefing
- Participated in Nomura ASEAN All Access and Bank of America-Merrill Lynch ASEAN Stars conferences in Singapore, Credit Suisse Asian

Investment Conference in Hong Kong, Citigroup's 19th Annual Global Property CEO Conference in Florida, the US, and Nomura Asean All Access Conference in London, the UK

- Hosted project and site visits across Chengdu, Shanghai, Wuxi and Tianjin in China



2Q 2014

- Announcement of 1Q 2014 results
- Annual General Meeting
- Hosted project and site visits in Singapore and Shanghai

- Participated in Deutsche Access Asia and Nomura Investment Forum Asia conferences in Singapore and CIMB Annual Asia Pacific Conference in Kuala Lumpur, Malaysia



3Q 2014

- Announcement of 1H 2014 results with joint media and analysts' briefing
- Participated in Mizuho Investment Conference in Tokyo, Japan

- Hosted project and site visits in Singapore and Chengdu
- Announcement of the divestment of a one-third interest in MBFC Tower 3 to Keppel REIT with joint media and analysts' briefing



4Q 2014

- Announcement of 3Q 2014 results
- Participated in non-deal roadshows with Nomura in Hong Kong and DBS Vickers in the US

- Participated in Morgan Stanley Asia Pacific Summit in Singapore
- Hosted project and site visits in Singapore and Tianjin

Corporate Milestones

JANUARY

- Mr Loh Chin Hua was appointed Chairman of Keppel Land.
- Keppel Land acquired a three-hectare site in West Jakarta, Indonesia, to develop a high-rise condominium with ancillary shophouses.

MAY

- Following the successful Words on Wheels programme in Hanoi, Vietnam, Keppel Land again partnered Singapore International Foundation to bring the mobile library to Ho Chi Minh City.

JULY

- Keppel Land announced that it will increase its stake in Estella Heights in Ho Chi Minh City from 55% to 98%.
- Keppel Land made its maiden investment in the United States, partnering Macklowe Properties in a residential development in Manhattan, New York City.

- Keppel Land divested its 37.7% interest in Elita Garden Vista, a residential development in Kolkata, India.

AUGUST

- Keppel Land and Alpha Investment Partners divested their respective 65% and 35% interests in Equity Plaza.

SEPTEMBER

- Keppel REIT divested its 92.8% interest in Prudential Tower.
- Keppel Land partnered Royal Philips to replace existing conventional office lamps with energy-efficient LED lighting on a zero capital expenditure scheme. This will reduce lighting energy consumption in its office premises by up to 60%.

OCTOBER

- Keppel Land progressed with the development of a 37-storey office tower in Phase 2 of Saigon Centre in Ho Chi Minh City.

- The Company announced expansion plans for the SM-KL project in Manila, the Philippines. Phase 2 will comprise a 42-storey office building and an extension of the existing retail mall, The Podium.
- Keppel Land unveiled plans to redevelop International Financial Centre Jakarta Tower 1 into a new 49-storey office tower.
- The Company divested its 51% interest in Al Mada Towers, a condominium development in Jeddah, Saudi Arabia.

NOVEMBER

- Keppel Land announced the divestment of its 30% stake in two data centres in Singapore and subscribed for a 4.9% interest in Keppel DC REIT, Asia's first listed data centre REIT.
- The Company, through its 30%-owned Keppel Data Centres Holding, acquired Almere Data Centre 2 in Almere, the Netherlands.

DECEMBER

- Keppel Land divested its one-third interest in Marina Bay Financial Centre Tower 3 to Keppel REIT.
- Keppel Land entered into a joint venture to develop a 23-storey office tower in Yangon's central business district which will be part of the Junction City mixed-use development in Myanmar.
- Keppel Land announced the acquisition of a 75% stake in retail management company, Array Real Estate, to strengthen its commercial expertise.
- Keppel Hong Xiang Management (Shanghai) Co. Ltd was awarded Regional Headquarters status. It is the management company of Keppel Land China and manages all the Company's projects in China.



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Keppel Land has moved ahead into the next phase of developing a 37-storey office tower in Saigon Centre Phase 2 in Ho Chi Minh City.



02

For its economic and social contributions, Keppel Land China was ranked among the Top 10 ASEAN Companies in China for the third consecutive year.

CORPORATE RECOGNITION

GLOBAL 100 MOST SUSTAINABLE CORPORATIONS IN THE WORLD

Keppel Land was ranked fourth in Corporate Knights' Global 100 Most Sustainable Corporations in the World 2015, placing it first in Asia and in real estate companies worldwide. This is also the first time an Asian company has made it to be among the Top 10 positions.

TOP 10 ASEAN COMPANIES IN CHINA

Keppel Land China was listed amongst the Top 10 ASEAN Companies in China by the China-ASEAN Business Council in 2015. It is the only company that has won the accolade for three consecutive years.

ASEAN BUSINESS AWARDS

Keppel Land was named the region's Most Admired ASEAN Enterprise under the corporate excellence category (large-size company) at the ASEAN Business Awards 2014.

SIAS INVESTORS' CHOICE AWARDS

The Company was runner-up for the Most Transparent Company Award for real estate companies in 2014.

GOVERNANCE AND TRANSPARENCY INDEX

Keppel Land was ranked sixth out of 644 companies in the Governance and Transparency Index 2014, organised by The Business Times and Centre for Governance, Institutions and Organisations.

BCI ASIA AWARDS

Keppel Land was listed among the Top 10 developers in Singapore and Vietnam at the BCI Asia Awards 2014.

CNA LUMINARY AWARDS

Recognised for its excellence in innovation, Keppel Land was conferred the Channel NewsAsia Innovation Luminary Award 2014.

EUROMONEY REAL ESTATE AWARDS

Keppel Land garnered eight awards at the Euromoney Real Estate

Awards 2014, including Best Developer, Best Residential Developer and Best Office/Business Developer in Singapore and Vietnam as well as Best Leisure/Hotel Developer in Singapore and Best Mixed-use Developer in Vietnam.

CORPORATE SOCIAL RESPONSIBILITY

THE SUSTAINABILITY YEARBOOK

For the fifth consecutive year, Keppel Land is listed in The Sustainability Yearbook 2015, placing it among the top 15% of companies worldwide in sustainability leadership.

SUSTAINABILITY INDICES

Keppel Land is a component of the Dow Jones Sustainability World and Asia Pacific Indices 2014/2015 for the fourth and fifth year respectively. The indices follow a best-in-class approach and measure the performance of sustainability leaders worldwide.

The Company also retained its position on both the MSCI Global Socially Responsible and Sustainability Indices since 2012 and 2013 respectively, and was listed on the MSCI World Environmental, Social and Governance Index of large and mid-cap developed market companies.

LEADING IN BEST PRACTICES

Keppel Land was named Winner in the Energy Management category at the Sustainable Business Awards 2014.

At the inaugural Asia Pacific Regional Network Leadership Awards in Green Building by the World Green Building Council, Keppel Land was named one of the winners under the category of Business Leadership in Sustainability.

Tanah Sutera, the management company of Taman Sutera, Keppel Land's integrated township development in Johor, Malaysia, clinched the Merit Award (Regional) at the Singapore Environmental Achievement Awards for its contributions towards environmental sustainability.

The Sino-Singapore Tianjin Eco-City was named National

Green Building Base by the China Green Building Council while its Low Carbon Living Lab was conferred 3 stars by China's Green Building Design Label.

GREEN MARK AWARDS

Keppel Land swept a total of 12 awards at the annual Building and Construction Authority of Singapore (BCA) Awards, including the prestigious BCA Green Mark Champion Award, BCA Green Mark Platinum Award and BCA-IDA Green Mark Platinum Awards for Keppel Datahub 2, BCA Green Mark Platinum Awards for Keppel Bay Tower and Bugis Junction Towers as well as BCA Universal Design Mark Gold^{Plus} Award for Corals at Keppel Bay. Marina Bay Financial Centre (MBFC) Phase 2 and Madison Residences were conferred BCA Construction Excellence Awards.

INTERNATIONAL SAFETY AWARDS

Keppel Land's excellence in workplace safety management was recognised at the International Safety Awards held in London on 25 April 2014.

BIZSAFE MENTOR BY WORKPLACE SAFETY AND HEALTH (WSH) COUNCIL

Keppel Land is one of only nine

companies in Singapore to be named bizSAFE Mentor (2013-2015) for its exemplary WSH management and performance.

WORKPLACE SAFETY AND HEALTH AWARDS

One Raffles Quay (ORQ) and MBFC won the Safety and Health Award Recognition for Projects (SHARP) for two consecutive years for their good safety and health performance as well as WSH management systems.

BCA DESIGN & ENGINEERING SAFETY EXCELLENCE AWARD

Marina Bay Suites (MBS) clinched the BCA Design & Engineering Safety Excellence Award in the Residential category for excellence in safety performance as well as design and engineering works.

SUSTAINABLE DEVELOPMENTS

Ocean Financial Centre (OFC), ORQ and Prudential Tower were awarded the Water Efficient Building (Silver) certification by PUB.

Highline Residences and The Glades attained the Landscape Excellence Assessment Framework certification by the National Parks Board for their outstanding green landscaping.

SINGAPORE HR AWARDS

The Company was recognised for Leading HR Practices in Learning and Human Capital Development, and accorded special mentions in the Talent Management, Retention and Succession Planning as well as Compensation and Rewards Management categories.

ASIA BOATING AWARDS

Marina at Keppel Bay was conferred Green Maritime Company of the Year at the Asia Boating Awards 2014.

PRODUCT EXCELLENCE

FIABCI SINGAPORE PROPERTY AWARDS

OFC and MBS were conferred the FIABCI Singapore Property Awards under the Office and Residential (High Rise) categories respectively at the FIABCI Singapore Property Awards in 2014.

SINGAPORE GOOD DESIGN MARK

Keppel Land was conferred the Singapore Good Design Mark Gold Award for the Vertical Garden at OFC and the Standard Mark Awards for the building's architecture as well as the multi-touch interactive media screen and Sliding Integrated Multi-function Movable wall system at The Glades.

SOUTH EAST ASIA PROPERTY AWARDS

International Financial Centre Jakarta Tower 2 was conferred the Best Commercial Development in Indonesia and Best Green Development at the South East Asia Property Awards 2014.

MIPIM ASIA AWARDS

OFC clinched the Gold Award for Best Innovative Green Building at the 8th MIPIM Asia Awards 2014.

YAZHOU ZHOUKAN ASIA EXCELLENCE BRAND AWARDS

Keppel Land was conferred the Asia Excellence Brand Award 2014 by Yazhou Zhoukan (亚洲周刊), the only company representing Singapore to have won the award.

EXCELLENCE IN HOSPITALITY

Sedona Hotel Yangon's Royal Sedona Suites was named Myanmar's Leading Hotel Suite, while Sedona Suites Ho Chi Minh City won the title of Vietnam's Leading Serviced Apartments at the World Travel Awards 2014.

At the Asian Golf Awards 2014, Ria Bintan Golf Club was named Best Golf Course in Indonesia and

second runner-up for Best Golf Course in Asia Pacific. Spring City Golf & Lake Resort (Spring City) clinched second runner-up for Best Golf Course in China. Spring City was also named Top Golf Course in China by Golf Magazine (China Edition).

Marina at Keppel Bay was re-accredited with the 5 Gold Anchors in 2014, the highest accreditation under the International Rating Scheme for Marinas by the Marina Industries Association (Australia).



01



02



03

01

Keppel Land garnered a total of 12 awards at the BCA Awards 2014, including the prestigious BCA Green Mark Champion Award.

02

OFC continues to be recognised for its architectural and eco excellence, garnering numerous awards in 2014.

03

Mr Tan Swee Yiow (far right), President of Keppel Land (Singapore), received the Business Leadership in Sustainability Award from Dr Vivian Balakrishnan (second from right), Minister for the Environment and Water Resources, at the World Green Building Council Asia Pacific Regional Network Leadership Awards.

Seizing Opportunities

Our in-depth knowledge, networks and strong execution skills position us as a property developer and partner of choice.

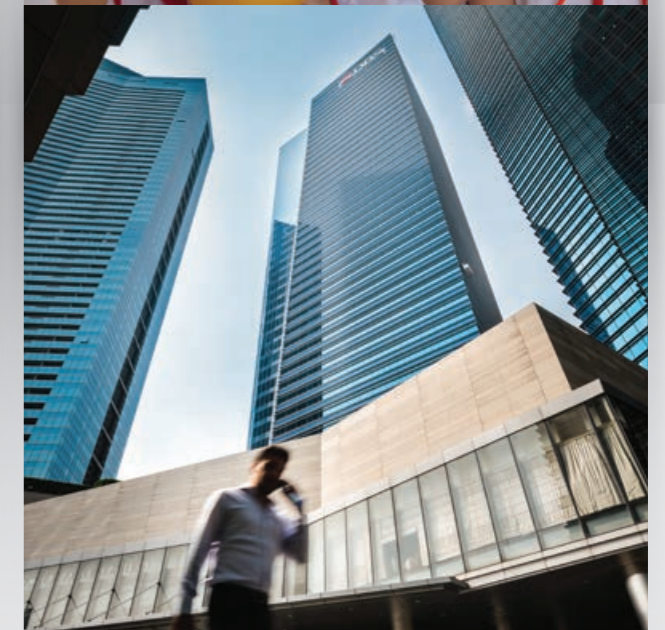
Keeping ahead of the changing business environment, we challenge ourselves to think unboxed to create value. We embrace sustainability and are committed to shaping the future with the community.

CAPTURING VALUE

With adaptable and competent local teams, we tap on opportunities in promising markets and focus on cities where we have established presence. At the same time, we exercise discipline in our drive for operational efficiency, strong performance, prudent financial management and sound investments.

LEVERAGING STRENGTHS

Synergising the Group's strengths and wide networks, we collaborate to seize opportunities and optimise value innovatively. We seek out and build valuable partnerships where our complementary competencies allow us to strengthen our market presence and product offerings.



Our Strategy



Focus

Deepen presence in core and growth markets

- Focus on key cities of Singapore, Beijing, Shanghai, Chengdu, Wuxi, Tianjin, Jakarta and Ho Chi Minh City.

Grow commercial presence overseas

- Leverage expertise as a leading developer of prime office buildings to tap potential demand for quality office and retail space in the region.

Recycle capital to maximise returns

- Actively review portfolio to unlock value and redeploy capital into other projects and new platforms.

Focus on sustainability and innovation

- Harness human capital, technology and innovation to drive better performance.



Seizing Opportunities

Scale up in key markets

- Extended strategic alliance with China Vanke with the development of a prime residential site in Chengdu, China.
- Broadened footprint in Jakarta, Indonesia, by acquiring a second residential site in West Jakarta.
- Increased stake in Estella Heights in Ho Chi Minh City, Vietnam, from 55% to 98%.

Build new capabilities and develop other markets

- Acquired a 75% stake in retail management company Array Real Estate.
- Invested opportunistically in a prime residential site in Manhattan, New York, US.
- Ventured into the office market in London, UK

Embark on new commercial projects which will add 393,000 sm GFA

- Redeveloping International Financial Centre Jakarta Tower 1 in Indonesia.
- Developing an office tower for Phase 2 of Saigon Centre in Ho Chi Minh City, Vietnam.

- Expanding the SM-KL project with an office and retail development under Phase 2 in Manila, the Philippines.

- Acquired a 40% stake in an office development in Yangon, Myanmar.

Monetise assets, realising \$1 billion in net proceeds

- Divested several assets in Singapore, India, Saudi Arabia and Indonesia.

Grow fund management business

- Grew assets under management to \$18.7 billion as Keppel REIT and Alpha Investment Partners acquired and divested assets selectively.

Continually improve sustainable and innovative practices

- Adopted an online system to report non-conformance of health and safety practices on-site for projects in Singapore.
- Collaborating with Royal Philips to replace existing office lamps with energy-efficient LED lighting at zero capital expenditure.
- Set up new staff lounge to encourage interaction and collaboration.
- Rolled out a quarterly lecture series, K'onversations, to encourage a culture of innovation within the organisation.

Delivering Value



GREW NET ASSET VALUE PER SHARE TO

\$4.95

as at end-2014 compared with \$4.52 as at end-2013



HIGHER PROPOSED DIVIDEND OF

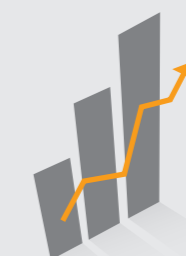
14 cents

per share for 2014 compared with 13 cents for 2013

DOUBLED CASH POSITION TO

\$2.6b

as at end-2014, from \$1.3 billion as at end-2013



IMPROVED ECONOMIC VALUE ADDED TO

\$417.1m

in 2014 compared with \$126m in 2013



ACHIEVED

zero fatalities in 2014

MOVED UP TO

4th position

from 17th position in Corporate Knights' Global 100 Most Sustainable Corporations 2015



ACHIEVED TOTAL ENERGY SAVINGS OF

125m kWh per annum

which is equivalent to the amount of energy needed to power 22,000 HDB apartments for a year



ADDED

7 new BCA Green Mark awards

in 2014, bringing the total to 47 Green Mark awards



INCREASED EMPLOYEE PARTICIPATION WITH OVER 50 STAFF INVOLVED IN 9 OVERSEAS VOLUNTEER TRIPS TOTTALING

1,836 hours

to Myanmar and Vietnam in 2014

OVERVIEW

Keppel Land will continue to deepen presence in its key markets, expand its commercial footprint overseas as well as invest strategically in new platforms and markets.



Compounded annual growth rate in total assets over the last five years

01

Keppel Land will leverage its expertise and experience as a leading developer of prime office buildings to grow its commercial portfolio in key Asian cities.

POSITIONING FOR MARKET RECOVERY

2014 has been an eventful year for Asia. The global economic recovery was slow and uneven, with geopolitical threats and the slump in global oil prices disrupting growth. The US economy registered slower growth while the Eurozone remained weak. Asia has performed better, benefitting from the uplift in government spending and resilient domestic demand.

Looking ahead, Asia is expected to remain resilient, as policy makers embark on economic reforms and monetary policies to promote growth. Sustained by rising urbanisation, an expanding middle class and improving infrastructure development, the outlook of the property markets in Asia is expected to remain positive.

Policy easing in China, the relaxation of foreign ownership in Vietnam and the favourable investment conditions in Indonesia will fuel demand for well-planned residential, office and mixed-use developments. Given its healthy residential pipeline and growing commercial presence, Keppel Land is well-positioned to ride on the recovery in these markets.

EARNINGS REVIEW

Keppel Land sold a total of about 2,450 residential units in Singapore and overseas in 2014, lower compared with 2013 when more than 4,500 units were sold. China accounted for 90% of the overseas home sales.

The property tightening measures continued to impact residential demand in Singapore. The Group sold 304 units in 2014, lower than the 370 units sold a year ago. Almost half of the

304 units sold were contributed by Highline Residences.

The residential market in China was also affected as the Chinese government restricted home purchases and tightened mortgages to curb speculation. On top of the muted market sentiments, Keppel Land's townships and large-scale developments such as The Botanica in Chengdu and The Springdale in Shanghai were also reaching the tail-end of their sales. As such, the Group sold about 1,900 units in 2014, slightly less than half the 3,870 units sold in 2013. Despite a drop in sales volume, the Group achieved higher average selling prices as new projects with higher price point were launched and sold during the year.

Faced with challenging market conditions, Keppel Land achieved a net profit of \$752.5 million in 2014, mainly due to lower fair value gain on investment properties of \$200.5 million compared with the \$302.2 million fair value gains from 2013. Profit was supported by gains from the divestment of several assets in Singapore and overseas. The sale of a one-third interest in Marina Bay Financial Centre Tower 3 and a 65% stake in Equity Plaza contributed net gains of \$94.5 million and \$59.5 million respectively. Overseas divestments included the Group's stake in residential developments Al Mada Towers in Jeddah, Saudi Arabia, and Elita Garden Vista in Kolkata, India.

Excluding fair value, divestment and other gains, property trading remained the largest profit contributor. However, lower contributions from Singapore and China projects resulted in a decline in trading profit to \$188.9 million in 2014.

On a geographical location basis, the share of profit from Singapore and overseas was relatively stable at 66% and 34% respectively in 2014, compared with 67% and 33% respectively in the previous year.

With lower contribution from property trading as a result of slower home sales, net profit from Keppel Land's operations in Singapore fell to \$257.6 million in 2014 compared with \$289.5 million in 2013. Profit was supported by higher contribution from fund management and gain from the divestment of the Group's 30% stake in two data centres to Keppel DC REIT.

Property fund management continues to perform well. Profit from fund management rose 19.4% to \$55.8 million in 2014 on higher fees earned by Keppel REIT and Alpha Investment Partners (Alpha). This brought its share of net profit before fair value, divestment and other gains to 14.3% in 2014, up from 10.8% in 2013. Total assets under management by Keppel REIT and Alpha also grew by 5.6% year-on-year to \$18.7 billion as at end-2014, when fully leveraged and invested.

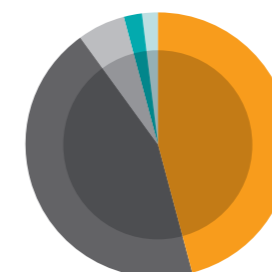
Beyond Singapore, the Group achieved a net profit of \$133 million from its overseas operations in 2014, down 5.7% from \$141.1 million in 2013, mainly due to lower contribution from residential projects in China despite a record completion of 5,100 units during the year.

CAPITAL RECYCLING FOR GROWTH

In 2014, Keppel Land realised total net proceeds of \$1 billion from the divestment of several office and data centre assets in Singapore and a residential project in Saudi Arabia. With the divestment proceeds, the Group's net debt/equity ratio improved to 0.2x and cash position doubled to \$2.6 billion as at end-2014, putting it in a strong position to seize investment opportunities.

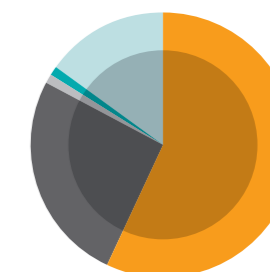
In recycling capital for future growth, the Group has committed to invest \$1.1 billion in new and existing projects.

TOTAL ASSET DISTRIBUTION BY COUNTRY
as at 31 December 2014



	%
Singapore	46
China	44
Vietnam	6
Indonesia	2
Others	2
Total	100

TOTAL ASSET DISTRIBUTION BY SEGMENT
as at 31 December 2014



	%
Property Trading	57
Property Investment	26
Fund Management	1
Hotels & Resorts	1
Others	15
Total	100



This is in line with the Group's strategy of deepening presence in its key markets, expanding its commercial footprint overseas as well as investing strategically in new platforms and other opportunities.

Keppel Land continues to grow its total assets, which recorded a compounded growth rate of 15.8% per annum between 2010 and 2014. Total assets grew to \$14.5 billion as

at end-2014, a 5.1% increase from \$13.8 billion a year ago. About 46% of the total assets were in Singapore, with China a close second accounting for 44% of total assets, followed by Vietnam and Indonesia with 6% and 2% respectively.

Keppel Land will continue to focus on achieving sustainable earnings and extracting the greatest value from its assets to maximise overall returns for shareholders.

SINGAPORE

Keppel Land is well-poised to capture opportunities for residential, commercial and mixed-use developments.

MAJOR DEVELOPMENTS IN 2014

- Held an exclusive preview of Highline Residences in September.
- Sold 304 homes, mostly from Highline Residences, The Glades and Corals at Keppel Bay.
- Sold a one-third interest in Marina Bay Financial Centre Tower 3 to Keppel REIT.
- Divested 65% interest in Equity Plaza.
- Divested 30% stake in two data centres to Keppel DC REIT and in turn subscribed a 4.9% interest in the REIT.

FOCUS FOR 2015

- Monitor the market to extract maximum value for our projects.
- Selectively acquire residential, commercial and mixed-use development sites.
- Invest in strategic platforms.
- Explore opportunities to monetise and recycle assets into new investments.



MODERATE GROWTH AMIDST GLOBAL UNCERTAINTIES

The Singapore economy grew by 2.9% in 2014, lower than the 4.4% growth in 2013. Average unemployment rate remained low at 2% and the labour market is expected to remain tight. Investment commitments in 2014 amounted to \$11.8 billion, slightly lower than the \$12.1 billion in 2013. Despite expectation of a more moderate flow of investments in 2015, between 13,000 and 14,000 skilled jobs are projected to be created.

The Monetary Authority of Singapore adjusted its monetary policy to slow the appreciation of the Singapore dollar as inflation has become less of a threat given lower oil prices.

This policy change aligns with the more benign inflation outlook in 2015 and is to ensure medium-term price stability in the economy. Inflation decreased from 2.4% in 2013 to 1% in 2014 and is expected to range between -0.5% and 0.5% in 2015.

Despite headwinds, the global economic outlook is expected to improve modestly in 2015. However, uncertainties about the timing of potential interest rate hikes continue to weigh on the US economy. There is also the risk of a sharp economic slowdown in China due to the ongoing correction in the real estate market. Barring these downside risks, the Ministry of Trade and Industry expects the Singapore economy to grow by 2-4% in 2015.

SINGAPORE

	2013	2014E	2015F	2016F
Real GDP growth (%)	4.4	2.9	2-4	3.2
Prime rate (average, %)	5.4	5.4	5.4	5.4
Inward FDI (US\$ bn)	63.8	78.5	59.8	57.6
Exchange rate (S\$/US\$, average)	1.25	1.27	1.33	1.31
Personal disposable income (US\$ bn)	131.7	131.3	132.1	139.0
CPI change (average, %)	2.4	1.0	0.9	1.5

Sources: Economist Intelligence Unit and Ministry of Trade and Industry

Keppel Land will continue to time its residential launches and adjust its marketing strategy according to market conditions, as well as selectively acquire well-located sites for residential, commercial and mixed-use developments.

**CONDOMINIUMS
HIGHLINE RESIDENCES**

Location: Tiong Bahru
Total No. of Units: 500
GFA: 473,218 sf
Completion Date: 2018

Located at the fringe of the central business district (CBD), Highline Residences is nestled within a nostalgic and trendy neighbourhood, part of which has been earmarked as a Heritage Conservation Area by the Urban Redevelopment Authority (URA).

The development is close to the MRT station and Tiong Bahru Plaza, providing residents easy access to a host of retail and lifestyle amenities. It is also close to the Orchard Road shopping belt, Singapore General Hospital and Duke-NUS Graduate Medical School campus.

An exclusive preview was held for the development in September 2014. Sales were encouraging with 148 units sold as at end-February 2015.

01

Designed by award-winning architect Mok Wei Wei of W Architects, Highline Residences comprises 500 units spread across three residential towers and four low-rise blocks.

02

Located in the exclusive Keppel Bay precinct, the well-appointed Corals at Keppel Bay epitomises prime waterfront living.

CORALS AT KEPPEL BAY

Location: Keppel Bay Drive
Total No. of Units: 366
GFA: 509,998 sf
Completion Date: 2018

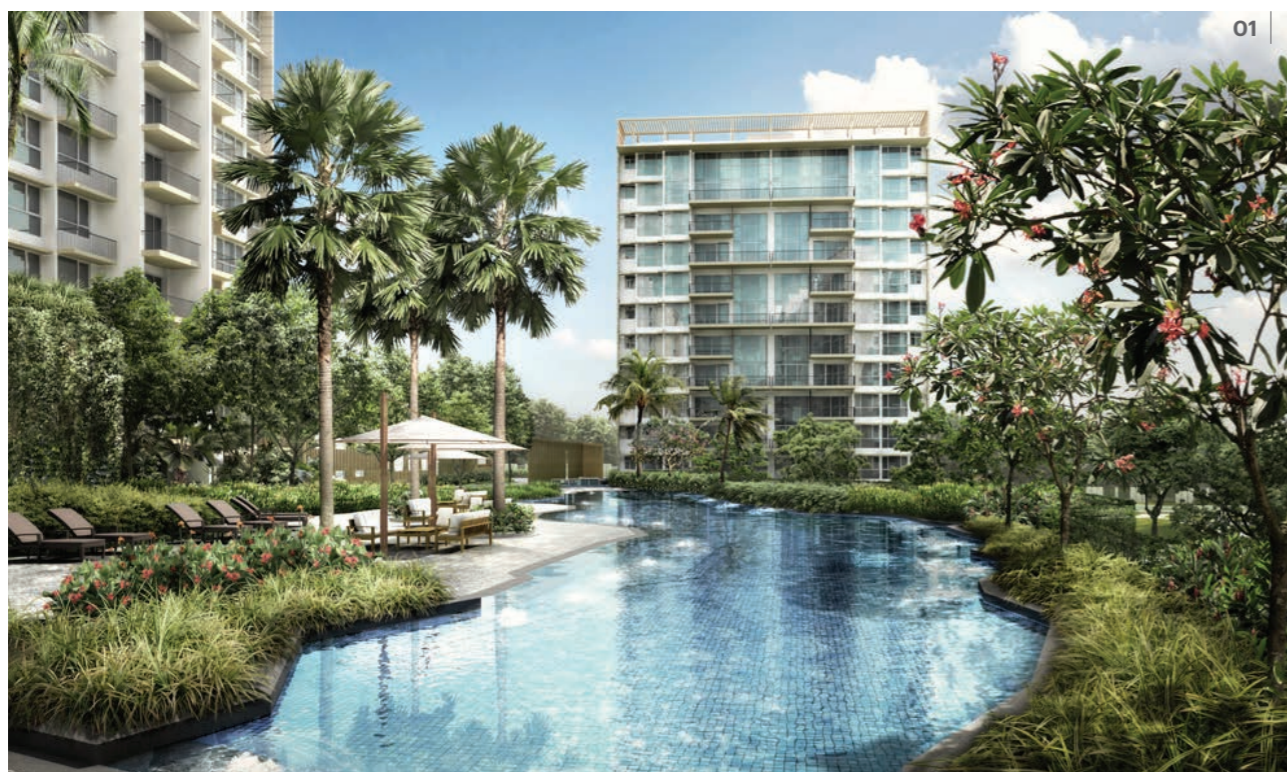
Corals at Keppel Bay is the third residential development to be launched at the exclusive Keppel Bay precinct, after Caribbean at Keppel Bay and Reflections at Keppel Bay. Located along the historic King's Dock and across from Marina at Keppel Bay, the development comprises 11 low- to medium-rise blocks of luxurious waterfront homes. Designed by master

architect Daniel Libeskind, the blocks cascade towards the waterfront, offering residents open views of the sea and the lush central garden.

Corals at Keppel Bay is easily accessible via HarbourFront MRT station, West Coast Highway and Ayer Rajah Expressway. Key amenities and recreational facilities are also within reach at VivoCity, one of the largest retail malls in Singapore, and Sentosa Island, home to Singapore's largest integrated resort.

About 94% of the 200 launched units of the development have been sold as at end-February 2015.





01

The Glades, which is situated close to the Tanah Merah MRT station, continues to attract discerning buyers seeking quality homes.

THE GLADES

Location: Tanah Merah

Total No. of Units: 726

GFA: 549,082 sf

Completion Date: 2017

Located within an established private residential estate, The Glades is situated close to the Tanah Merah MRT station. The Changi Business Park and the newly-completed Singapore University of Technology and Design campus are also in the vicinity. Residents will benefit from the development of Project Jewel, a new 3.5-hectare integrated development with retail and world-class attractions at Changi Airport.

The development features one- to two-bedroom convertible units which offer homeowners greater flexibility and efficiency of space through the innovative Sliding Integrated Multi-function wall system.

About 76% of 350 launched units of the development have been sold as at end-February 2015.

MARINA BAY SUITES

Location: Marina Bay

Total No. of Units: 221

GFA: 469,386 sf

Completion Date: 2013

The 66-storey Marina Bay Suites is situated right in the heart of Singapore's new financial and business district where a wide range of lifestyle and entertainment selections such as Formula One Grand Prix night race, Marina Bay Sands Integrated Resort, Esplanade Theatres on the Bay and Gardens by the Bay are located. The development is also conveniently located close to the Downtown MRT station.

About 94% of 219 launched units of Marina Bay Suites have been sold as at end-February 2015.

REFLECTIONS AT KEPPEL BAY

Location: Keppel Bay View

Total No. of Units: 1,129

GFA: 2,081,738 sf

Completion Date: 2011

The award-winning development is one of Singapore's most coveted addresses for exclusive waterfront living. Reflections at Keppel Bay features six glass towers and 11 villa apartment blocks comprising 1,129 luxury homes with commanding views of the waterfront, golf course, parks and lush greenery.

Some 97% of 950 launched units of the iconic development have been sold as at end-February 2015 while about 150 units have been set aside as corporate residences.

FUTURE DEVELOPMENT

NEW PHASES AT KEPPEL BAY

Location: Keppel Bay

Estimated No. of Units: 320

GFA: 570,490 sf

Keppel Bay is a 30-hectare exclusive waterfront precinct in Singapore's vibrant southern shores. It is a mere five-minute drive to the CBD and is close to Resorts World Sentosa, VivoCity and the HarbourFront Office Park. Residents can enjoy waterfront living as well as a wide selection of dining and lifestyle options at the award-winning Marina at Keppel Bay, which is home to international luxury yachts.

Keppel Land has two remaining land plots at the precinct, one of which is located on the private Keppel Island. Their developments are subject to market conditions.

MIXED-USE DEVELOPMENT

REDEVELOPMENT OF KEPPEL TOWERS AND KEPPEL TOWERS 2 (FORMERLY KNOWN AS GE TOWER)

Location: Tanjong Pagar Road/
Hoe Chiang Road

Total No. of Units: 250

GFA: 227,960 sf

The freehold site, which is located close to the Tanjong Pagar MRT station, currently houses two office buildings, Keppel Towers and Keppel Towers 2. Subject to market conditions, Keppel Land plans to redevelop the site into a mixed-use development to capitalise on the growing demand for city living and the transformation of the area into a premium waterfront precinct, complete with residences, hotels, lifestyle amenities and attractions.

COMMERCIAL

HARBOURFRONT OFFICE PARK

Location: HarbourFront Avenue

GFA: 1,090,880 sf

Completion Date: 2002 (Keppel Bay Tower and HarbourFront Tower One)
2003 (HarbourFront Tower Two)

Comprising Keppel Bay Tower as well as HarbourFront Tower One and Tower Two, the development offers about 0.9 million sf net lettable area of office space. Close to VivoCity and Resorts World Sentosa, tenants enjoy a wide array of dining and lifestyle choices. It is conveniently located within five minutes' drive from the CBD and offers excellent connectivity via the MRT station, major roads and expressways.

Keppel Land positions itself as a choice developer with homes in selected locations well-supported by diverse lifestyle amenities.

SINGAPORE

PROPERTY MEASURES IMPLEMENTED IN 2013 – 2014

11 January 2013

- Raised Additional Buyer's Stamp Duty (ABSD) to 5-7% from 3%.

- Extended ABSD to include Singaporeans and Permanent Residents (PRs) buying second and first property respectively.

- Singaporeans: 7% for second property and 10% for subsequent properties.
- PRs: 5% for first property and 10% for subsequent properties.
- Foreigners and non-individuals: 15% for all properties (up from 10%).

- Lowered Loan-to-Value (LTV) limit for second and subsequent housing loans.

- Second housing loan: LTV lowered to 50% or 30% if tenure exceeds 30 years or if the loan period exceeds borrower's age of 65 years.
- Subsequent loans: LTV lowered to 40% or 20% if tenure exceeds 30 years or if the loan period exceeds borrower's age of 65 years.

- Raised minimum cash down payment for second and subsequent housing loans from 10% to 25%.

29 June 2013

- Total Debt Servicing Ratio (TDSR).
 - Total monthly debt obligations must not exceed 60% of gross monthly income.

- Refinement to LTV limit rules.
 - Borrower of loan must be mortgagor of home.
 - Guarantor to be included as co-borrower if borrower does not meet TDSR threshold.
 - Income-weighted average age of joint borrowers used for determining loan tenure.

10 February 2014

- Broaden exemptions from TDSR and loan tenure restrictions for purchases made before 29 June 2013.
 - Owner-occupiers exempted from 60% TDSR threshold.
 - Owner-occupiers can maintain tenure of private residential loans on refinancing.

- Buyers of investment properties given a transition period until 30 June 2017 to reduce debt.

MARKET REVIEW

RESIDENTIAL SUBDUED MARKET SENTIMENTS

The slew of cooling measures implemented continues to dampen market sentiments. Residential prices and transaction volume have softened post-implementation of the TDSR framework. Prices in the private housing market have been moderating since the fourth quarter of 2013, with the URA's private residential price index declining by 4% in 2014, compared with the 1.1% growth in 2013. A total of 7,316 new homes were sold in 2014, fewer than half the 14,948 units sold in 2013.

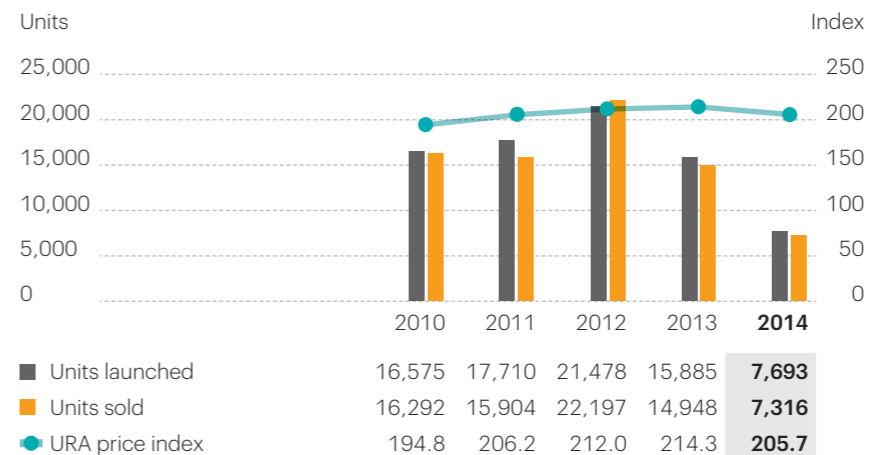
The weak Singapore dollar is likely to send SIBOR higher, which will in turn raise mortgage rates and put further pressure on the property market. However, projects with attractive pricings and locations will continue to enjoy better take-up. Overall, residential transaction volume is expected to remain subdued in 2015 and prices may face downward pressure as the government is not likely to lift the property tightening measures soon. Consultants forecast private home sales to moderate to about 7,500-7,800 units in 2015.

Participation in government land sales for attractive suburban sites remains fairly strong, reflecting developers' long-term confidence in the real estate market.

COMMERCIAL STRONG GROWTH IN OFFICE RENTS

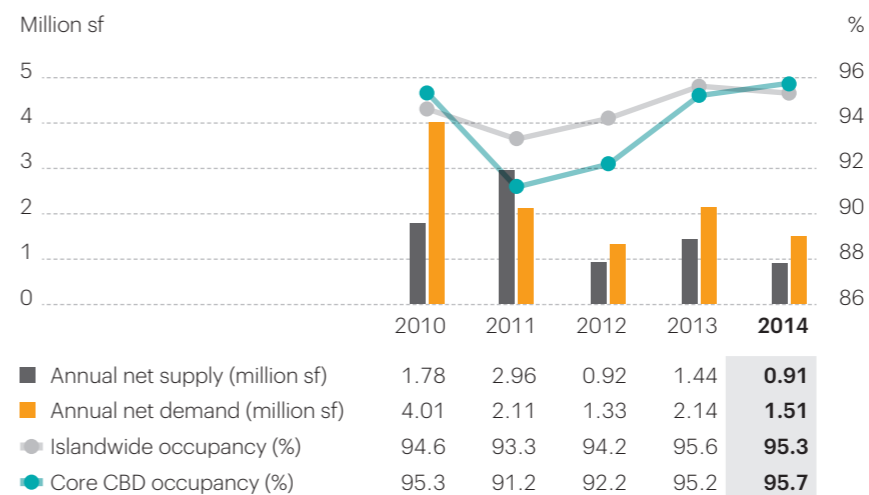
The office market remains optimistic with steady growth in rents. Grade A rents grew at a strong 14.9% to average \$11.20 psf in the fourth quarter of 2014 compared with \$9.75 psf a year ago. According to URA's statistics, the office market saw islandwide take-up of 0.8 million sf in 2014 compared with 1.3 million sf in 2013.

PRIVATE RESIDENTIAL SUPPLY, DEMAND AND PRICE INDEX



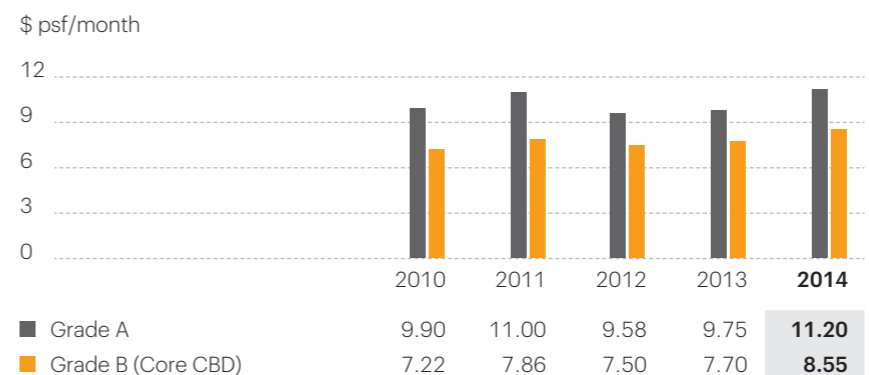
Source: URA

OFFICE SUPPLY AND DEMAND



Source: URA

AVERAGE OFFICE RENTS



Source: URA

Core CBD occupancy rose to 95.7% as at end-2014 given continued leasing interest amidst a supply squeeze, according to CB Richard Ellis.

Leasing demand is expected to remain positive in 2015 as Singapore's open economy has attracted many foreign companies to set up their headquarters in the country.

Demand is expected to come from information technology (IT), e-commerce and energy sectors. IT and social networking firms in particular are taking up office space in the CBD for better brand positioning and attraction of the best talent.

Office rents are expected to continue to rise in 2015, supported by high occupancies, steady demand and limited new supply. Grade A offices will continue to lead the sector in rental growth.



PROPERTY FUND MANAGEMENT

Total assets under management by Keppel REIT and Alpha Investment Partners grew to about \$18.7 billion as at end-2014, when fully leveraged and invested.

MAJOR DEVELOPMENTS IN 2014/2015

Keppel REIT

- Divested 92.8% stake in Prudential Tower.
- Acquired a one-third interest in Marina Bay Financial Centre (MBFC) Tower 3.
- Nine out of 11 completed office towers achieved 100% committed occupancy.

Alpha Investment Partners

- AAMTF II acquired three commercial buildings.
- ACPREF and AAMTF divested several assets.
- Expanded into the US, UK and Australia.

FOCUS FOR 2015

Keppel REIT

- Proactively renew and review leases.
 - Adopt a prudent and proactive capital management strategy.
- Alpha Investment Partners**
- Develop new products for investors.
 - Monitor markets to seize opportunities and expand into new markets.

01



KEPPEL REIT STRATEGIC PORTFOLIO TRANSFORMATION

During the year, Keppel REIT undertook a strategic rejuvenation of its property portfolio with the divestment of its 92.8% stake in the 16-year-old Prudential Tower and acquisition of a one-third interest in the two-year-old MBFC Tower 3.

Following the acquisition, Keppel REIT has an ownership interest in all three office towers at MBFC and the subterranean mall, Marina Bay Link Mall. This has improved its overall portfolio age to approximately five years old.

Among the REITs in Singapore, Keppel REIT has the youngest and largest portfolio of premium Grade A office buildings in the central business district (CBD). Credit rating agencies, Moody's and Standard & Poor's, have also reaffirmed Keppel REIT's rating at "Baa2" and "BBB" respectively with a stable outlook.

As at end-2014, Keppel REIT's assets under management (AUM) stood at approximately \$8.2 billion, up from \$7.2 billion in 2013. Notwithstanding lower income from Prudential Tower following its divestment and only a two-week contribution from

MBFC Tower 3, Keppel REIT achieved a distributable income of \$206.1 million and distribution per unit of 7.23 cents for 2014. This translates to a yield of 5.9%. From 2015 onwards, Unitholders can look forward to the full contribution from MBFC Tower 3.

In 2014, proactive marketing and ongoing leasing efforts saw nine of Keppel REIT's 11 completed office towers in Singapore and Australia achieve 100% committed occupancy. This brought the committed occupancy for the overall portfolio to 99.3%. The Manager continues to maintain a long weighted average lease expiry of approximately nine years for its top 10 tenants and over six years for the entire portfolio.

Meanwhile, construction for the 35-storey office tower and its annexe at the Old Treasury Building site in Perth, Australia, is well underway and on track for completion in the second half of 2015.

On the sustainability front, Keppel REIT was ranked first and named the Regional Leader for Office Sector (Large Cap) in Asia byGRESB in 2014. It also emerged among the top three across all entities and sectors in Asia as well as the top 5% in the same sectors globally. Keppel REIT's inclusion in this internationally recognised benchmark is a testament to its commitment towards greater environmental, social and governance disclosures, and will raise its profile among socially responsible funds.

LOOKING AHEAD

Keppel REIT will continue to proactively manage leases due for renewal and rent review so as to maintain strong occupancy of its portfolio.

In 2015, approximately 420,000 sf of prime office space, the majority of which are located in the Raffles Place and Marina Bay areas, are due for renewal and review. Given Keppel REIT's quality portfolio as well as market expectations of positive demand and limited new supply, rental reversions are expected to be healthy in 2015.

Keppel REIT will also continue to adopt a prudent and proactive capital management strategy as well as monitor interest rates and foreign exchange exposures to manage financing risks.

ALPHA INVESTMENT PARTNERS STRENGTHENING PLATFORMS FOR GROWTH

Despite ongoing uncertainties and volatility in the external environment, funds managed by Alpha Investment Partners (Alpha) continued to outperform peer funds of the same vintage year with investment themes focused on growth trends in Asia.

In 2014, two of Alpha's fully-invested funds, Alpha Core Plus Real Estate Fund (ACPREF) and Alpha Asia Macro Trends Fund (AAMTF), divested several assets in Singapore and Japan. The two funds divested four assets in Tokyo, which included serviced apartments, a retail complex and two office-cum-retail buildings. The divestments enabled Alpha not only to generate good returns but also to distribute a sizeable portion of invested capital back to its investors.

Alpha has capitalised on opportunities to make favourable acquisitions at attractive price levels for AAMTF II despite the challenging environment of compressing yields. Acquisitions concluded in 2014 totalled US\$1.1 billion in gross asset value. These acquisitions included a property located in the city of Taipei, Taiwan, which will be redeveloped into luxury residential apartments, an office building with a retail podium located at the fringe of the central business district in Shanghai, China, and two offices in the core CBD of Seoul, South Korea.

During the year, Keppel Land invested in a prime residential development in Manhattan, New York, in the US. This investment will be managed by Alpha. Located close to Central Park, the site will be developed into a condominium with a retail podium.

01

The successful acquisition of a one-third interest in MBFC Tower 3 has strengthened Keppel REIT's foothold in Singapore's new financial district.



01

Alpha also opened an office in Sydney, Australia, to seek new opportunities.

In February 2015, Keppel Land acquired a freehold office building in London, the UK. The investment will also be managed by Alpha. The property is in close proximity to Bank junction, London's historic and financial centre.

Alpha's AUM has grown steadily to \$10.5 billion when fully leveraged and invested as at end-2014. Its assets are well-diversified across various segments including commercial, hospitality, residential and logistics properties. Alpha continues to actively manage its portfolio to maximise value for its investors and maintain high standards of sustainability and safety.

Alpha-managed assets have won a number of safety and sustainability awards in 2014. Seoul Square in South Korea was awarded the LEED (Leadership in Energy and Environmental Design) Platinum status for Existing Buildings: Operations and Maintenance, the highest accolade in the category.

LOOKING AHEAD

Alpha's core investment themes remain intact and economic growth in key Asian countries is expected to remain relatively strong compared to other regions.

Alpha will continue to strive for excellent performance and build on its position as a market leader in Asia to develop new products which match its investors' needs such as retail-led mixed-use developments in Shanghai as well as provide investors access to a pipeline of data centre developments in Asia and Europe.

MARKET REVIEW

SUSTAINABLE RETURNS FROM S-REITS

Singapore real estate investment trusts (S-REITs) performed well in 2014, with the FTSE ST REIT Index increasing by 9.2% year-on-year compared with 6.2% for the Straits Times Index (STI). In terms of distribution yield, S-REITs delivered attractive total returns of approximately 16%, higher than STI's 9.4%.

As at end-2014, total market capitalisation for office S-REITs, comprising Keppel REIT, CapitaCommercial Trust, Frasers Commercial Trust, Mapletree Commercial Trust, OUE Commercial Trust, Starhill Global REIT and Suntec REIT amounted to about \$20.3 billion.

Knight Frank estimates that the total net lettable area of commercial properties in Singapore for S-REITs stood at close to 14.3 million sf as at end-2014. Total office investment

sales value during the year totalled \$6.1 billion.

Office S-REITs will continue to benefit from a positive office market, which is expected to see further growth amidst moderate supply in the next two years.

In February 2015, the Singapore government announced the extension of tax concessions and exemptions for S-REITs on qualifying foreign-sourced income to March 2020 but would remove the stamp duty concessions currently enjoyed by S-REITs with effect from 31 March 2015. The extension of the concessions and exemptions is expected to help further develop the S-REIT market and enhance Singapore's position as an attractive REIT hub.

RENEWED INVESTOR CONFIDENCE

The global fund-raising environment for real estate funds remained challenging in 2014. According to research and consultancy firm Preqin,

competition for capital remains strong with a large number of funds competing for institutional commitments.

A total of US\$91 billion was raised in 2014, slightly lower than the US\$92 billion raised in the previous year.

As at end-2014, 450 funds were actively involved in fundraising and took an average of 18 months to achieve a final close. The number of funds achieving a final close has declined steadily from 241 in 2013 to 182 in 2014, suggesting that capital is increasingly concentrated among the largest players as the average fund size increases.

A Preqin survey revealed property investment activities are picking up, signalling renewed confidence and increasing appetite in the asset class on the back of the global economic recovery. Some 84% of the surveyed fund managers have seen improvement in investor appetite over the past year, particularly from pension funds and sovereign wealth funds.



02

01

Alpha's acquisitions under AAMTF II in 2014 include the International Capital Plaza in Shanghai.

02

Managed by Alpha, Seoul Square in South Korea was awarded the LEED Platinum status for Existing Buildings: Operations and Maintenance – the highest accolade in the category.

HOSPITALITY & RETAIL MANAGEMENT

Keppel Land will capitalise on experience and quality service to grow its hospitality and retail management portfolios.

MAJOR DEVELOPMENTS IN 2014

- Completed refurbishment of Sedona Hotel Yangon and Sedona Hotel Mandalay.
- Acquired a 75% stake in retail management company, Array Real Estate (Array).

FOCUS FOR 2015

- Complete construction of a new 29-storey wing at Sedona Hotel Yangon.
- Review strategies including portfolio refurbishments to maintain competitiveness.
- Further strengthen brand awareness through marketing campaigns.

01

Spring City Golf & Lake Resort has maintained its reputation as an international award-winning resort that has put Kunming and China on the golfing world map.

01



HOSPITALITY

Keppel Land Hospitality Management, the hospitality arm of Keppel Land, operates a portfolio of hotels, serviced apartments, golf courses and marinas across Asia.

POSITIVE TOURISM OUTLOOK

According to the United Nations World Tourism Organisation (UNWTO), international tourist arrivals grew by 4.7% in 2014, the fifth consecutive year of above average growth and higher than the projected average growth of 3.8% for 2010-2020.

In view of improving global economic conditions, UNWTO forecasts international tourist arrivals to grow by 3-4% in 2015 with Asia Pacific's growth projected at 4-5%.

SINGAPORE

Visitor arrivals in Singapore fell by 3.1% to 15.1 million in 2014, the first decline since 2009.

Residences at Reflections performed well with occupancy at 82% compared

with 75% in 2013. Amidst tough market competition, Residences at Reflections plans to introduce several value-added services to enhance tenancy packages.

Despite a strong occupancy of 90%, the overall business of Marina at Keppel Bay was affected by lower corporate spending on events held at its premises. For 2015, Marina at Keppel Bay will offer attractive packages to cater for various types of corporate and private events as well as introduce a new charter brokerage service to customers. New marketing campaigns on multiple platforms will also be introduced to further strengthen brand awareness.

CHINA

Tourist arrivals in China were stable at 128 million in 2014 compared with 129 million in 2013. The government's policy of curbing luxury spending by officials and state-owned enterprises has indirectly reduced business activities and functions.

KEPPEL LAND'S HOTELS & RESORTS PORTFOLIO

Country	Property Name	Location	Description
Singapore	Residences at Reflections	Singapore	153 apartments
	Marina at Keppel Bay	Singapore	168 berths
China	Jiangyin Yangtze International Country Club	Jiangyin	18-hole golf course
	Spring City Golf & Lake Resort	Kunming	472 rooms, two 18-hole golf courses
Indonesia	Eco-City International Country Club	Sino-Singapore Tianjin Eco-City	18-hole golf course
	Marina at Keppel Cove	Zhongshan	Integrated resort and marina under construction
Indonesia	Ria Bintan Golf Club	Bintan	31 rooms, 9- and 18-hole golf courses
	Club Med Ria Bintan*	Bintan	302 rooms
Vietnam	Nongsa Point Marina & Resort*	Batam	192 rooms, 65 berths
	Sedona Suites Hanoi	Hanoi	175 apartments
Myanmar	Sedona Suites Ho Chi Minh City	Ho Chi Minh City	89 apartments
	Sedona Hotel Mandalay	Mandalay	251 rooms
	Sedona Hotel Yangon	Yangon	366 rooms and about 431 rooms under construction

* Keppel Land has equity stakes in these properties which are not managed by Keppel Land Hospitality Management.

Spring City Golf & Lake Resort in Kunming had about 40,000 golf rounds played in 2014, down 17% from 2013. It is expected to achieve better performance in 2015 with intensive marketing initiatives focusing on the MICE (Meetings, Incentives, Conferences and Exhibitions) sector.

INDONESIA

Tourist arrivals in Indonesia grew by 7.2% to 9.4 million in 2014 and contributed US\$10.7 billion to the economy, an increase of 6% from 2013.

To maintain its competitiveness, Ria Bintan Golf Club plans to step up its marketing efforts in Jakarta and renovate part of the golf course progressively over the next three years.

VIETNAM

Total international arrivals in Vietnam are targeted to grow to 8.3-8.5 million in 2015, after hitting 7.9 million in 2014.

Occupancy at the Company's two serviced apartments, Sedona Suites Ho Chi Minh City and Sedona Suites Hanoi, remained steady at about 83% and 87% respectively.

MYANMAR

Growing international interest in Myanmar has led the country to welcome about 3.1 million arrivals in 2014 from over two million in 2013. Arrivals are expected to reach 4-5 million in 2015. According to the World Travel and Tourism Council, the country is expected to be among the top 10 fastest-expanding tourism destinations globally. The new Hanthawaddy International Airport, located 50 miles north of Yangon, is expected to open in 2019, and will have a capacity to handle 12 million travellers a year.

With the limited supply of five-star hotels, Sedona Hotel Yangon and Sedona Hotel Mandalay will maintain their positions as the accommodation of choice for business and leisure travellers. Construction of the new 29-storey wing at Sedona Hotel Yangon is expected to be completed in 2016.

RETAIL MANAGEMENT

Keppel Land has acquired a 75% stake in retail management company, Array. The acquisition will not only strengthen the Company's commercial expertise, but also enable it to leverage Array's

experience and network to capture opportunities in the development and management of retail and mixed-use projects both locally and abroad.

The Economist Intelligence Unit forecasts that retail sales in Asia will grow by 10.2% annually, compared with 6.9% a year globally. Despite increasing costs and intensifying competition, Asia's consumer spending continues to rise, driven by expanding populations, rapidly rising incomes and urbanisation. Demand for well-located and well-planned retail malls is expected to be strong in 2015 amidst limited new supply.

CHINA

Leveraging its strong track record, Keppel Land will continue to deepen its presence in key focus cities.

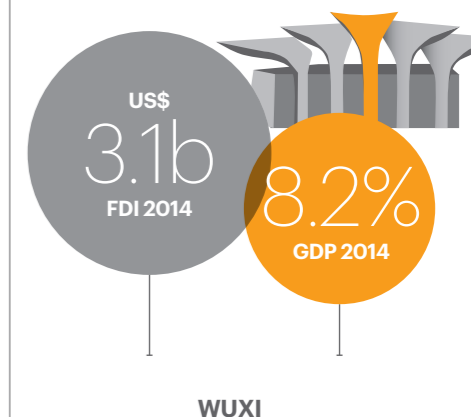
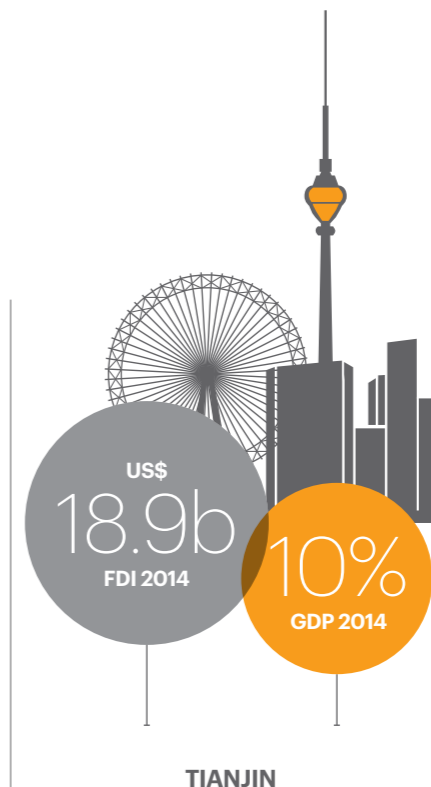
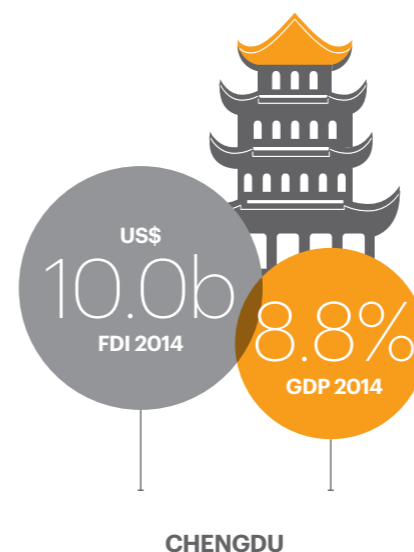
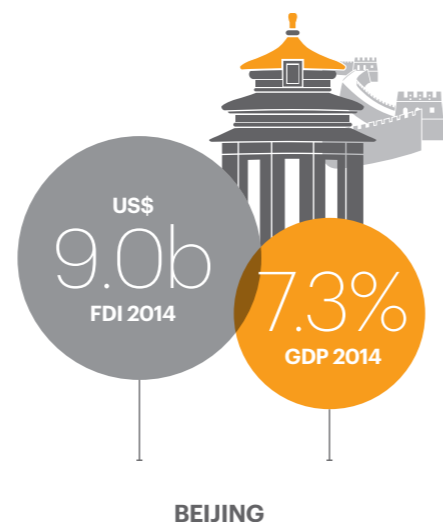
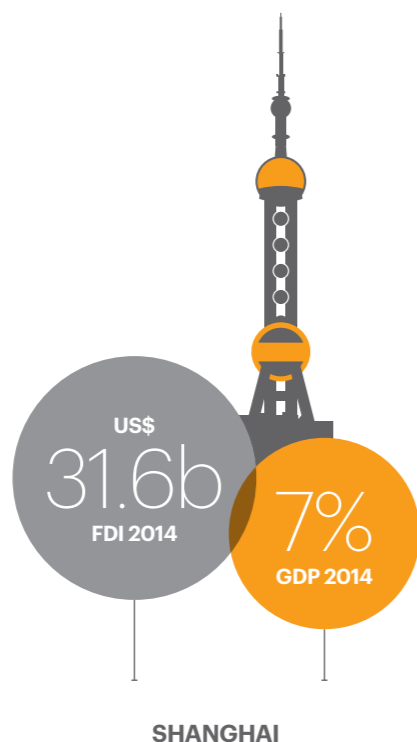
MAJOR DEVELOPMENTS IN 2014/2015

- Sold about 1,900 homes.
- Completed a record number of 5,100 homes.
- Entered into joint venture with strategic partner, China Vanke, to develop a prime 16.7-hectare residential site in Chengdu.

FOCUS FOR 2015

- Focus on five cities – Shanghai, Beijing, Chengdu, Tianjin and Wuxi.
- Grow commercial presence in Tier 1 cities.
- Monitor market for residential launches.

FOCUS CITIES



GROWING PRESENCE

China is one of Keppel Land's core markets and the Group is committed to scale up in high-growth cities, focusing on Shanghai, Beijing, Chengdu, Tianjin and Wuxi.

Since 2000, Keppel Land has been building up its reputation and track record as a choice home developer in China, completing a total of about 28,000 units in more than 10 cities. In 2010, the Group reorganised its operations and fortified its position in China with the establishment of Keppel Land China to sharpen focus in the vast and growing market. To date, Keppel Land China has presence in 10 cities with over 20 projects and a total landbank of about 42,000 homes. In 2014, Keppel Land completed a record number of 5,100 homes, of which 85% of units launched have been sold as at end-2014.

Keppel Land's exposure in China has increased over the years.

As at end-2014, Keppel Land China contributed about 44% of the Group's total assets, more than doubled from 20% in 2010.

In the first quarter of 2015, the Group strengthened its strategic alliance with China Vanke to develop a 16.7-hectare prime residential site in Chengdu. The new development is expected to comprise 6,480 high-rise apartments, 649 retail shops and a kindergarten. This is Keppel Land's sixth project in Chengdu and will further enhance the Company's market presence in the city.

STABLE ECONOMIC GROWTH TO SUPPORT PROPERTY MARKET

China's economy grew by 7.4% in 2014, its slowest expansion in 24 years. Despite a challenging economic environment, the growth rate stood close to the government's target of 7.5%.

Property investment, which accounts for 15% of China's economic growth,

slowed to 10.5% in 2014, compared with 19.8% a year ago. Despite the surge in sales volume in the month of December 2014, 68 of the 70 major cities recorded an average 4.3% decline year-on-year (y-o-y) in home prices for 2014.

To prop up the property sector and support the economy, the People's Bank of China (PBOC) announced in September 2014 that the down

payment required for second-home buyers will be lowered to 30% from 60-70%, if they have fully repaid their first home loan. Some banks have also relaxed their mortgage rules for third-home buyers, based on the borrowers' debt repayment capabilities and credit standing. The PBOC cut its benchmark one-year lending rate to 5.6% in November 2014 and further to 5.35% in March 2015, reducing the mortgage rate to about 4.8-5.1%,

based on a 5-10% discount to lending rate. The home purchase restriction has also been lifted in most cities.

As home prices stabilise, demand is expected to pick up in 2015. The easing of home purchase restrictions and mortgage rate reductions have led to improved buyers' sentiments and provided some stability in the property market.

CHINA

	2013	2014E	2015F	2016F
Real GDP growth (%)	7.7	7.4	7.0	6.7
Lending interest rate (average, %)	6.0	5.6	5.2	5.9
Inward FDI (US\$ bn)	347.8	338.2	262.3	275
Exchange rate (RMB/US\$, average)	6.20	6.15	6.19	6.13
Personal disposable income (US\$ bn)	4,076	4,550	4,982	5,518
CPI change (average, %)	2.6	2.1	1.8	2.5

Sources: Economist Intelligence Unit, National Bureau of Statistics and government's forecast



01

8 Park Avenue is a coveted residential development located in the prime Jing'an district in Shanghai.

SHANGHAI

Shanghai's GDP increased by 7% y-o-y to reach RMB 2.35 trillion in 2014. Growth was led by expansion in the services sector which accounted for 64.8% of GDP and rose by 8.8% y-o-y to reach RMB 1.53 trillion. Shanghai is expected to accelerate legislation for the pilot Shanghai free trade zone to deepen reforms and sustain economic growth.

The government is also planning to revoke the home purchase restriction in Shanghai and this is

expected to shore up its property market. Changes in mortgage policies for second- and third-time homebuyers will also further improve sentiments.

With a healthy retail market in Shanghai, rents are expected to remain stable while vacancy rates for well-managed malls in prime locations will remain low. China's retail sales are expected to grow with rising affluence, underpinned by the government's efforts to boost domestic consumption.

THE SPRINGDALE

Location: Xinchang Town, Pudong District

Development Type: High- and low-rise apartments and terrace homes

Total No. of Units: 2,596

GFA: 328,792 sm

Launch Date: 2015 (Phase 4)

The Springdale is a five-minute drive from the Xinchang Town metro station which was opened in 2014. The upcoming Disney theme park, slated to open in 2015, is only a 15-minute drive away.

Phase 1 comprising 270 units was launched in June 2010 and has been fully sold. As at end-February 2015, almost all of the 1,320 units under Phase 2 and about 90% of the 946 units under Phase 3 have been sold. The last phase of the development comprising 60 units is expected to be launched in 2015.

SEASONS RESIDENCE

Location: Nanxiang, Jiading District

Development Type: High-rise apartments

Total No. of Units: 1,102

GFA: 128,918 sm

Launch Date: 2015 (Phase 2)

Situated in a mature satellite town in Nanxiang, Jiading District, Seasons Residence is a 30-minute drive from People's Square and is well-connected to Shanghai's city centre via Metro Line 11 and expressway.

Nanxiang has been earmarked to be a suburban central business district (CBD) with a residential zone for housing and public amenities to meet the needs of residents and corporations.

Seasons Residence was launched in November 2013. As at end-February 2015, about 85% of the 310 units under Phase 1 have been sold. Phase 2 comprising 306 units is expected to be launched in 2015.

8 PARK AVENUE

Location: Jing'an, Puxi District

Development Type: High-rise apartments

Total No. of Units: 918

GFA: 133,393 sm

Launch Date: 1H 2015 (Blocks 9 and 10)

Located in downtown Shanghai in the prime Jing'an District, 8 Park Avenue is highly accessible via expressways and Jingan Metro Line 7. It is also near the Nanjing West Road commercial belt, The Bund and major hotels.

8 Park Avenue is part of the Park Avenue precinct which comprises two other developments, One Park Avenue and Park Avenue Central. The 1,118-unit One Park Avenue has been fully sold and handed over to buyers while an office-cum-retail development is planned for Park Avenue Central.

8 Park Avenue comprises 10 residential towers with 918 apartments. The first six towers, comprising 552 units, are fully sold. As at end-February 2015, 88% of the 260 units at Blocks 7 and 8 have been sold. Blocks 9 and 10 comprising 106 units are expected to be launched in the first half of 2015.

LANDED DEVELOPMENT

Location: Sheshan Town, Songjiang District

Development Type: Landed homes

Total No. of Units: 217

GFA: 83,962 sm

Launch Date: 2H 2015

The residential site, located within the established Sheshan area, is targeted at affluent buyers who aspire to own well-designed and quality homes in Shanghai. Located about 20 km from the Shanghai Hongqiao International Airport, the development is conveniently located near the expressway and Metro Line 9 Sheshan station.

When completed, residents can enjoy amenities including a clubhouse with full facilities and an auxiliary retail component within the development. The first phase of the development, comprising 112 landed homes, is expected to be launched in the second half of 2015.

LIFE HUB @ JINQIAO

Location: Jinqiao, Pudong District

Development Type: Retail-cum-office development

GFA: 98,630 sm (Retail)

16,102 sm (Office)

Completion Date: 2009

Life Hub @ Jinqiao comprises 10 low-rise retail buildings and a 10-storey office tower atop a three-storey retail podium. The development offers about 98,600 sm and 16,100 sm of retail and office space respectively.

Located next to the Metro Line 6 Jinqiao station, the development is well-connected to the Lujiazui Financial District and People's Square.

The mall enjoys a monthly average footfall of 1.25 million visitors. As at end-February 2015, the retail mall is over 98% leased and the office space is fully occupied.

CHINA

BEIJING

Beijing continued to achieve steady economic growth with GDP reaching RMB 2.1 trillion, a 7.3% y-o-y increase from the previous year. The tertiary sector contributed about 77.9% of total GDP in 2014. Among the tertiary industries, the finance sector saw the fastest expansion in 2014 with a growth of 12.3%. Beijing's fast growing population of 21.2 million, of which 18 million are from the urban areas, is expected to drive the economy in the years ahead.

Office demand remains strong for Grade A office space, pushing

overall vacancy down to 2.5% as at end-2014. Demand for Grade A office was primarily driven by financial, information technology (IT) and medical services industries and majority of new take-ups were concentrated in the CBD.

Overall take-up for Grade A office space in Beijing is expected to remain robust in 2015 and domestic companies will be the main demand drivers. With limited supply and strong demand from domestic and state-owned enterprises, rents of Grade A office space are set to rise.



01

01

Keppel Land's Grade A office development in Beijing is set to become one of the city's most iconic buildings offering a premier corporate address.

02

Serenity Villa in the Sino-Singapore Eco-City comprises 340 eco-friendly apartments, villas and semi-detached houses.

COMMERCIAL DEVELOPMENT

Location: CBD, Chaoyang District

Development Type: Office-cum-retail development

GFA: 100,000 sm

Completion Date: 2017

Centrally located in Beijing's CBD in Chaoyang District, the Grade A office development is Keppel Land China's first commercial development in Beijing. The development is a few blocks from the China World Trade Centre and China Central Television Tower.

Given its prime location and quality specifications, the development is expected to attract many state-owned enterprises and multinational corporations when completed in 2017.

TIANJIN

Tianjin continues to be one of China's fastest growing cities. Tianjin's GDP reached RMB 1.6 trillion in 2014, a 10% y-o-y growth and is above the national average of 7.4%. The primary sector contributed about 13% of GDP to reach RMB 20.2 billion.

The proposed Tianjin Free Trade Zone, to be located in the Tianjin Binhai New Area (TBNA), is expected to attract more businesses and stimulate economic development.

Tianjin's government has announced the lifting of the home purchase restrictions and loosening of the mortgage loan requirements in October 2014. These policies are expected to stimulate housing demand. Supported by strong economic growth and rising affluence, the property market is expected to remain stable in the long term.

SINO-SINGAPORE TIANJIN
ECO-CITY

Location: Tianjin Binhai New Area

Development Type: An eco-township

Total No. of Units (36.6 ha within SUA): 4,354

GFA (36.6 ha within SUA): 633,798 sm (Residential)
162,000 sm (Seasons City)

Completion Date: 2017 (Seasons City)

Located 40 km from Tianjin's city centre, the Sino-Singapore Tianjin Eco-City (Sino-Singapore Eco-City) is set within the TBNA in the Bohai Bay region which has been identified as the next growth engine in China, after the Pearl River and Yangtze River deltas.

Keppel Corporation and Keppel Land China hold 45% and 55% interests respectively in a 36.6-hectare site located in the Start-Up Area (SUA) of the Sino-Singapore Eco-City. Development will be carried out in phases and is expected to yield 4,354 homes, offices and retail outlets.

Seasons Park is the first collection of homes in the Keppel Group's four-phase residential development



02

in the SUA. Comprising 1,672 homes, it was launched in 2010 and completed in 2012. As at end-February 2015, 92% of the 1,392 launched units have been sold. Phase 2 of the development, Seasons Garden, comprising 1,190 mid- and low-rise apartments, was launched in November 2013. As at end-February 2015, 27% of the 128 launched units have been sold.

Seasons City, also known as the commercial sub-centre, will comprise three office towers and retail premises with GFA of about 162,000 sm. Phase 1 will feature an office tower and a retail complex with total above-ground GFA of 81,500 sm. Work has commenced and is targeted for completion in 2017.

SERENITY VILLA

Location: Sino-Singapore Eco-City

Development Type: Landed homes

Total No. of Units: 340

GFA: 80,000 sm

Completion Date: 2014

Located on Ying Cheng South Island, Hangu District within Sino-Singapore Eco-City, Serenity Villa is the third

phase of Serenity Cove. Phases 1 and 2 comprising 233 bungalows, semi-detached and terrace houses have been fully sold and completed.

Serenity Villa comprises about 340 eco-friendly apartments, villas and semi-detached houses. The development was launched in June 2013 and as at end-February 2015, nine units have been sold.

WATERFRONT RESIDENCE

Location: Sino-Singapore Eco-City

Development Type: Low-rise homes

Total No. of Units: 341

GFA: 61,417 sm

Launch Date: 1H 2015

Situated within the SUA and close to the future city centre of the Sino-Singapore Eco-City, Waterfront Residence is targeted at the upper-middle segment. The first phase of the development, comprising 87 landed homes, is expected to be launched in the first half of 2015.

CHINA



01

Situated in an established low-density residential enclave in Mumashan, southwest of Chengdu, Hill Crest Villa will feature 274 landed homes.

02

The Central Park City township, with its strategic location and wide ranging amenities, continues to see strong demand for its homes.

CHENGDU

Chengdu's GDP grew by 8.8% y-o-y and surpassed the RMB 1 trillion mark for the first time in 2014. The electronics and IT sector contributed about RMB 280 billion to the overall economy. The Tianfu New Area, China's 11th national-level development area, is poised to become a major modern industrial base providing opportunities for economic, technical and cultural exchanges between China and other countries.

Since mid-July 2014, Chengdu's government has relaxed the home purchase restriction. Driven mainly by first-time homebuyers, pent-up demand is expected to drive the residential market and boost transaction volume.

PARK AVENUE HEIGHTS

Location: Jinjiang District
Development Type: High-rise apartments
Total No. of Units: 1,535
GFA: 200,200 sm
Completion Date: 2015 (Phase 2)

Located along the Second Ring Road and near the Dong Da Jie financial

street in Jinjiang District, Park Avenue Heights is a prime residential development in proximity to the metro station and a 15-minute drive to the city centre.

Phase 1 of the development was launched in June 2013 and completed in 2014. As at end-February 2015, about 63% of 575 units have been sold. Phase 2 was launched in September 2013 and about 86% of 150 launched units have been sold as at end-February 2015.

HILL CREST VILLA

Location: Mumashan, Xinjin County
Development Type: Landed homes
Total No. of Units: 274
GFA: 163,147 sm
Launch Date: 1H 2015

Situated about 20 km from the city centre and 10 km from Chengdu's Shuang Liu International Airport, Hill Crest Villa is nestled in a mature low-density residential enclave.

Targeted at the upper-middle income segment, Phase 1 of the development, comprising 53 units, is expected to be launched in the first half of 2015.

WUXI

Wuxi's GDP expanded 8.2% y-o-y in 2014, mainly due to strong growth in the industrial and tertiary sectors. Urban per capita disposable income of residents reached RMB 31,704, an increase of 8.8% over 2013. The outlook for Wuxi's economy remains positive and GDP growth is forecast to remain stable at 7% in 2015.

Wuxi's residential market maintained steady growth in 2014. Easing of home purchase policies, coupled with lowering of borrowing rates by banks and the provident fund, has boosted demand from first-time homebuyers as well as upgraders. Increased foreign investments, rising affluence and enhanced transportation integration with other cities will help sustain its strong economic growth and support the housing market.



02

CENTRAL PARK CITY

Location: Taihu New City, Binhu District
Development Type: High-rise apartments
Total No. of Units: 5,339
GFA: 671,079 sm
Completion Date: 2015 (Phase 3)

Located within the Taihu New City in Wuxi's Binhu District and about a 20-minute drive from the city centre, Central Park City is accessible via Nanhu Avenue, Gaolang Road and the Metro Line 1. The township is designed as a self-sufficient enclave.

All 3,075 units under Phases 1 and 2 have been fully sold. Phase 3 was launched in January 2014 and 29% of the 1,484 units have been sold as at end-February 2015.

WATERFRONT RESIDENCE

Location: Shanshui, Binhu District
Development Type: Low-rise homes
Total No. of Units: 1,393
GFA: 294,174 sm
Launch Date: 2H 2015

Nestled in an established high-end, low-density residential precinct, Waterfront Residence is surrounded by a 260-hectare national wetland park and fronts the scenic Li Lake. The Metro Line 1 station, which commenced operations in 2014, has further enhanced accessibility in the area.

Targeted at the upper-income segment, Phase 1 comprising 62 homes is expected to be launched in the second half of 2015.

MIXED-USE DEVELOPMENT

Location: Beitang District
Development Type: High-rise apartments
Total No. of Units: 1,132
GFA: 177,635 sm
Launch Date: 2H 2015

Situated near the city centre and Wuxi's CBD, the mixed-use development is well-connected via major roads and is next to the Metro Line 1 station.

Targeted at the upper-middle income segment, Phase 1 comprising 328 units is expected to be launched in the second half of 2015.

INDONESIA

Keppel Land is committed to further grow its portfolio in Indonesia, with a focus on Greater Jakarta.

MAJOR DEVELOPMENTS IN 2014/2015

- Embarked on plans to redevelop existing International Financial Centre Jakarta (IFC) Tower 1 into a Grade A office development as Tower 2 nears completion.
- Acquiring a second residential site in West Jakarta.

FOCUS FOR 2015

- Unlock value and recycle assets.
- Invest strategically in Greater Jakarta.
- Launch West Vista, a residential development in Jakarta.
- Secure anchor tenants for IFC Tower 2.



IMPROVING ECONOMY POSITIVE FOR PROPERTY MARKET

Growth in the Indonesian economy moderated to 5% in 2014 on weaker exports. The economy is expected to improve in 2015 as the new government under President Joko Widodo works on strengthening the country's investment climate. To stimulate growth, the Central Bank of Indonesia cut its benchmark interest rate by 25 basis points to 7.5% in February 2015.

The Jakarta residential market recorded another stellar year for

apartment sales. Demand for homes will be sustained by urbanisation, the growing middle-income population and better mortgage availability.

Office demand softened in 2014 amidst weaker economic growth and uncertainties in the run-up to the presidential election. Demand from companies in the banking and financial services, agriculture and manufacturing sectors is expected to pick up as economic recovery gathers pace.

INDONESIA

	2013	2014E	2015F	2016F
Real GDP growth (%)	5.8	5.0	5.5	6.1
Lending interest rate (average, %)	11.7	12.7	12.7	11.2
Inward FDI (US\$ bn)	23.3	25.4	26.1	29.9
Exchange rate (Rp/US\$, average)	12,189	12,440	12,344	11,944
Personal disposable income (US\$ bn)	567.2	559.6	575.9	649.6
CPI change (average, %)	6.4	8.4	4.3	3.7

Sources: Economist Intelligence Unit

CONDOMINIUMS JAKARTA

WEST VISTA

Location: West Jakarta
Total No. of Units: 2,854
GFA: 149,537 sm
Launch Date: 1H 2015

Located along the Jakarta Outer Ring Road and close to West Jakarta's central business district (CBD), West Vista is a high-rise condominium development targeting the middle-income segment.

Future residents can enjoy excellent connectivity to the airport and key business districts. International schools as well as various lifestyle and entertainment options such as shopping malls and supermarkets are also in close proximity.

RESIDENTIAL DEVELOPMENT

Location: West Jakarta
Total No. of Units: About 4,000
GFA: Approx 190,000 sm
Launch Date: 2017

Keppel Land has signed a conditional agreement to secure a 4.6-hectare site in West Jakarta and will subsequently enter into a sales and purchase agreement to develop a high-rise condominium with ancillary shophouses and shop units on the site.

The development enjoys good connectivity which will be further enhanced when the Jakarta Inner Toll Road, linking the western and eastern parts of Jakarta, is completed in 2019.

COMMERCIAL JAKARTA

INTERNATIONAL FINANCIAL CENTRE JAKARTA

Location: Jalan Jenderal Sudirman
GFA: 82,000 sm (Tower 1 upon redevelopment), 61,300 sm (Tower 2)
Completion Date: 4Q 2019 (Tower 1), 4Q 2015 (Tower 2)

Located in the heart of Jakarta's financial district and within the golden triangle zone, IFC is well-poised to meet demand for investment-grade offices from financial institutions, local enterprises and multinational corporations.

The existing IFC Tower 1, with a gross floor area of about 33,180 sm, is fully leased. Tower 1 will be redeveloped into a 49-storey office tower with 82,000 sm of quality space.

IFC Tower 2, which is currently being redeveloped into a 49-storey premium grade office tower, will offer about 61,300 sm of prime office space when completed.



01

With the upcoming launch of West Vista (in picture), Keppel Land will meet demand for quality homes in the growing West Jakarta area.

02

When the redeveloped International Financial Centre Jakarta Tower 1 is integrated with Tower 2, a new iconic twin-tower office complex will rise in Jakarta's CBD.

VIETNAM

As one of the pioneers and largest foreign real estate investors in Vietnam, Keppel Land continues to establish itself as the choice developer, distinguished by its quality and innovative lifestyle concepts.

MAJOR DEVELOPMENTS IN 2014/2015

- Sold about 160 homes, mostly from The Estella and Riviera Point.
- Announced development of Saigon Centre Phase 2 office component which is expected to be completed in the second half of 2017.
- Completed Phase 1A of Riviera Point.
- Launched Estella Heights in January 2015 with positive take-up.

FOCUS FOR 2015

- Monitor market for residential launches.



PROPERTY MARKET TO GAIN FURTHER MOMENTUM

Vietnam's GDP expanded by 6% in 2014, up from 5.4% in 2013. Foreign direct investments (FDIs) were registered at US\$15.6 billion, up 9.6% from the previous year. Inflation also slowed to a low of 4.1% in 2014 from about 7% in 2013. The government is targeting an economic growth of 6.2% in 2015.

Sales volume of residential homes in 2014 more than doubled that in 2013, with stronger economic growth and several infrastructure improvements leading to the recovery of the property sector. The first metro line in Ho Chi Minh City's (HCMC) District 2 is currently under construction, and has brought about positive impact to the property market around the area. In addition, the National Assembly has passed the amended housing law for foreign-ownership of properties in

Vietnam in November 2014 which will take effect in July 2015. The growing middle class and high urbanisation rate in Vietnam, supported by the housing law amendments, are expected to improve the country's property market in the near term.

In 2014, HCMC continued to be the choice destination of international retailers including Marks & Spencer, Robins Department Store and other food and beverage chains such as McDonald's. Demand for prime retail space within the central business district (CBD) remained high due to limited supply. Occupancy rate remained stable at about 90%, while rental rates at ground and first floors were in the range of US\$80-\$120 psm per month. With the opening up of Vietnam's retail market in 2015 which will allow 100% foreign ownership, the retail market is expected to flourish.

VIETNAM

	2013	2014E	2015F	2016F
Real GDP growth (%)	5.4	6.0	6.2	6.4
Prime rate (average, %)	10.4	8.7	8.3	8.8
Inward FDI (US\$ bn)	8.9	11.0	12.0	14.0
Exchange rate (VND/US\$, average)	21,017	21,189	21,548	21,876
Personal disposable income (US\$ bn)	126.6	137.9	153.5	168.2
CPI change (average, %)	6.6	4.1	3.8	4.8

Sources: Economist Intelligence Unit and government's forecast

With limited new supply of Grade A buildings in HCMC's CBD, rents are expected to rise with increasing FDIs and the expansion of established foreign companies in the city. In Hanoi, due to new supply and the competitive offers from Grade B buildings, Grade A office rents decreased slightly from a year ago. The pressure on rents and occupancy rate is expected to continue in the near term as new supply, currently under construction, comes on stream.

With improving macro-economic indicators and favourable new housing regulations, the real estate market is expected to pick up further in 2015.

CONDOMINIUMS HO CHI MINH CITY

THE ESTELLA AND ESTELLA HEIGHTS

Location: District 2

Total No. of Units: 1,591

GFA: 278,097 sm

Completion Date: 2017 (Estella Heights)

Located in An Phu Ward, District 2 in HCMC, The Estella is a 15-minute

drive from HCMC's CBD via the East-West Highway and Thu Thiem Tunnel. When the metro station located close to the development opens in 2017, residents will enjoy greater connectivity to the CBD. The Estella is also in close proximity to reputable international schools such as the British International School, European International School and Australian International School.

Targeted at affluent locals and expatriates, the development, comprising 719 units, was launched in 2008 and handed over to buyers in 2012. As at end-February 2015, almost all units have been sold, except for one penthouse.

A preview of Estella Heights was held over a weekend in January 2015, where 80% of the 150 launched units were sold. As at end-February 2015, 59% of the 405 units launched have been sold.

To reflect Keppel Land's long-term commitment and confidence of the property market in Vietnam, the Group acquired an additional

43% stake in Estella Heights from its Vietnamese partner, Tien Phuoc Co., Ltd in July 2014. This has increased Keppel Land's stake in the development from 55% to 98%.

RIVIERA POINT

Location: District 7

Total No. of Units: 2,400

GFA: 438,814 sm

Completion Date: 2014 (Phase 1A)

Located in the upper-middle class residential enclave, fronting the Ca Cam Tributary in District 7 in HCMC, Riviera Point is a 35-minute drive to the city's CBD via Huynh Tan Phat Street. With the development next to the commercial centre of township Phu My Hung, residents can enjoy a variety of facilities and amenities including international schools, hospitals as well as retail and leisure amenities.

Phase 1A of the development was launched in 2011 and completed in 2014. As at end-February 2015, about 36% of the 549 units have been sold.



01

Keppel Land has launched a new condominium development, Estella Heights, located in Ho Chi Minh City's popular District 2.

02

Riviera Point fronts the Ca Cam Tributary and is located next to the established Phu My Hung township.

VIETNAM

VILLAS

HO CHI MINH CITY

RIVIERA COVE

Location: District 1**Total No. of Units:** 96**GFA:** 34,711 sm**Completion Date:** 2012

Located in District 9 in HCMC, Riviera Cove is a riverfront villa development situated in an up-and-coming residential area. The development enjoys frontage to the 50m-wide Rach Chiec River and is about a 30-minute drive from HCMC's CBD. Accessibility to the CBD has been further improved with the first stage of the Inner Ring Road completed.

Targeted at the upper-income segment, the waterfront gated villa development was launched in 2009 and completed in June 2012. As at end-February 2015, 77% of the 96 villas have been sold.

CASUARINA COVE

Location: District 9**Total No. of Units:** 120**GFA:** 39,807 sm**Launch Date:** 2016

Located in District 9 in HCMC, Casuarina Cove is in close proximity to the popular An Phu Ward in District 2 and about 500m from Riviera Cove. The site is conveniently accessible via the Hanoi Highway, Luong Dinh Cua Street and Inner Ring Road.

Fronting the Rach Chiec River and targeted at affluent locals and expatriates, Casuarina Cove will feature about 120 waterfront villas. It is expected to be launched in 2016.

TOWNSHIPS

HO CHI MINH CITY

SOUTH RACH CHIEC

Location: District 2**Total No. of Units:** 6,699**GFA:** 995,000 sm**Launch Date:** 2017

Located in District 2 in HCMC, the site in South Rach Chiec enjoys more than



two km of frontage to the Giong Ong To River and Muong Kinh River. The site is situated in a tranquil area of An Phu Ward with convenient accessibility via the East-West Highway and the upcoming HCMC-Long Thanh Expressway. It is a 20-minute drive from HCMC's CBD.

The integrated waterfront development will comprise 6,699 apartments, supported by retail, commercial, educational and medical facilities. The first phase of the development is expected to be launched in 2017.

DONG NAI

DONG NAI WATERFRONT CITY

Location: Long Thanh District**Total No. of Units:** 11,715**GFA:** 5,012,380 sm**Launch Date:** 2016

Located in Dong Nai Province, the township development is about 28 km northeast of HCMC and a 45-minute drive from the city's CBD. Situated at one bank of the Dong Nai River, the natural boundary separating Dong Nai Province and HCMC,

Dong Nai Waterfront City will boast a 1.5-km river shoreline that offers buyers waterfront homes ranging from townhouses and villas to high-rise apartments.

Surrounded by scenic views of the Dong Nai River, the township will feature about 11,715 homes supported by a variety of commercial facilities. The villas and terrace houses will be targeted at the upper-middle income buyers while the apartments will cater to the mid-end segment. The development's first phase, comprising about 950 units, is expected to be launched in 2016.

MIXED-USE DEVELOPMENT

HO CHI MINH CITY

SAIGON CENTRE

Location: Le Loi Boulevard, District 1

GFA (Phase 2): 50,000 sm (Retail Podium)
47,000 sm (Office Tower)
195 units
(Serviced Apartments)

Completion Date: 2016 (Retail Podium)
2017 (Office Tower)

Located along Le Loi Boulevard in the heart of HCMC's CBD in District 1, the mixed-use development is within walking distance to the HCMC People's Committee, Ben Thanh Market, Opera House, shopping centres and international hotels.

Phase 1, completed in 1996 and comprising a three-storey retail podium, 11 floors of offices and 89 luxury serviced apartments, continued to achieve strong occupancy and rental rates for its offices, retail space and serviced apartments.

As at end-February 2015, the retail mall under Phase 1 is fully occupied and the serviced apartment, Sedona Suites, is 87% leased. The office space is 93% leased to multinational companies

as well as banking and financial institutions including DBS Bank, AIG, Mitsubishi Corporation and IE Singapore.

Construction of Saigon Centre Phase 2 is progressing on schedule. When completed, Phase 2 will feature 50,000 sm of prime retail area spread over five floors, a 37-storey office tower offering about 47,000 sm Grade A office space and about 200 luxury serviced apartments.

The mall is expected to open in the second half of 2016, with anchor tenant Takashimaya taking up about 15,000 sm of retail space. In October 2014, Keppel Land announced that it is moving ahead on the development of Saigon Centre Phase 2's office tower. The office tower is expected to be completed in the second half of 2017.

SERVICED APARTMENTS

HANOI

SEDONA SUITES HANOI

Location: Quang Ba**Total No. of Units:** 175**Completion Date:** 1998

Located near Hanoi's largest Ho Tay Lake and a 15-minute drive from the city centre, Sedona Suites Hanoi offers 175 units of luxurious serviced residences surrounded by lush landscaping.

Since its completion in 1998, the award-winning development remains the preferred choice of accommodation among diplomats, businessmen, expatriates and diplomatic corps.

Sedona Suites Hanoi comprises 155 apartments and 20 villas with comprehensive clubhouse facilities. As at end-February 2015, 87% of the serviced apartments have been leased.

01

Keppel Land is progressing into the next phase of developing a 37-storey office tower in Phase 2 of Saigon Centre, its landmark development in HCMC.

THE PHILIPPINES

Despite a slower growth of 6.1% in 2014, the Philippines' economy is forecasted to expand by 6.7% in 2015 as the increase in employment and workers' remittances continue to sustain domestic demand.

In Makati, the rents of prime residential units increased by 3% while the occupancy rate stayed at 96%. Occupancy and rents are likely to remain stable in 2015.

A healthy retail market is also expected in 2015 with consumption driven by remittances from overseas Filipinos.

Strong demand for prime office space amidst limited supply continues to push up rents in the district. Prime office rents are expected to improve by 6.7-8.3% in 2015.

CONDOMINIUM MANILA

PALMDALE HEIGHTS

Location: Pasig City

Total No. of Units: 828

GFA: 47,063 sm

Completion Date: 2004

With easy access to the central business districts (CBDs) of Makati and Ortigas, Palmdale Heights offers homeowners a convenient lifestyle with modern amenities.

The first two phases of the development, comprising 828 units, have been completed. Some 87% of the units have been sold as at end-February 2015. The remaining five hectares at Palmdale Heights will be jointly developed with Phinma Property Holdings Corporation.



01

01

Keppel Land has embarked on Phase 2 of the SM-KL project, located in Ortigas' CBD in Manila.

02

When completed, Keppel Land's development will meet demand for quality office space in Yangon, Myanmar.

MIXED-USE DEVELOPMENT MANILA

SM-KL PROJECT

Location: Mandaluyong City

GFA: 110,100 sm (Office)
73,067 sm (Retail)

Completion Date: 2016 (Retail)
(Phase 2) 2019 (Office)

Located in the heart of Ortigas' CBD, the first phase of the SM-KL project, The Podium, offers a good mix of 150 specialty stores featuring well-known international and local brands.

Phase 2 will comprise a 42-storey prime office building and the extension of The Podium. The mall expansion will add over 34,000 sm of retail space, bringing the total leasable area to over 50,000 sm when completed. The expanded mall will feature new international brands, fine dining, wellness and entertainment outlets. Sited above the retail mall, the new office tower will cater to the growing demand from multinational corporations and business process outsourcing companies for quality office space.

THE PHILIPPINES

	2013	2014E	2015F	2016F
Real GDP growth (%)	7.2	6.1	6.7	6.6
Lending rate (average, %)	5.8	5.6	7.5	8.5
Inward FDI (US\$ b)	3.7	3.8	3.9	4.1
Exchange rate (₱/US\$, average)	42.4	44.4	44.8	43.0
Personal disposable income (US\$ b)	214.9	222.4	242.9	277.5
CPI change (average, %)	2.9	4.2	3.0	3.7

Sources: Economist Intelligence Unit and National Statistical Coordination Board

MYANMAR

According to the Economist Intelligence Unit, Myanmar's GDP is expected to increase from an estimated 6.4% in 2014 to average growth of 7.3% per annum from 2015 to 2020.

The suspension of the European Union and United States sanctions against Myanmar in 2013, along with growing market confidence, has spurred investments in Yangon. Foreign companies have been incentivised to set up offices in Yangon, resulting in demand for office space exceeding supply. The strong demand trend is expected to continue for the next few years.

COMMERCIAL YANGON

OFFICE DEVELOPMENT

Location: Junction of Shwedagon Pagoda Road and Bogyoke Aung San Road

GFA: 53,100 sm

Completion Date: 2017

Situated in Yangon's central business district, the 23-storey office tower is part of Junction City, a mixed-use development which also comprises the five-star Pan Pacific Hotel, a shopping centre and residential towers. It will house Yangon's largest car parking facility, offering more than 1,400 car park lots.

When completed, the office tower will offer a net leasable area of about 33,400 sm of premium Grade A office space. Given its prime location, the development is expected to attract financial institutions and multinational corporations. Construction for the office tower has commenced and is expected to be completed in 2017.



02

MYANMAR

	2013	2014E	2015F	2016F
Real GDP growth (%)	5.5	6.4	6.7	7.1
Lending rate (average, %)	13	13	13	13
Inward FDI (US\$ b)	1.4	4.1	5.0	NA
Exchange rate (K/US\$, average)	930	980	990	1,004
CPI change (average, %)	4.3	11.9	-1.2	13.3

Sources: Economist Intelligence Unit and Directorate of Investment and Company Administration

Operations and Market Review

UNITED STATES

The US economy continued to recover, growing by 2.4% in 2014 on higher consumption as well as business and government spending. GDP growth is forecast at 3.4% in 2015, supported by the positive impact from lower energy prices and stronger domestic consumption.

The residential market in Manhattan, New York, remained healthy, underpinned by low mortgage rates, employment growth and foreign demand. Apartment prices rose by 5.9% in 2014. Residential demand and prices are expected to grow further in 2015, albeit at a slower pace.

CONDOMINIUM NEW YORK

RESIDENTIAL DEVELOPMENT

Location: Upper East Side, Manhattan

GFA: 148,000 sf

Launch Date: 2H 2015

Nestled within an established residential neighbourhood, this prime residential development with a retail component is conveniently located within

walking distance to the subway station at Lexington Avenue and 59th Street.

The development is well-served by amenities and entertainment options around Midtown Manhattan. It is opposite the flagship outlet of high-end department store, Bloomingdale's, and is just four blocks away from Central Park, a national historic landmark in New York.

UNITED KINGDOM

The United Kingdom achieved stronger GDP growth of 2.6% in 2014 compared with 1.9% in 2013, the fastest growth since 2007. Growth is expected to remain relatively steady at 2.7% in 2015, driven by lower oil prices and domestic demand.

London's office market experienced strong absorption of 3.1 million sf in 2014, more than doubled the 1.5 million sf in 2013.

With continued growth in the financial services and new emerging industries such as the technology, media and telecommunications sector, the London office market is expected to remain healthy and continues to benefit from a diversified industry mix and employment growth.

COMMERCIAL LONDON

OFFICE DEVELOPMENT

Location: 75 King William Street

GFA: 126,271 sf

Completion Date: 1989

Situated in London's central business district, the nine-storey office building is close to the city's historic and financial centre, where the Bank of England and other prominent financial institutions are also located.

The office building is less than a five-minute walk to the Bank tube station, Monument and Cannon Street stations. It is also a 12-15 minutes' walk to the Liverpool station which is part of the network on the upcoming Crossrail, which will provide a high speed train service across the east-west axis of London when completed in 2018.

The office building is almost fully occupied by tenants in the financial services, shipping and serviced office industries.

01

The strategically located office building at 75 King William Street is almost 100% occupied.



INDIA

India's economy is expected to grow by 7.4% in 2014/2015, led by stronger manufacturing, power and construction sectors. GDP growth is expected to expand by 7.9% in 2015/2016.

Bangalore's residential market remained strong, supported by the expansion of multinational corporations as well as companies in information technology (IT) and IT-enabled services.

The recent interest rate cuts by the Reserve Bank of India are expected to push up residential demand.

CONDOMINIUM BANGALORE

ELITA HORIZON

Location: Kanakapura Road

Total No. of Units: 1,419

GFA: 174,815 sm

Launch Date: 2H 2015

Elita Horizon is a high-rise condominium development located off Kanakapura Road and close to the Peripheral Ring Road. It will have direct access to the major IT hubs and corridors of Electronic City and Bannerghatta Road.

Targeting the upper-middle income buyers, homeowners will enjoy Elita Horizon's resort lifestyle amidst the densely populated areas of south Bangalore.

Design planning of Elita Horizon is underway.

SRI LANKA

The Sri Lankan economy is estimated to grow at 7.8% in 2014, compared with 7.3% in 2013. For 2015, the central bank expects the economy to grow at 8% and inflation to remain below 5%.

The positive economic outlook has supported the residential sector. Improved connectivity with investments in infrastructure projects, coupled with a faster pace of urbanisation, has contributed to an increase in residential prices in Colombo.

CONDOMINIUM COLOMBO

THE BELVEDERE

Location: Kotahena District

Total No. of Units: 297

GFA: 51,511 sm

Completion Date: 2018

Located in the Kotahena District, The Belvedere is close to the central business district of Colombo. Targeting the upper income segment, the high-rise development is designed such that a majority of the units enjoy a panoramic view of the Indian Ocean.

The Belvedere is well-served by amenities such as schools, retail outlets, banks, medical facilities as well as sports and entertainment centres.

MALAYSIA

Malaysia saw a stronger GDP growth of 6% in 2014, supported by higher private consumption, robust investments and a rebound in exports. The country's GDP is forecast to grow 4.5-5.5% in 2015.

The Johor property market experienced a slowdown in 2014 as banks tightened financing policies and higher property taxes were imposed to curb speculation.

For 2015, the introduction of the goods and services tax on 1 April is expected to push up property prices by 3-4%.

**TOWNSHIP
JOHOR****TAMAN SUTERA AND
TAMAN SUTERA UTAMA**

Location: Skudai, Johor Bahru

Total No. of Units: Over 12,000

GFA (completed): 111,812 sm

Completion Date: In phases from 2003

Taman Sutera and Taman Sutera Utama form part of an integrated township featuring over 12,000 units of residential and commercial properties, a vibrant retail development, Sutera Mall, as well as an educational hub. The township had launched 3,907 units of residential and commercial properties, of which 3,289 units comprising terrace and semi-detached houses, apartments and shop offices were sold as at end-2014.

With its increasing popularity and supported by a large surrounding population, Sutera Mall achieved occupancy of about 87% as at end-2014. To date, the shopping mall features over 400 retail outlets and a popular 35,000-sf public library.

Besides providing a modern and stylish living environment, Taman Sutera also promotes a green lifestyle among residents. In line with its vision to create a zero-waste living environment, the township launched the Good Earth project in early 2014 with the aim of cultivating a green mindset among its residents. This is done through the adoption of Effective Micro-organism Technology and the 5Rs (Rethink, Reduce, Reuse, Recycle, be Responsible) philosophy.

THAILAND

Thailand's economy achieved slower growth of 0.7% in 2014 compared with 2.7% in 2013. Growth is expected to accelerate to 3.5-4.5% in 2015 as exports improve in line with the global economic recovery.

The government's efforts at pump priming the economy, through infrastructure investments and expansion of the mass transit network, are expected to have a positive impact on the property market.

While political uncertainties led to slower residential demand in 2014, the market is expected to perform better in 2015 on the back of an improving economy.

**VILLAS
BANGKOK****VILLA ARCADIA SRINAKARIN**

Location: Srinakarin Road

Total No. of Units: 365

GFA: 76,565 sm

Completion Date: 2017 (Phase 2)

Located within an established residential area, Villa Arcadia Srinakarin consists of 365 detached houses. The development is close to the Suvarnabhumi International Airport, and enjoys easy access to Bangkok's city centre. Various amenities such as shopping malls and international schools are also in close proximity.

A new monorail line, which is expected to commence operations in 2019, will further improve accessibility of the development. Phase 1, comprising 209 units, is about 95% sold while about 91% of the 55 launched units in Phase 2 have been sold as at end-February 2015.

VILLA ARCADIA WATCHARAPOL

Location: Watcharapol Road

Total No. of Units: 270

GFA: 68,314 sm

Completion Date: 2014 (Phase 1)

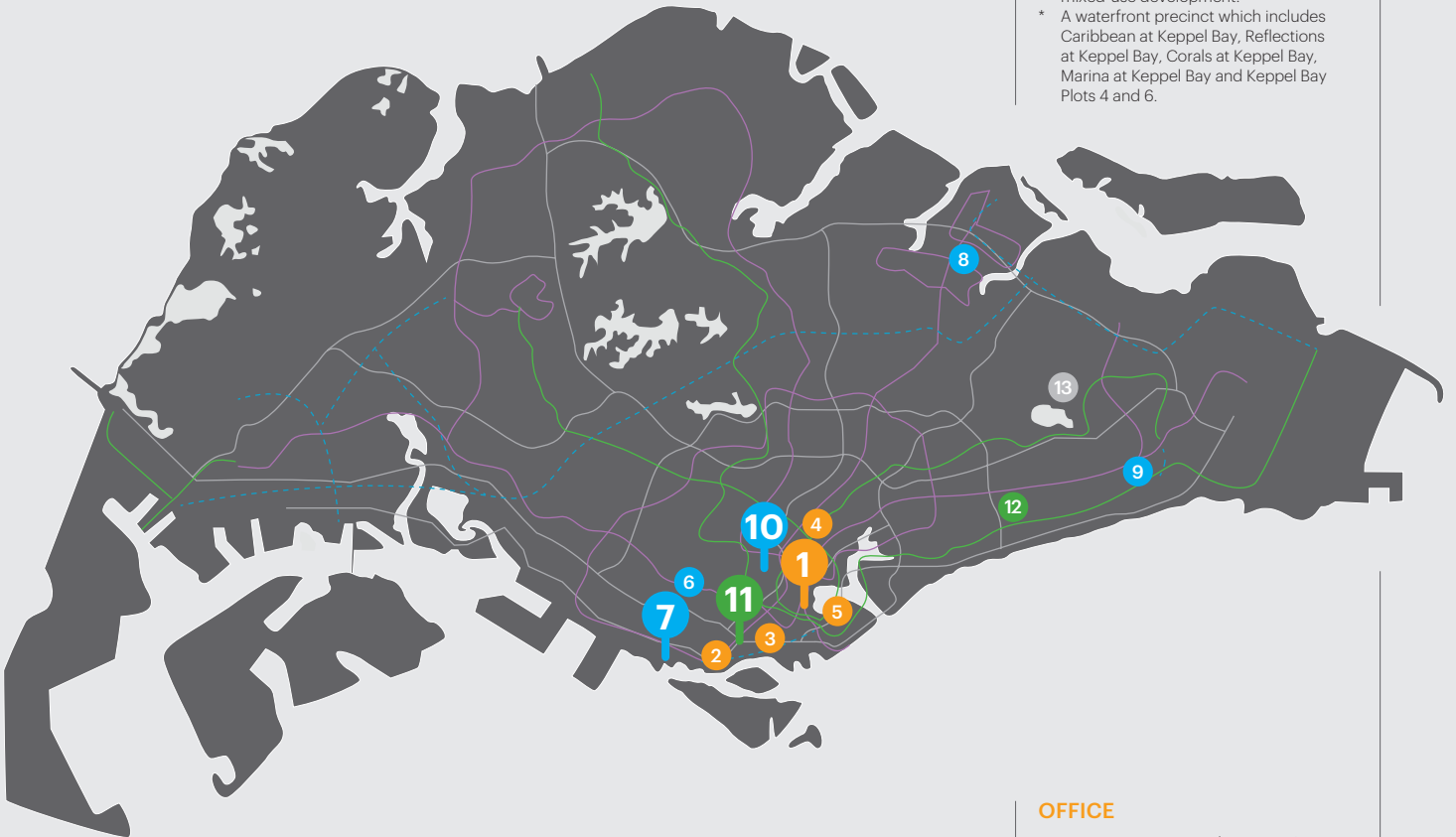
Villa Arcadia Watcharapol is well connected by the Ram Intra-Art Narong Expressway and Eastern Outer Ring Road, and is about a 30-minute drive from the central business district. The accessibility of the development will be further enhanced when the new Phahonyothin-Rattanakosin-Sompotch road is completed in 2015.

A new extended sky train line situated closeby is expected to start operations in 2017 while a new shopping mall facing Villa Arcadia Watcharapol will be fully operational in 2015. About 60% of the 45 launched units have been sold as at end-February 2015.

SINGAPORE

- Expressway
- Existing Rail Lines
- Land Transport Masterplan 2008 Rail Lines
- Land Transport Masterplan 2013 Rail Lines

- + Assets owned by Keppel REIT in which the Group has a 45.1% stake.
- ^ To be redeveloped into a mixed-use development.
- * A waterfront precinct which includes Caribbean at Keppel Bay, Reflections at Keppel Bay, Corals at Keppel Bay, Marina at Keppel Bay and Keppel Bay Plots 4 and 6.



OFFICE

1. Ocean Financial Centre⁺
2. The HarbourFront Office Park
3. Keppel Towers and Keppel Towers 2⁺
4. Bugis Junction Towers⁺
5. One Raffles Quay⁺

RESIDENTIAL

6. Nassim Woods
7. Keppel Bay precinct^{*}
8. The Luxurie
9. The Glades
10. Highline Residences

MIXED-USE DEVELOPMENT

11. Marina Bay Financial Centre
 - Phase 1⁺
 - Phase 2⁺
 - Marina Bay Residences
 - Marina Bay Suites
12. Joo Chiat shophouses

DATA CENTRE

13. Keppel Datahub 2



OTHER REGIONS

**RESIDENCES/OFFICES/
MIXED-USE DEVELOPMENTS/
DATA CENTRES**

AUSTRALIA*

- 275 George Street, Brisbane
- 77 King Street, Sydney
- 8 Chifley Square, Sydney
- Office Tower, Perth
- 8 Exhibition Street, Melbourne

CHINA

- 8 Park Avenue, Shanghai
- Park Avenue Central, Shanghai
- The Springdale, Shanghai
- Seasons Residence, Shanghai
- Landed development, Sheshan, Shanghai
- Office units, Shanghai
- Life Hub @ Jinqiao, Shanghai
- Commercial development, Beijing
- Park Avenue Heights, Chengdu
- Hill Crest Villa, Chengdu
- Serenity Villa, Chengdu
- Sino-Singapore Tianjin Eco-City
 - Seasons City
 - Seasons Park
 - Seasons Garden
- Serenity Cove, Tianjin
- Serenity Villa, Tianjin
- Waterfront Residence, Tianjin
- Vacant land, Tianjin
- Central Park City, Wuxi
- Waterfront Residence, Wuxi
- Mixed-use development, Beitang District, Wuxi
- The Seasons, Shenyang
- Waterfront residential township, Hunnan, Shenyang
- Waterfront Residence, Nantong
- Keppel Cove, Zhongshan
- Stamford City, Jiangyin
- Hill Crest Residence, Kunming
- La Quinta, Kunming

INDONESIA

- West Vista, Jakarta
- Residential development, Jakarta
- Pasadenia Garden, Jakarta
- International Financial Centre Jakarta
- Vacant land at Tunjungan, Surabaya

VIETNAM

- Saigon Centre, HCMC
- The Estella, HCMC
- Estella Heights, HCMC

- Casuarina Cove, HCMC
- Saigon Sports City, HCMC
- South Rach Chiec, HCMC
- Riviera Point, HCMC
- Riviera Cove, HCMC
- International Centre, Hanoi
- Dong Nai Waterfront City, Dong Nai
- PetroVietnam Towers, Vung Tau

MYANMAR

- Office development, Yangon

INDIA

- Elita Horizon, Bangalore

SRI LANKA

- The Belvedere, Colombo

MALAYSIA

- Taman Sutera and Taman Sutera Utama, Johor

THAILAND*

- Villa Arcadia Srinakarin, Bangkok
- Villa Arcadia Watcharapol, Bangkok
- Jewellery Centre, Bangkok

THE PHILIPPINES**

- Palmdale Heights, Metro Manila
- SM-KL project, Metro Manila

UNITED STATES

- Residential development, New York

UNITED KINGDOM

- Office development, London

THE NETHERLANDS

- Almere Data Centre 2, Almere

HOTELS/SERVICED APARTMENTS/RESORTS

VIETNAM

- Sedona Suites, Hanoi
- Sedona Suites, HCMC
- Tamarind Park, HCMC

INDONESIA

- Club Med Ria Bintan
- Ria Bintan Golf Club
- Nongsa Point Marina & Resort, Batam
- Vacant land at Tanah Lot, Bali

MYANMAR

- Sedona Hotel Yangon
- Sedona Hotel Mandalay

CHINA

- Spring City Golf & Lake Resort, Kunming
- Eco-City International Country Club, Sino-Singapore Tianjin Eco-City
- Jiangyin Yangtze International Country Club, Jiangyin

ASSETS HELD UNDER ALPHA INVESTMENT PARTNERS' FUNDS



United States
● New York

JAPAN & SOUTH KOREA

- Japan
● Tokyo
- South Korea
● Seoul

Vietnam

- Ho Chi Minh City
- Hanoi
- Dong Nai
- Vung Tau

United Kingdom
● London

Netherlands
● Almere

CHINA & HONG KONG

- China
- Shanghai
 - Beijing
 - Chengdu
 - Tianjin
 - Wuxi
 - Shenyang
 - Nantong
 - Zhongshan
 - Jiangyin
 - Kunming
 - Hong Kong

India & Sri Lanka
● Bangalore
● Gurgaon
● Colombo

Singapore
● Singapore

REST OF ASIA

The Philippines
● Manila

Myanmar
● Yangon
● Mandalay

Malaysia
● Johor Bahru

Thailand
● Bangkok

Taiwan
● Taipei

Indonesia
● Jakarta
● Surabaya
● Bintan
● Batam
● Bali

Australia
● Brisbane
● Sydney
● Perth
● Melbourne

+ Assets owned by Keppel REIT in which the Group has a 45.1% stake.
* Assets owned by Keppel Thai Properties in which the Group has a 45.5% stake.
** Assets owned by Keppel Philippines Properties in which the Group has a 51% stake.

Financial Review

SALES

The Group's sales for 2014 increased marginally by \$36.1 million or 2.5% compared with 2013, due primarily to higher sales from the Property Trading segment.

The improved sales from the Property Trading segment were attributable mainly to the divestment of Al Mada Towers in Jeddah, partly offset by lower sales from the Singapore trading projects. In Singapore, there was lower revenue from The Lakefront Residences which achieved completion in May 2014, partly mitigated by higher progressive revenue recognition for The Luxurie in Singapore as a result of higher percentage of physical completion achieved in 2014.

The sales from China trading projects for both years were comparable. There were new revenue streams from Phase 1 of Seasons Residence in Shanghai and Phase 1 of Park Avenue Heights in Chengdu which were both completed in December 2014. These were partly reduced by lower revenues from 8 Park Avenue and The Springdale in Shanghai as a result of fewer units sold and handed over to the purchasers.

Sales from the Group's overseas operations constituted 64.7% of its total sales compared with 54.6% for 2013.

EARNINGS

The Group had performed creditably in 2014, despite the property cooling measures affecting home sales in Singapore and China.

At pre-tax level, the Group's profit before fair value gain on investment properties grew by \$63.4 million, or 9.5% compared with 2013, driven mainly by the one-off gains from several divestments, namely Al Mada Towers, Equity Plaza, the Group's one-third interest in Marina Bay Financial Centre ("MBFC") Tower 3, Keppel REIT's 92.8% stake in Prudential Tower as well as divestment of two assets by Keppel Data Centres Holding Pte. Ltd. ("Data Centre JV Co") to the newly listed Keppel DC REIT. These increases were partly reduced by the absence of a gain from the unlocking of the Group's 51% interest in Jakarta Garden City in 2013 and lower contributions from The Springdale and 8 Park Avenue in Shanghai as well as Marina Bay Suites which was completed in June 2013.

After accounting for taxes and non-controlling interests' share of profits, the Group's net profit

of \$752.5 million fell by 15.1% from \$885.9 million reported in 2013, due primarily to a lower fair value gain on investment properties of \$101.7 million, and lower tax write-back.

Excluding the fair value gain on investment properties and non-recurring gains/(losses), earnings from overseas made up about 34.1% of the Group's net profit compared with 32.8% for 2013.

RETURNS TO SHAREHOLDERS

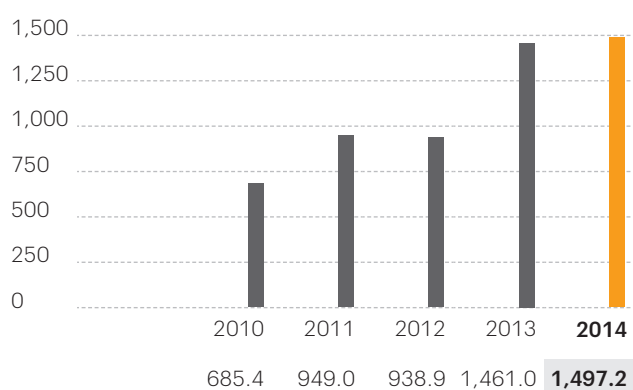
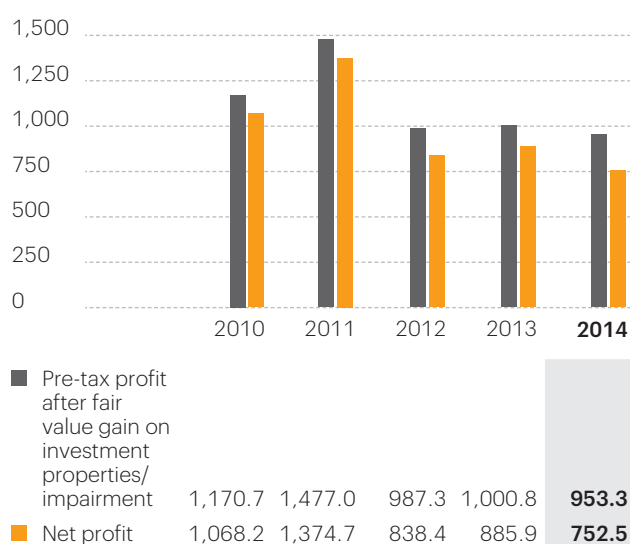
Earnings per share for 2014 (before and after net fair value gain on investment properties) were 35.7 cents and 48.7 cents, respectively. These were lower than the earnings per share (before and after net fair value gain on investment properties) for 2013 of 37.8 cents and 57.3 cents respectively as a result of the Group's lower profits.

The Directors have recommended that a final one-tier tax exempt dividend of 14 cents per share, amounting to about \$216.3 million, be paid for the year ended 31 December 2014. This is subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company.

For the year ended 31 December 2013, a final one-tier tax exempt dividend of 13 cents per share amounting to \$201 million was paid in May 2014.

	2014 \$'000	2013 \$'000	% Increase/ (Decrease)
Sales	1,497,177	1,461,048	2.5
Pre-tax profit before fair value gain on investment properties	733,111	669,712	9.5
Pre-tax profit after fair value gain on investment properties	953,325	1,000,773	(4.7)
Net profit	752,486	885,892	(15.1)
Total equity (including non-controlling interests)	8,144,938	7,485,587	8.8
Net debt	1,609,289	2,867,674	(43.9)

	2014	2013	% Increase/ (Decrease)
Net debt-equity ratio (times)	0.20	0.38	(47.4)
Earnings per share (cents)			
After taxation but before fair value gain on investment properties	35.7	37.8	(5.6)
After taxation and fair value gain on investment properties	48.7	57.3	(15.0)
Return on equity (%)			
After taxation but before fair value gain on investment properties	7.9	9.3	(15.1)
After taxation and fair value gain on investment properties	10.7	14.1	(24.1)
Dividend per share (cents)	14.0	13.0	7.7
Net asset value per share (\$)	4.95	4.52	9.5

GROUP SALES (\$ million)**GROUP PROFIT** (\$ million)

FINANCIAL POSITION

Share capital and reserves for the Group increased by \$666.1 million, due largely to the profits retained for the year and an increase in foreign currency translation reserves arising from the strengthening of the United States dollar, Renminbi and Vietnamese Dong against the Singapore dollar, partly offset by the payment of dividend in May 2014. As a result of the higher share capital and reserves, the Group's net asset value per share increased to \$4.95 as at end-2014 from \$4.52 as at end-2013.

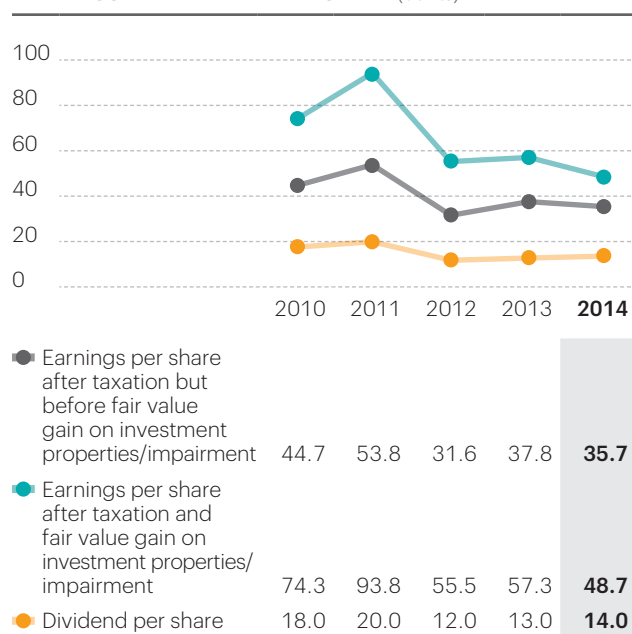
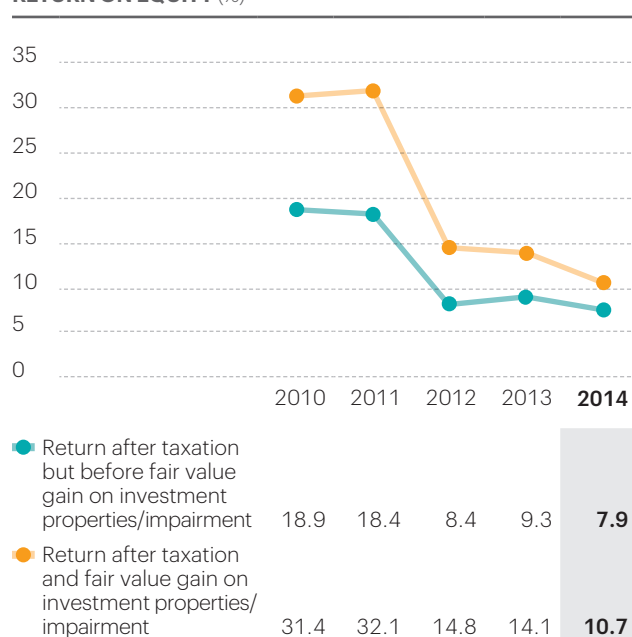
Total assets as at end-2014 were \$14.5 billion, of which Singapore and China accounted for almost 90% of the Group's total assets. Total assets rose by 5.1% from \$13.8 billion as at end-2013, due primarily to the increases in properties held for sale, and cash and cash equivalents, partly offset by decreases in investment properties as well as investments in and amounts owing by associates and joint ventures.

The increase in properties held for sale was due to the acquisition of a residential site in West Jakarta, Indonesia, land payment for a residential site in Sino-Singapore Tianjin Eco-City, and development expenditures incurred for the Group's ongoing residential developments.

The Group's cash and cash equivalents doubled to \$2.6 billion as at end-2014, following the receipt of proceeds from the various divestments mentioned earlier.

The decrease in investment properties arose primarily from the divestment of Equity Plaza, partly offset by fair value gains recognised in the current year.

The decrease in investments in associates and joint ventures resulted mainly from the divestment of the Group's one-third interest in Central Boulevard Development Pte. Ltd. ("Central Boulevard") (which owns MBFC Tower 3), partly offset by the share of current year's results of the associates and joint ventures (including fair value and divestment gains) and additional equity injection into the associates and joint ventures.

EARNINGS AND DIVIDEND PER SHARE (cents)**RETURN ON EQUITY (%)**

The decrease in amounts owing by associates and joint ventures was due mainly to repayment of shareholders loans by Central Boulevard.

Total liabilities for both years were comparable.

The Group's net debt-equity ratio improved to 0.20 at end-2014 from 0.38 at end-2013. The improvement was attributable mainly to the receipt of divestment proceeds as mentioned above, dividends received from and loans repayment by the associates and joint ventures as well as progress billings received from several trading projects in Singapore and China. These were partly offset by the dividend payment, subscription of units in Keppel DC REIT, land payment for the newly acquired site in West Jakarta, as well as payments in relation to residential sites acquired in China in 2013.

Assets employed as at end-2014 increased to \$12.4 billion, from \$11.7 billion as at end-2013, for the same reasons mentioned above.

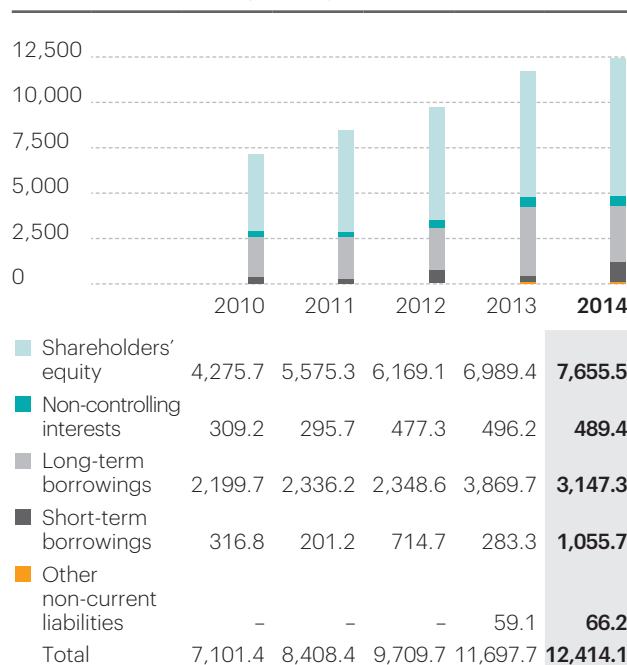
FIVE-YEAR FINANCIAL PERFORMANCE

The Group's profits surpassed the \$1 billion mark for two consecutive years in 2010 and 2011. The highest profit was achieved in 2011 when the Group disposed of its 87.51% equity interest in Ocean Properties Pte. Limited (which owns Ocean Financial Centre) to Keppel REIT. Consequently, earnings per share and return on equity for 2011 were the highest compared with the corresponding earnings and returns in the other four years. The second highest net profit was achieved in 2010 when the Group disposed of its one-third interest in MBFC Towers 1 and 2 to Keppel REIT as part of an asset swap arrangement between the Group and Keppel REIT.

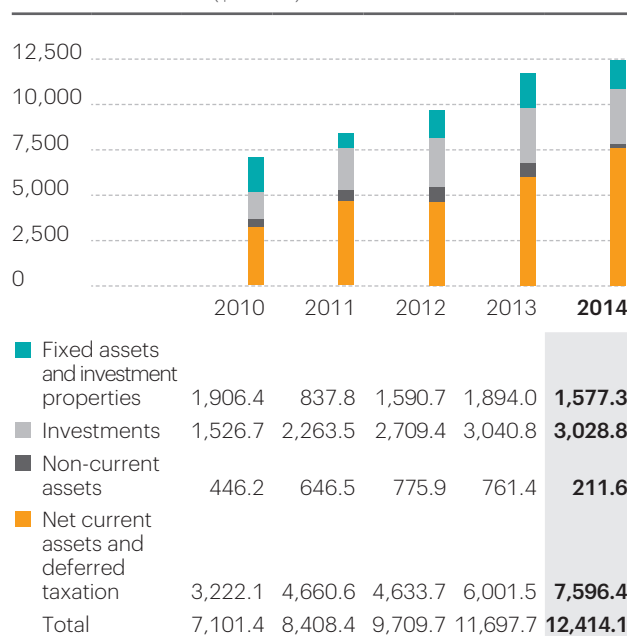
The dividends for the past five years were in line with the Group's performance in these years.

Net asset value per share grew steadily from \$2.95 at end-2010 to \$4.95 at end-2014.

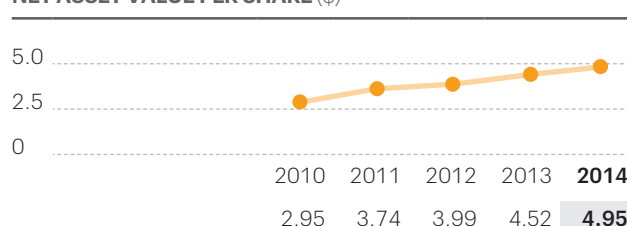
SOURCES OF FINANCE (\$ million)



ASSETS EMPLOYED (\$ million)



NET ASSET VALUE PER SHARE (\$)



ANALYSIS BY BUSINESS SEGMENT

	Sales		EBITDA		Pre-tax Profit		Net Profit	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Property trading	1,273,346	1,230,509	224,076	192,761	294,357	316,196	188,929	271,817
Property investment	42,892	48,848	22,335	25,745	140,012	141,544	114,421	124,685
Fund management	107,012	94,123	62,141	52,233	67,338	55,793	55,792	46,717
Hotels and resorts	70,820	72,128	21,715	22,066	11,353	15,054	10,314	12,874
Others	108,737	118,213	(29,234)	(14,490)	26,137	(24,237)	21,170	(25,467)
Inter-segment elimination	(105,630)	(102,773)	-	-	-	-	-	-
Sub-total	1,497,177	1,461,048	301,033	278,315	539,197	504,350	390,626	430,626
Fair value gain on investment properties	-	-	-	-	220,214	331,061	200,482	302,236
Gain from disposal of subsidiaries and associates	-	-	-	-	94,553	164,105	94,553	151,773
Gain from disposal of an investment property	-	-	-	-	91,988	-	59,452	-
Fair value gain on call option	-	-	-	-	200	3,700	200	3,700
Gain/(loss) on change in interest in an associate	-	-	-	-	7,173	(2,443)	7,173	(2,443)
Total	1,497,177	1,461,048	301,033	278,315	953,325	1,000,773	752,486	885,892

ANALYSIS BY GEOGRAPHICAL LOCATION

	Sales		EBITDA		Pre-tax Profit		Net Profit	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore	528,408	663,205	116,014	127,172	300,655	299,767	257,607	289,512
Others	968,769	797,843	185,019	151,143	238,542	204,583	133,019	141,114
Sub-total	1,497,177	1,461,048	301,033	278,315	539,197	504,350	390,626	430,626
Fair value gain on investment properties	-	-	-	-	220,214	331,061	200,482	302,236
Gain from disposal of subsidiaries and associates	-	-	-	-	94,553	164,105	94,553	151,773
Gain from disposal of an investment property	-	-	-	-	91,988	-	59,452	-
Fair value gain on call option	-	-	-	-	200	3,700	200	3,700
Gain/(loss) on change in interest in an associate	-	-	-	-	7,173	(2,443)	7,173	(2,443)
Total	1,497,177	1,461,048	301,033	278,315	953,325	1,000,773	752,486	885,892

PROPERTY TRADING

Sales from the trading projects increased by \$42.8 million or 3.5% against 2013, due primarily to the divestment of the Al Mada Towers in Jeddah as well as the new revenue recognition for Phase 1 of Seasons Residence in Shanghai and Phase 1 of Park Avenue Heights in Chengdu which were both completed in December 2014. There was also higher revenue from The Luxurie in Singapore on account of higher percentage of physical completion achieved. These were partly offset by lower revenues from The Lakefront Residences in Singapore which achieved completion in May 2014, 8 Park Avenue and The Springdale in Shanghai as a result of fewer units sold and handed over to the purchasers.

Net profit for 2014 dropped, due primarily to lower contributions from The Springdale, Marina Bay Suites and Reflections at Keppel Bay, partly cushioned by a gain from the divestment of Al Mada Towers, profits from the newly completed Phase 1 of Seasons Residence and Phase 1 of Park Avenue Heights as well as higher contribution from Plot R5B of The Botanica which was completed in June 2014. In addition, there was absence of a gain of \$148.5 million (after accounting for withholding tax) from the divestment of the Group's 51% interest in Jakarta Garden City which took place in 2013.

PROPERTY INVESTMENT

Rental income for 2014 was lower following the divestment of Equity Plaza in August 2014.

Net profit (excluding the fair value gain on investment properties and non-recurring gains) for 2014 had declined by \$10.3 million, due primarily to lower dividends received from the Group's investments in the funds managed by Alpha Investment Partners Limited ("Alpha").

Taking into consideration the gains from various divestments

including Equity Plaza and the Group's one-third interest in MBFC Tower 3, this segment showed an improvement in the bottomline of \$48.1 million or 11.2% compared to 2013.

FUND MANAGEMENT

Fees and net profits from fund management for 2014 improved, as a result of the acquisition fee of \$12 million earned by Keppel REIT Management Limited in relation to the MBFC Tower 3 transaction as well as higher acquisition and divestment fees recorded by Alpha.

Total assets under management by Keppel REIT and Alpha, when fully invested and leveraged, stood at about \$18.7 billion as at end-2014, up from \$17.7 billion as at end-2013.

HOTELS AND RESORTS

Sales from the Group's hotels and resorts operations for 2014 had declined slightly, due mainly to lower average occupancies achieved by the two hotels in Myanmar as a result of renovation works which were only completed in the second half of 2014.

Net profit for 2014 was also lower, for the same reasons mentioned above. In addition, there was absence of a gain of \$3.3 million from the divestment of the Group's 50% indirect interest in Hotel Sedona Manado in Indonesia in 2013.

OTHERS

"Others" include corporate services, property services and others.

Sales from this segment for 2014 decreased mainly because of lower development management fees and marketing commission earned as well as lower management fees charged to the project development companies.

Despite lower sales, this segment turned around with a net profit in 2014 compared with a net loss in 2013, contributed primarily by the share of Data Centre JV Co's gain from the divestment of its two assets to Keppel DC REIT, partly offset by higher staff costs accruals.

Property Portfolio Analysis

The Group's diversified property portfolio, comprising office buildings, residential properties, hotels and resorts, serviced apartments, industrial buildings, shophouses and retail outlets, are owned through subsidiaries, associates and joint ventures.

The Group's property portfolio amounted to about \$11.9 billion. Details of the Group's property portfolio are given on pages 249 to 268. The following analysis as at 31 December 2014 is for the Group's effective interests only.

SINGAPORE PROPERTIES

A. ANALYSIS BY TENURE

Freehold properties constituted 11.6% of the Group's properties in Singapore, with 999-year leased properties and 99-year leased properties making up 21% and 67.4% respectively.

B. ANALYSIS BY DEVELOPMENT STAGE

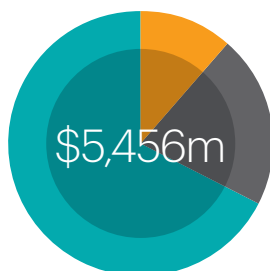
Of the Group's property portfolio in Singapore, 65% were made up of completed properties while 23% were under development.

Properties under development included The Luxurie, The Glades, Highline Residences as well as Corals at Keppel Bay. The remaining 12% of the Group's properties comprised Keppel Towers and Keppel Towers 2 which were acquired in December 2010 and are currently pending redevelopment, and landbank awaiting development.

C. ANALYSIS BY SECTOR

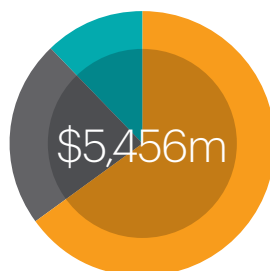
Of the Group's property portfolio in Singapore, 58.5% were office buildings, which included Ocean Financial Centre,

ANALYSIS BY TENURE (Singapore Only)



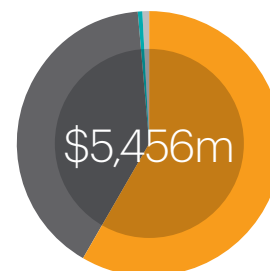
	\$ million	%
Freehold	632	11.6
999-year lease	1,145	21.0
99-year lease and others	3,679	67.4
Total	5,456	100.0

ANALYSIS BY DEVELOPMENT STAGE (Singapore Only)



	\$ million	%
Completed	3,548	65.0
Under development	1,252	23.0
Awaiting development	656	12.0
Total	5,456	100.0

ANALYSIS BY SECTOR (Singapore Only)



	\$ million	%
Office	3,190	58.5
Residential	2,215	40.6
Retail	13	0.2
Industrial	38	0.7
Total	5,456	100.0

Marina Bay Financial Centre Towers 1, 2 and 3, Bugis Junction Towers, One Raffles Quay, Keppel Bay Tower as well as HarbourFront Towers One and Two. Residential properties made up 40.6% while the remaining portfolio comprised retail and industrial components in the proportions of 0.2% and 0.7% respectively.

in Singapore was 380,000 sm. Office buildings and residential properties formed 37.2% and 61.5% respectively of the total GFA. The balance comprised 0.3% for retail and 1% for industrial buildings.

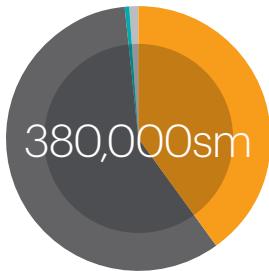
D. ANALYSIS BY ESTIMATED GROSS FLOOR AREA

The total gross floor area ("GFA") of the Group's property portfolio

OVERSEAS PROPERTIES

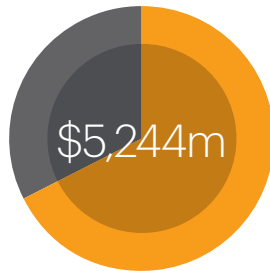
Of the Group's completed properties, 32.3% were located overseas. Taking into account projects under development, overseas properties constituted 54.1% of the Group's property portfolio.

ANALYSIS BY ESTIMATED GROSS FLOOR AREA
(Singapore Only)



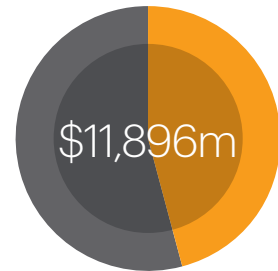
	sm' 000	%
Office	141	37.2
Residential	234	61.5
Retail	1	0.3
Industrial	4	1.0
Total	380	100.0

ANALYSIS BY LOCATION
(Completed Projects)



	\$ million	%
Local	3,548	67.7
Overseas	1,696	32.3
Total	5,244	100.0

ANALYSIS BY LOCATION
(All Projects)



	\$ million	%
Local	5,456	45.9
Overseas	6,440	54.1
Total	11,896	100.0

Sensitivity Analysis

INVESTMENT PROPERTIES

The Group's main completed investment properties are One Raffles Quay, Marina Bay Financial Centre Towers 1, 2 and 3, Ocean Financial Centre, Bugis Junction Towers, Keppel Bay Tower, HarbourFront Towers One and Two, Keppel Towers and Keppel Towers 2 in Singapore, Life Hub @ Jinqiao in China, Saigon Centre Phase 1 and International Centre in Vietnam, International Financial Centre Jakarta Tower 1 in Indonesia, as well as 275 George Street, 77 King Street, 8 Exhibition Street and 8 Chifley Square in Australia. The pre-tax profit from these properties is sensitive to changes in their occupancies and the rental rates for lease renewals.

Assuming that average rental rates are maintained, for every 1% change in occupancies, a full year's impact

on the Group's pre-tax profit derived from these properties is approximately \$2.3 million.

In respect of committed leases and lease renewals, a full year's impact on the Group's pre-tax profit for every 10% change in average rental rates from new rates negotiated is about \$5.3 million.

TRADING PROPERTIES

For this sensitivity analysis, only Singapore trading projects on progressive payment scheme are considered as they are accounted for using the percentage of completion method and henceforth sensitive to actual sales achieved and the percentage of physical completion recognised during the year.

Based on actual sales contracts signed as at 31 December 2014, the

incremental impact on the Group's pre-tax profit for every 5% of physical completion is about \$4.9 million.

For projects which have been launched, for every additional 1% of the total saleable area sold, the additional contribution to the Group's pre-tax profit is an estimated \$6.5 million. This is based on projected physical completion and sales, and the properties available for sale which the Group had as at end-2014.

BORROWINGS

Of the Group's borrowings, 66% are on fixed interest rates and 34% on floating rates for which interest rate hedges have not been entered into. If the average interest rate increase/decrease by 0.5%, with all other variables, including tax rate, being held constant, the Group's profit after taxation will be lower/higher by \$5.9 million per year.

CHANGE IN GROUP'S PRE-TAX PROFIT

	\$ million
Resulting from:	
For every 1% change in occupancies (see Note A)	2.3
For every 10% change in average rental rates (see Note B)	5.3

Notes:

- A. Assuming current average rentals are maintained.
B. Based on committed leases due for renewal in 2015.

INCREMENTAL IMPACT OF ADDITIONAL SALES AND COMPLETION OF TRADING PROPERTIES ON GROUP'S PRE-TAX PROFIT

	\$ million
Resulting from:	
For every 5% of physical completion (see Note C)	4.9
For every 1% of additional sales (see Note D)	6.5

Notes:

- C. Based on actual sales contracts signed as at 31 December 2014.
D. Based on projected physical completion and sales, and the properties available for sale at end-2014.

Economic Value Added

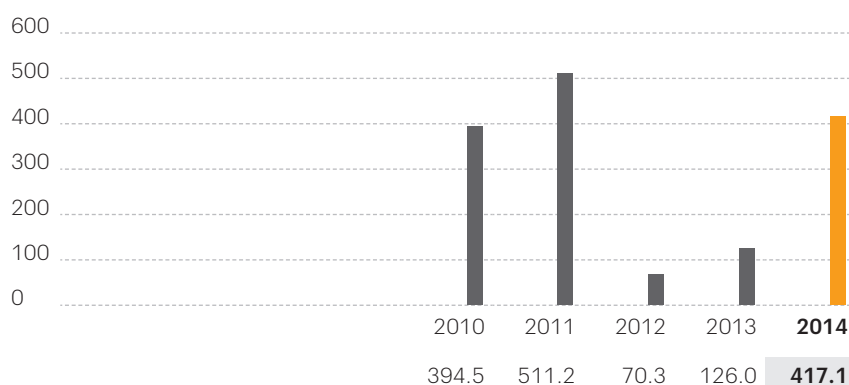
The Group's EVA for 2014 increased by more than two folds compared to 2013, due primarily to one-off gains from several divestments, including Equity Plaza and the Group's one-third interest in Marina Bay Financial Centre ("MBFC") Tower 3.

The Group registered a record EVA of \$511.2 million in 2011. The strong performance in 2011 was boosted mainly by a gain of \$480.3 million from the

disposal of the Group's 87.51% equity interest in Ocean Properties Pte. Limited (which owns Ocean Financial Centre) to Keppel REIT in December 2011.

In 2010, the Group recorded a gain of \$357 million from the disposal of its one-third interest in MBFC Towers 1 and 2 to Keppel REIT as part of an asset swap arrangement between the Group and Keppel REIT.

ECONOMIC VALUE ADDED (\$ million)



	2014 \$ million	2013 \$ million
Profit after taxation but before fair value gain on investment properties	616.8	578.8
Adjustment for :		
Interest expense	54.5	28.3
Interest capitalised - non taxable	17.1	29.7
Tax effect on interest expense adjustments	(9.3)	(4.8)
Provisions, deferred tax, amortisation and other adjustments	290.1	(33.8)
Net Operating Profit After Tax	969.2	598.2
Average EVA capital employed (Note 1)	8,833.7	7,883.2
Weighted average cost of capital (Note 2)	6.25%	5.99%
Capital Charge	552.1	472.2
Economic Value Added	417.1	126.0

Notes:

- Average EVA capital employed was derived from the quarterly averages of net assets plus interest-bearing liabilities and deferred tax.
- Weighted average cost of capital is calculated in accordance with the Group EVA Policy as follows:
 - cost of equity using Capital Asset Pricing Model with market risk premium of 5.5% (2013: 6%) per annum;
 - risk free rate of 2.45% (2013: 1.32%) based on yield-to-maturity of Singapore government 10-year bonds;
 - unlevered beta of 0.81 (2013: 0.81); and
 - pre-tax cost of debt of 2.48% (2013: 2.19%) using 5-year Singapore dollar swap offer rate plus 90 basis points (2013: 130 basis points).
- The capital charge pertaining to investment properties under construction and uncompleted phases for large-scale residential projects are deferred since these assets are not currently in service and are unable to generate any revenue.

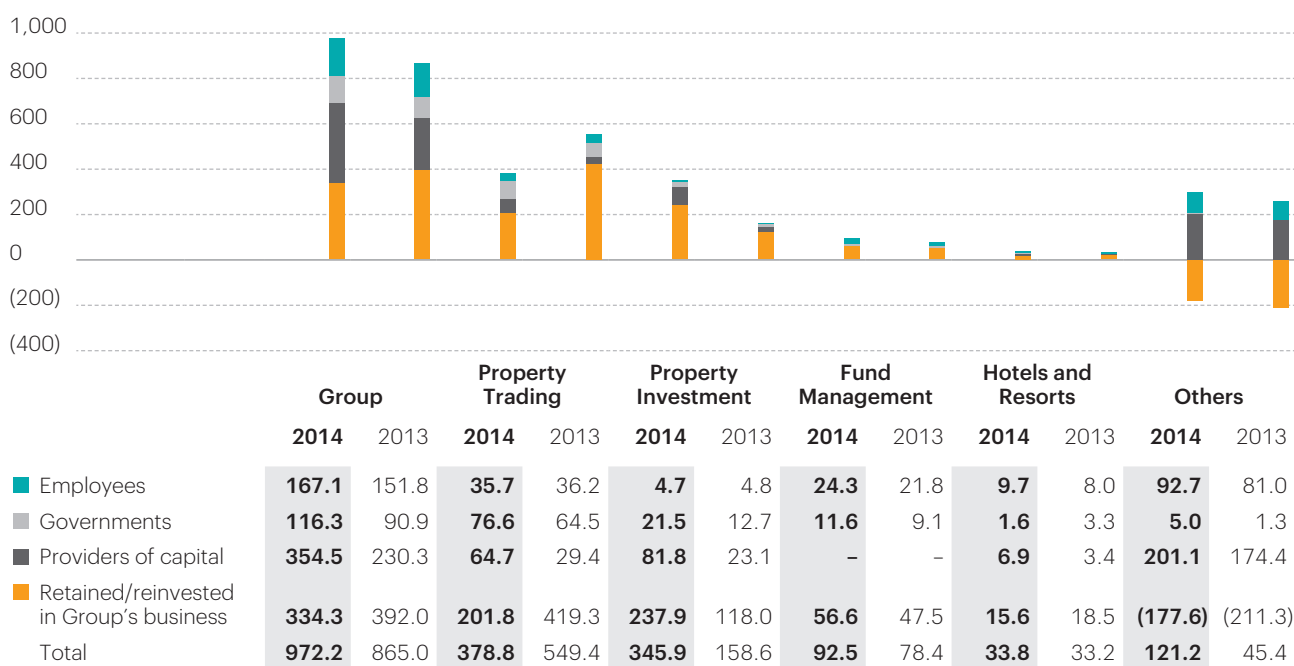
Value Added Statement

BY SEGMENT

	Property Trading \$ million	Property Investment \$ million	Fund Management \$ million	Hotels and Resorts \$ million	Others \$ million	Group \$ million
Total value added						
2014	378.8	345.9	92.5	33.8	121.2	972.2
2013	549.4	158.6	78.4	33.2	45.4	865.0
Distributed as follows:						
Employees in wages, salaries and benefits						
2014	35.7	4.7	24.3	9.7	92.7	167.1
2013	36.2	4.8	21.8	8.0	81.0	151.8
Governments in taxation						
2014	76.6	21.5	11.6	1.6	5.0	116.3
2013	64.5	12.7	9.1	3.3	1.3	90.9
Providers of capital in interest and dividends						
2014	64.7	81.8	-	6.9	201.1	354.5
2013	29.4	23.1	-	3.4	174.4	230.3
Retained/reinvested in Group's business						
2014	201.8	237.9	56.6	15.6	(177.6)	334.3
2013	419.3	118.0	47.5	18.5	(211.3)	392.0
Total distribution						
2014	378.8	345.9	92.5	33.8	121.2	972.2
2013	549.4	158.6	78.4	33.2	45.4	865.0

"Others" include corporate services, property services and others.

TOTAL VALUE ADDED BY SEGMENT (\$ million)



VALUE ADDED STATEMENT

	2010 \$ million	2011 \$ million	2012 \$ million	2013 \$ million	2014 \$ million
Value added from:					
Sales	685.4	949.0	938.9	1,461.0	1,497.2
Less: Purchase of materials and services	(401.9)	(645.0)	(627.6)	(1,049.6)	(1,047.6)
Add: Other income/losses	396.4	530.9	56.1	184.2	212.5
Gross value added from operations	679.9	834.9	367.4	595.6	662.1
In addition:					
Interest and investment income	29.7	49.4	43.8	42.5	28.9
Share of results of associates and joint ventures	196.9	175.0	373.8	226.9	281.2
Total value added	906.5	1,059.3	785.0	865.0	972.2
Distribution:					
To employees in wages, salaries and benefits	114.5	130.1	119.9	151.8	167.1
To governments in taxation	96.0	71.9	118.1	90.9	116.3
To providers of capital in:					
Interest paid on borrowings	38.2	34.8	40.3	28.3	54.5
Dividends to non-controlling shareholders in subsidiaries	42.0	2.7	4.2	16.5	99.0
Dividends to shareholders of the Company	114.4	261.3	298.2	185.5	201.0
	194.6	298.8	342.7	230.3	354.5
Balance retained in the business:					
Depreciation	9.0	8.8	11.0	15.1	17.4
Non-controlling interests	(34.9)	22.2	14.6	(21.3)	(34.1)
Retained profits	497.6	478.1	134.9	355.7	322.1
	471.7	509.1	160.5	349.5	305.4
	876.8	1,009.9	741.2	822.5	943.3
Add: non-operating interest and investment income	29.7	49.4	43.8	42.5	28.9
	906.5	1,059.3	785.0	865.0	972.2

In the calculation of value added, the fair value gain on investment properties/impairment and related taxation are excluded.

Value Added Statement

The total value added by the Group (including interest and investment income of \$28.9 million) in 2014 was \$972.2 million. Contributions from the various business segments are as follows:

	\$ million
Property trading	378.8
Property investment	345.9
Fund management	92.5
Hotels and resorts	33.8
Others	121.2
	972.2

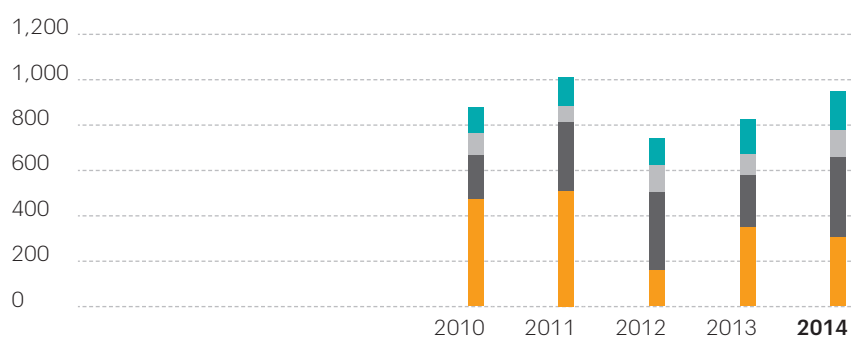
Excluding interest and investment income, the Group's value added of \$943.3 million was absorbed by employees in wages, salaries

and benefits of \$167.1 million, governments in taxation of \$116.3 million and providers of capital in interest and dividends totaling \$354.5 million. The balance of \$305.4 million was reinvested in the business.

In 2013, the total value added by the Group was \$865 million. The Group's value added, excluding interest and investment income, was \$822.5 million. Wages, salaries and benefits of employees absorbed \$151.8 million, tax to governments \$90.9 million and interest and dividends to capital providers \$230.3 million, leaving the balance of \$349.5 million reinvested in the business.

VALUE ADDED (EXCLUDING INTEREST AND INVESTMENT INCOME)

(\$ million)

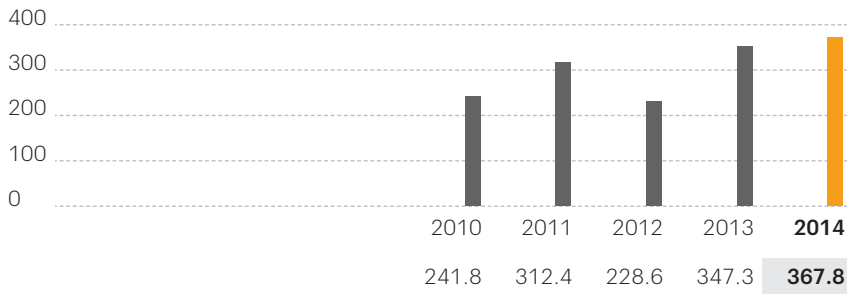


■ Wages, salaries and benefits	114.5	130.1	119.9	151.8	167.1
■ Taxation	96.0	71.9	118.1	90.9	116.3
■ Interest expense and dividends	194.6	298.8	342.7	230.3	354.5
■ Depreciation and profit retained/reinvested	471.7	509.1	160.5	349.5	305.4
Total	876.8	1,009.9	741.2	822.5	943.3

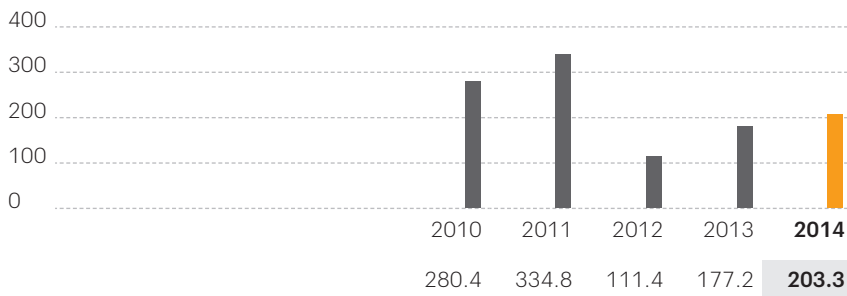
Productivity Analysis

PRODUCTIVITY DATA

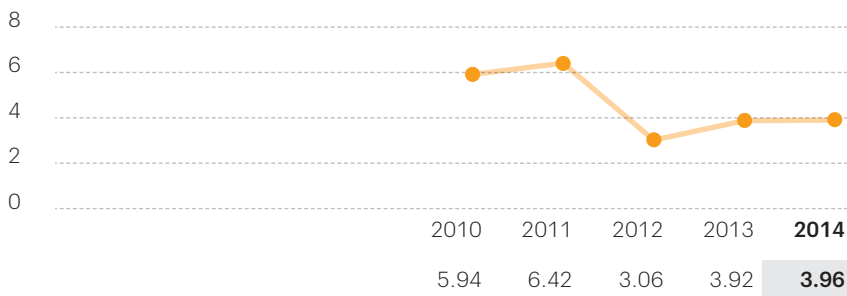
SALES PER EMPLOYEE (\$'000)



VALUE ADDED PER EMPLOYEE (\$'000)



VALUE ADDED PER DOLLAR EMPLOYMENT COST (\$)



Corporate Liquidity and Capital Resources

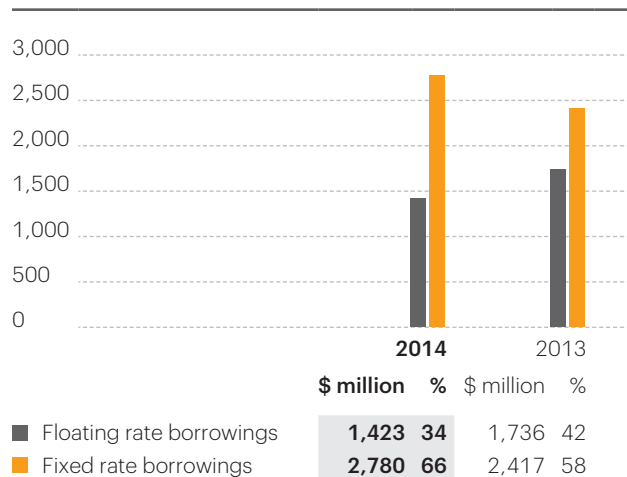
The Group recorded a net debt of \$1.6 billion at end-2014 as compared to \$2.9 billion a year ago. During the year, cash inflows were mainly due to the receipt of proceeds from the divestment of Equity Plaza, Al Mada Towers and the Group's one-third interest in MBFC Tower 3, dividends received from and loans repayment by the associates and joint ventures as well as progress billings received from several trading projects in Singapore and China. These were partly offset by the dividend payment, subscription of units in Keppel DC REIT, land payment for the newly acquired site in West Jakarta, Indonesia as well as payments in relation to residential sites acquired in China in 2013. As a result, the Group's net debt-equity ratio improved to 0.20 at end-2014 from 0.38 at end-2013.

As at end-2014, the Group had approximately \$4.2 billion of total borrowings comprising short-term borrowings of \$1.1 billion and long-term borrowings of \$3.1 billion. The Group's total borrowings were mainly unsecured except for \$1.0 billion. These secured borrowings were obtained by certain subsidiary companies which pledged their assets (with a net book value of \$2.6 billion) to financial institutions and constituted about 23% of the total borrowings.

The Group has a debt maturity profile of an average maturity of 3.3 years with not more than 30% of total borrowings maturing in any year. The debt maturity profile of the Group is as follows:

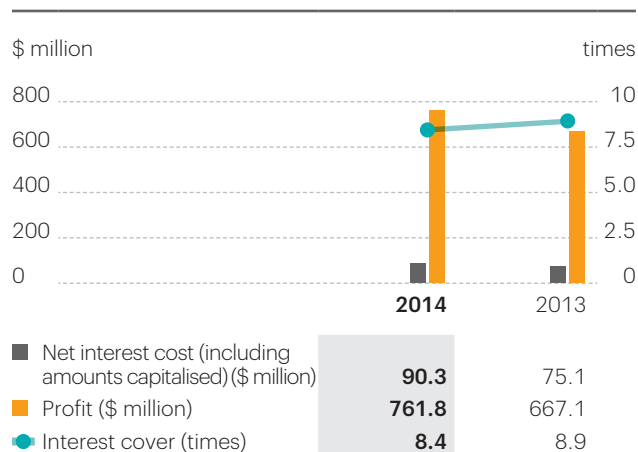
	\$ million	% of Total Borrowings
Due in 2015	1,055	25
Due in 2016		
- Financial Institutions	117	3
- Related Company	5	-
Due in 2017	551	13
Due in 2018	1,175	28
Due in 2019	870	21
Due in 2020	100	2
Due in 2022	200	5
Due in 2024	130	3
	4,203	100

FIXED VS FLOATING RATE BORROWINGS (\$ million)

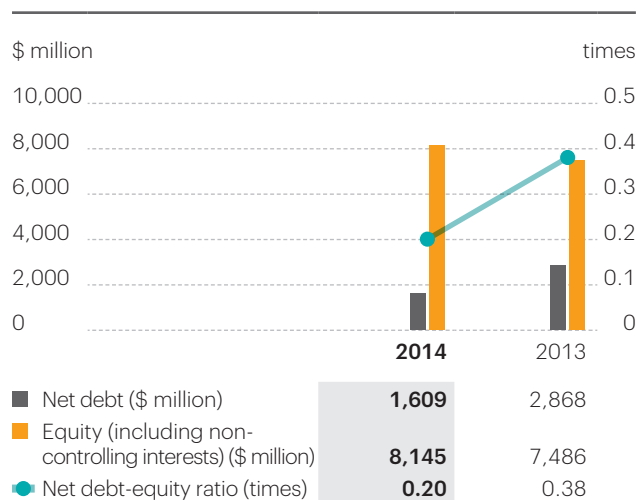


The above figures take into account the borrowings on a hedged basis.

INTEREST COVER



NET DEBT-EQUITY RATIO



On an unhedged basis, the fixed and floating rate borrowings were in the proportion of 45% and 55% respectively. To minimise its exposure to interest rate volatility, the Group has entered into interest rate swaps of about S\$450 million, US\$300 million and RMB269 million which improved the fixed/floating proportion to about 66% and 34% respectively.

As the Group operates primarily in Singapore, China, Vietnam and Indonesia, it is exposed to currency risks. The Group will, as far as practicable, borrow in the same functional currencies of its overseas operations to achieve a natural hedge. The borrowings are denominated in the following currencies:

	\$ million
Singapore dollar	2,849
United States dollar	1,022
Renminbi	249
Thai baht	41
Indonesia rupiah	21
Vietnamese dong	21
	<u>4,203</u>

As at end-2014, 64% of the Group's total borrowings were funded from bank borrowings and the balance 36% was raised through capital market bond issuances.

The average interest rate of borrowings for 2014 was 2.5% per annum compared with 2.4% per annum for 2013. Interest cover for the financial year was 8.4 times.

GEARING STRUCTURE AND FINANCIAL RATIOS

	2014 \$'000	2013 \$'000
Available Facilities And Cash		
Facilities available	4,392,094	4,135,651
Amount utilised	2,698,282	2,762,836
Available and unutilised	1,693,812	1,372,815
Cash and cash equivalents	2,593,719	1,285,350
Unutilised facilities and funds available for use	4,287,531	2,658,165
Debt Securities Capacity		
Debt securities capacity	5,448,926	5,263,988
Debt securities issued	1,504,726	1,390,188
Unutilised debt securities capacity	3,944,200	3,873,800
Interest Cover		
Profit before interest, fair value gain on investment properties and taxation	761,797	667,062
Net interest cost (including amounts capitalised)	90,294	75,127
Interest cover (times)	8.4	8.9
Average interest rate of borrowings (%)	2.5	2.4
Secured borrowings ratio		
Total secured borrowings	967,235	905,108
Percentage of total borrowings (%)	23.0	21.8
Debt-equity ratio		
Total borrowings:		
Gross	4,203,008	4,153,024
Net of cash	1,609,289	2,867,674
Total equity (excluding non-controlling interests)	7,655,537	6,989,419
Debt-equity ratio (based on equity excluding non-controlling interests):		
Gross borrowings (times)	0.55	0.59
Net of cash (times)	0.21	0.41
Total equity (including non-controlling interests)	8,144,938	7,485,587
Debt-equity ratio (based on equity including non-controlling interests):		
Gross borrowings (times)	0.52	0.55
Net of cash (times)	0.20	0.38

Critical Accounting Policies

As required by the Singapore Companies Act, the Group's and Company's financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The following are the critical accounting policies:

REVENUE AND PROFIT RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable.

The Group recognises revenue and profit from sale of completed properties held for sale when the significant risks and rewards of ownership of the properties have been transferred to the purchasers.

Revenue recognition on partly completed properties held for sale is based on the following methods:

- For Singapore trading properties under progressive payment scheme, revenue and profit are recognised using the percentage of completion method to reflect the continuous transfer of significant risks and rewards of ownership of the properties to the purchasers as construction progresses. The percentage of work completed is measured based on the construction and related costs incurred to date as a proportion of the estimated total construction and related costs; and
- For overseas trading properties, revenue and profit are recognised upon the transfer of significant risks and rewards of ownership of the properties to the purchasers using the completion of construction method.

INVESTMENT PROPERTIES

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value, determined annually by Directors based on valuations by independent professional valuers. Changes in fair value are recognised in the profit and loss account in the year in which they arise.

ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Group adopted a few standards that are relevant and effective for financial years beginning on or after 1 January 2014:

- FRS 27 *Separate Financial Statements*
- FRS 28 *Investments in Associates and Joint Ventures*
- FRS 110 *Consolidated Financial Statements*
- FRS 111 *Joint Arrangements*
- FRS 112 *Disclosure of Interests in Other Entities*
- Amendments to FRS 32 *Offsetting of Financial Assets and Financial Liabilities*
- Amendments to FRS 36 *Recoverable Amount Disclosure of Non-financial Assets*
- Amendments to FRS 39 *Novation of Derivatives and Continuation of Hedge Accounting*
- INT FRS 12 *Levies*

The adoption of the above standards did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements of the Group, except for the following:

FRS 110 CONSOLIDATED FINANCIAL STATEMENTS AND REVISED FRS 27 SEPARATE FINANCIAL STATEMENTS

FRS 111 JOINT ARRANGEMENTS AND REVISED FRS 28 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

FRS 110 establishes a single control model that applies to all entities (including special purpose entities) and focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to effect those returns. The changes introduced by FRS 110 require management to determine which entities are controlled, and therefore are required to be consolidated by the Group.

The revised FRS 27 was amended to address the accounting for subsidiaries, associates and joint ventures in the separate financial statements.

FRS 111 classifies joint arrangements either as joint operations or joint ventures. Joint operation is a joint arrangement whereby the parties that have rights to the assets and obligations for the liabilities whereas

joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. FRS 111 requires the determination of joint arrangement's classification to be based on the parties' rights and obligations under the arrangement, with the existence of a separate legal vehicle no longer being the key factor. FRS 111 disallows proportionate consolidation and requires joint ventures to be accounted for using the equity method.

The revised FRS 28 was amended to describe the application of equity method to investments in joint ventures in addition to associates.

The adoption of these standards did not have any significant impact on the financial statements of the Group.

FRS 112 DISCLOSURE OF INTERESTS IN OTHER ENTITIES

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.

FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. The additional disclosures as a result of the adoption of this standard have been included in notes to the financial statements.

Sustainability Report

Keppel Land is committed to delivering value to all our stakeholders through Sustaining Growth in our businesses, Empowering Lives of our people and Nurturing Communities wherever we operate.



SUSTAINING GROWTH

PAGE 94 – 125

Our commitment to business excellence is underpinned by an unwavering focus on strong corporate governance and prudent financial management.

Resource efficiency is not only our responsibility, but also makes good business sense.

We will continue to distinguish our properties with strong value offerings and hallmark quality for greater competitive edge.

EMPOWERING LIVES

PAGE 126 – 127

People are the cornerstone of our business.

As an employer of choice, we are committed to growing and nurturing our talent pool through continuous training and development to help our people reach their full potential.

We instil a culture of safety so that everyone who comes to work goes home safe.

NURTURING COMMUNITIES

PAGE 128

As a global citizen, we believe that as communities thrive, we thrive.

We give back to communities wherever we operate through our multi-faceted approach towards corporate social responsibility.

We cultivate a green mindset among our employees to spur them towards adopting a sustainable lifestyle.

Managing Sustainability

By operating in an economically, socially and environmentally responsible manner, the Company aims to achieve positive and sustainable outcomes for its businesses, the environment and the community at large.

FOURTH ON GLOBAL 100 LIST

Keppel Land is ranked fourth in the prestigious Global 100 Most Sustainable Corporations in the World 2015, making it the first Asian company to make it to the Top 10 positions for the first time in the ranking's history. This is a significant improvement of 13 places from 17th position last year. The Company continues to retain its place as the first in Asia and in real estate worldwide in corporate sustainability. The Global 100 list by Corporate Knights was released on 21 January 2015 at the World Economic Forum in Davos, Switzerland.

As a leading Asian developer, Keppel Land believes in doing well and doing good. It continues to sharpen its focus on sustainability and innovation. By operating in an economically, socially and environmentally responsible manner, the Company aims to achieve positive and sustainable outcomes for its businesses, the environment and the community at large.

Keppel Land is committed to sound corporate governance practices and robust enterprise risk management processes. It also actively builds a strong safety culture to achieve a zero-harm workplace.

The Company strives to be an employer of choice, nurturing a competent and engaged workforce to drive sustainable growth.

Overseeing Keppel Land's sustainability efforts is the Corporate Social Responsibility (CSR) committee.

Comprising representatives from different business units, the committee is responsible for formulating the Company's CSR framework, implementing initiatives and monitoring sustainability performance.

BENCHMARKS OF EXCELLENCE

Keppel Land aligns itself with internationally-recognised standards including ISO 9001, ISO 14001 and OHSAS 18001 as well as ISO 26000 guidance on social responsibility and the United Nations Global Compact.

Keppel Land has continued to stay ahead in sustainability reporting by being among the first in Asia to adopt and align its reporting with the latest Global Reporting Initiatives (GRI) G4 guidelines at the comprehensive level in 2014.

The Company has identified key material issues through a materiality exercise and consultation with stakeholders. These comprise the key material issues of economic performance, health and safety, and compliance as well as the highly critical issues of environmental impact, labour practices and social responsibility. Keppel Land will continue to focus on these material issues as it charts and leads the path as a leading sustainable corporation.

01

Keppel Land staff, together with their families, participated in Life Community Services Society's Run for Life in July 2014 where they met Emeritus Senior Minister and MP of Marine Parade GRC Mr Goh Chok Tong (centre).



Corporate Governance

The Company's Directors and Management firmly believe that full commitment to high standards of corporate governance is essential to ensure the sustainability of the Company's businesses and performance as well as to safeguard shareholders' interests and maximise long-term shareholder value. They are pleased to confirm that the Company has adhered to the principles and guidelines of the Code of Corporate Governance 2012 (the "Code").

These standards include having clear policies, best practices, and sound internal controls as well as a system of continuous improvements.

Effective corporate governance supports the Company's belief in transparency, and helps it to be forward-looking with fresh ideas, and to be more decisive in the execution of strategies and initiatives.

The Company has received many awards for achieving high standards in corporate governance and transparency. Information on these awards is set out on pages 31 to 33.

To further improve its corporate governance, the Company made the following changes in 2014:

- As part of Board renewal process, Professor Huang Jing was appointed as an independent and non-executive Director with effect from 1 January 2014. He was also appointed as a member of Board Risk Committee with effect from

17 April 2014. Mr Chan Hon Chew was appointed as a non-independent and non-executive Director with effect from 1 July 2014, and was appointed as a member of the Audit and Board Risk Committees with effect from 16 August 2014. Mr Lim Ho Kee and Professor Tsui Kai Chong retired from the Board and did not seek re-election at the Company's Annual General Meeting ("AGM") on 17 April 2014.

As required by the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the sections which follow describe how the Company has effectively applied the principles and guidelines of the Code.

BOARD MATTERS

THE BOARD'S CONDUCT OF AFFAIRS

Principle 1:

Effective Board to Lead and Control the Company

The Board oversees the effectiveness of Management as well as the corporate governance of the Company with the objective of maximising long-term shareholder value and protecting the Company's assets. Every Director acts in good faith and exercises independent judgement as fiduciaries in the best interests of shareholders at all times.

The key roles of the Board include the review and approval of the Group's corporate strategies and directions, annual budgets, major investments, divestments and funding proposals, and the review of the Group's financial

performance, risk management processes and systems, human resource requirements, and sustainability considerations including corporate governance practices. The Board is also responsible for setting the Company's core values and ethical standards.

The Company has in place financial authority and approval guidelines for investments, divestments, loans and other credit lines. In Singapore, new investments and borrowings (including financial commitments such as loans from or warranties to related or third parties), business acquisitions and divestments exceeding \$10 million or 1% of the Group's net tangible asset value, whichever is lower, require the approval of the Board. For overseas operations, the requirement is similar, except that the exact limit may vary slightly from \$10 million due to exchange rate differences.

The Board has a clear corporate vision, and sets high transparency and disclosure standards. It ensures that obligations to shareholders and other stakeholders are understood and met. Recognising the Company's responsibility towards all identified stakeholders and sustainability to be key considerations in the Company's pursuit of economic growth, the Board has ensured sustainability issues such as environmental and social factors are always considered, when formulating the Company's strategic objectives.

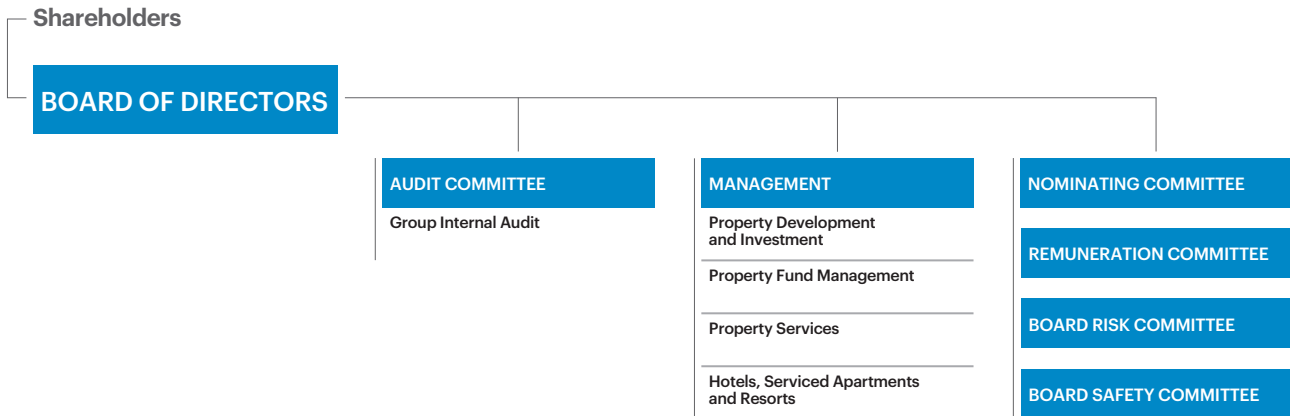
The Board has reconstituted various Board Committees, namely Audit

01

Results briefings are chaired by CEO Mr Ang Wee Gee (left) and CFO Mr Lim Kei Hin, who provide media and analysts updates on the Company's strategy and business operations.



CORPORATE GOVERNANCE STRUCTURE



Committee, Nominating Committee, Remuneration Committee, Board Risk Committee and Board Safety Committee. These Board Committees have clearly defined written terms of reference. Matters which are delegated to Board Committees for more detailed evaluation and approval are reported to and monitored by the Board.

The Board meets regularly on a quarterly basis and as warranted. Directors are free to discuss and voice their concerns on any matter raised at the Board meetings. Telephonic and video-conferencing meetings of the Board are allowed under the Company's Articles of Association.

Upon appointment of each Director, a letter setting up his/her duties and responsibilities is issued to the Director. Directors are given appropriate orientation and briefings by the Management on the business activities of the Group, its strategic directions, and the Company's corporate governance policies and practices when they are first appointed to the Board. If the newly-appointed Director has no prior experience as a director of a listed company, training in relevant areas such as finance and legal, as well as industry-related areas will be provided.

The Directors are updated regularly on accounting and regulatory changes, and are also given further

appropriate training from time to time. The update and training attended by some of the Directors in 2014 include the "Directors in Dialogue – Board Leadership in the 21st Century: How Directors can make a Real Difference" conducted by TMS Academy which provided latest thinking on how board directors can make a leadership difference, and the "SID Chairmen's Conversations – The Nominating Committee – Board Building: Succession & Diversity" conducted by the Singapore Institute of Directors and Russell Reynolds Associates that discussed how to strategically approach succession and diversity, both internally and externally to an organisation.

BOARD COMPOSITION AND GUIDANCE

Principle 2:

Strong and Independent Element on the Board

The Board, through the Nominating Committee ("NC"), examines and manages its size and composition on an ongoing basis to ensure its effectiveness, taking into account the scope and nature of the operations of the Company.

Presently, there are 11 Directors. With the exception of Mr Ang Wee Gee, who is the Chief Executive Officer ("CEO"), the rest of the 10 Directors are non-executive Directors ("NEDs").

The Board is of the view that the current size and composition of the Board and its board committees are appropriate, and as a group, the Directors provide an appropriate balance and diversity of skills, experience, gender and knowledge of the Company, as well as relevant core competencies in areas such as accounting or finance, legal, business or management experience, industry knowledge, strategic planning experience, and customer-based experience or knowledge. Details of the Directors' responsibilities, qualifications, principal commitments and shareholdings in related corporations are set out on pages 233 to 236, 241 and 130 to 132. The Board's decision-making process is not dominated by any individual or small group of individuals.

The NC determines the independence of each Director annually. An independent Director ("ID") is one who has no relationship with the Company, its related companies, its 10% shareholders (as defined in the Code) or its officers that can interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement to the best interests of the Company. In addition, an ID should have no relationship with any substantial shareholder of the Company. The NC has deemed that seven of the 11 Directors are IDs.

The Board also recognises that IDs may over time develop significant insights

Directors' attendances at the meetings of the Board and Board Committees for the year ended 31 December 2014 are as shown below:

Board/Board Committees	Board	Board Committees				
		Audit	Nominating	Remuneration	Board Risk	Board Safety
No. of meetings held	4	5	2	4	4	4
Directors	No. of Meetings Attended					
Loh Chin Hua	4	-	2	4	-	3
Ang Wee Gee	4	-	-	-	-	4
Lim Ho Kee ¹	1 out of 2	-	1 out of 1	2 out of 2	-	-
Tsui Kai Chong ²	1 out of 2	3 out of 3	-	-	1 out of 2	-
Lee Ai Ming	4	5	-	-	3	-
Tan Yam Pin	4	-	-	4	-	4
Heng Chiang Meng	4	5	-	-	-	2
Edward Lee Kwong Foo ³	4	-	2	4	4	-
Koh-Lim Wen Gin ⁴	3	-	-	-	1 out of 2	4
Yap Chee Meng ⁵	4	5	1 out of 1	-	2 out of 2	-
Huang Jing ⁶	3	-	-	-	2 out of 2	-
Oon Kum Loon ⁷	4	5	1 out of 1	-	4	-
Chan Hon Chew ⁸	2 out of 2	1 out of 1	-	-	1 out of 1	-

¹ Lim Ho Kee retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014. He also ceased to be Chairman of the Nominating Committee and a member of the Remuneration Committee.

² Tsui Kai Chong retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014. He also ceased to be Chairman of the Audit Committee and a member of the Board Risk Committee.

³ Edward Lee Kwong Foo was appointed as Chairman of the Nominating Committee with effect from 21 April 2014.

⁴ Koh-Lim Wen Gin ceased to be a member of the Board Risk Committee with effect from 17 April 2014.

⁵ Yap Chee Meng was appointed as Chairman of the Audit Committee and a member of the Nominating Committee and Board Risk Committee with effect from 21 April 2014, 25 February 2014 and 17 April 2014 respectively.

⁶ Huang Jing was appointed as an independent and non-executive Director with effect from 1 January 2014. He was appointed as a member of the Board Risk Committee with effect from 17 April 2014.

⁷ Oon Kum Loon ceased to be a member of the Nominating Committee with effect from 25 February 2014.

⁸ Chan Hon Chew was appointed as a non-independent and non-executive Director with effect from 1 July 2014. He was appointed as a member of the Audit and Board Risk Committees with effect from 16 August 2014.

in the Group's business and operations, and can continue to provide significant and valuable contribution objectively to the Board as a whole. When there are such Directors, the Board will do a rigorous review of their continuing contributions and independence and may exercise its discretion to extend the tenures of these Directors. The NC considers Mrs Lee Ai Ming, Mr Tan Yam Pin and Mr Heng Chiang Meng to be such Directors as they have each demonstrated independence of views and conduct at Board and Board Committee meetings, and taking into account the respective Directors' self-declarations of independence and the outcome of the Directors' recent self and peer assessment, the NC is of the firm view that they have been exercising independent judgement in the best interests of the Company in the discharge of their Directors' duties. Taking into account the views of the NC,

the Board concurs that they should be deemed independent even though they each have served on the Board for more than nine years from the respective dates of their first appointment. As part of Board renewal process, Mrs Lee Ai Ming and Mr Heng Chiang Meng will be retiring at the forthcoming AGM of the Company, and will not be offering themselves for re-election.

The three NEDs, namely Mr Loh Chin Hua, Mrs Oon Kum Loon and Mr Chan Hon Chew are nominees of Keppel Corporation Limited, a substantial shareholder of the Company, and are deemed non-independent by the NC.

The Chairman of the Board is Mr Loh Chin Hua. In terms of composition of the Board, IDs form the majority.

The NEDs actively participate in setting strategies and goals for the Company

and regularly assessing the performance of Management. They met regularly during the year without the presence of the executive Director and Management.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3:

Chairman and Chief Executive Officer to be Separate Persons to Ensure Appropriate Balance of Power, Increased Accountability and Greater Capacity of the Board for Independent Decision-Making

To ensure an appropriate balance of power, increased accountability and a greater capacity of the Board for independent decision-making, the Company has a clear division of responsibilities at the top level of the Company, with the non-executive Chairman and the CEO having separate roles.

The Chairman leads the Board and is responsible for the management of the Board, encourages Board's interaction with Management, facilitates effective contribution of NEDs, encourages constructive relations among the Directors, and promotes high standards of corporate governance. The Chairman approves the agenda for Board meetings and ensures sufficient time is spent to cover all items in the agenda, especially on strategic issues.

The Chairman and CEO are separate persons, IDs currently form a majority of the Board, and the various Board Committees comprise a majority of IDs. In view of the foregoing, the Board has considered that it is not necessary, for the time being to appoint a lead ID. Where there are decisions or matters to be considered independently by the IDs only, one of the IDs will assume the role of lead ID.

The Chairman also ensures that the Directors receive complete, adequate, timely and clear information, and that there is effective communication with shareholders. The CEO has full executive responsibilities over the business directions set by the Board and operational decisions of the Group.

The CEO is accountable to the Board for the conduct and performance of the Group. The Chairman and the CEO are not related to each other.

BOARD MEMBERSHIP

Principle 4:

Formal and Transparent Process for the Appointment of New Directors

Nominating Committee

The main roles of the NC are to make the process of Board appointments and re-nominations transparent, and assess the effectiveness of the Board as a whole and the contribution of individual Directors to the effectiveness of the Board as well as affirm annually the independence of Directors.

Currently, the NC is made up of three NEDs, with the majority (including

the Chairman) being IDs. Members of the NC are Mr Edward Lee Kwong Foo (Chairman), Mr Loh Chin Hua and Mr Yap Chee Meng.

The NC is guided by the following terms of reference:

- (1) Recommend appointment/re-appointment of Directors;
- (2) Perform annual review of balance and diversity of skills, experience, gender, and knowledge required by the Board, and the size of the Board which will facilitate decision-making;
- (3) Perform annual review of independence of each Director, and ensure that the Board comprises at least one-third IDs. In this connection, the NC should conduct particularly rigorous review of the independence of any Director who has served on the Board beyond nine years from the date of his/her first appointment;
- (4) Decide, when a Director has other listed company board representations and/or principal commitments, whether or not the Director is able to and has been adequately carrying out his/her duties as Director of the Company;
- (5) Recommend to the Board the process for the evaluation of the performance of the Board, the Board Committees and individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole and the contribution of each Director;
- (6) Perform annual assessment of the effectiveness of the Board as a whole and individual Directors;
- (7) Review the succession plans for members of the Board (in particular, the Chairman) and Management (in particular, the CEO);
- (8) Review talent development plans;
- (9) Review the training and professional development programmes for Board members;
- (10) Review and, if deemed fit, approve recommendations for nominations

of candidates as nominee directors (whether as chairman or member) to the board of directors of investee companies which are:

- (i) listed on the SGX-ST or any other stock exchange;
 - (ii) managers or trustee-managers of any collective investment schemes, business trusts, or any other trusts which are listed on the SGX-ST or any other stock exchange; and
 - (iii) parent companies of the Company's core businesses which are unlisted;
- (11) Report to the Board on material matters and recommendations;
 - (12) Review the NC's terms of reference annually and recommend any proposed changes to the Board;
 - (13) Perform such other functions as the Board may determine; and
 - (14) Sub-delegate any of its powers within its terms of reference as listed above, from time to time as the NC may deem fit.

Process and Criteria Used for Selection and Appointment of New Directors

To increase the reliability of the process, the NC has a formal policy in identifying and evaluating nominees for appointment as Directors.

The NC will first evaluate the diversity of the Board in terms of mix of expertise, knowledge and experience on the Board and, in consultation with Management, determine the role and the desirable competencies for a particular appointment.

Recommendations from Directors and Management are the usual source for potential candidates. However, external search consultants are also considered.

The NC will then conduct formal interviews with the short-listed candidates to assess their suitability and verify that the candidates are aware of the expectations and the level of commitment required, after which the NC will make recommendations on the appointment(s) to the Board for approval.

The following criteria are used to assess all new appointments:

- (a) Integrity;
- (b) Independent mindset;
- (c) Possession of expert knowledge that meets the needs of the Company and complements the skills and competencies of the existing Directors on the Board;
- (d) Ability to commit time and effort to carry out duties and responsibilities effectively;
- (e) Past achievements and value-add in organisations;
- (f) Experience in high-performing organisations; and
- (g) Good business acumen and financial literacy.

The NC is also responsible for the re-nomination of Directors. For this purpose, the NC reviews each

Director's contribution (such as attendance, preparedness, participation and candour), the results of the assessment of the performance of the Director by his peers for the relevant year and the balance and diversity of the Board to maximise its effectiveness. Upon review, the Director is recommended to the Board for re-appointment.

All Directors, including the Chairman of the Board and CEO, submit themselves for re-election at regular intervals of about once every three years. One-third of the Directors will retire at the Company's AGM each year.

In addition, any newly appointed Director will also have to submit himself/herself for re-election at the first AGM following his/her appointment.

Annually, the NC is required to determine the "independence" status of the Directors. Please refer to page 95 for the NC's basis of determining whether or not a Director should be deemed independent.

The NC also determines on an annual basis whether or not a Director with other listed company board representations and/or other principal commitments has been adequately carrying out his/her duties as a Director of the Company.

Taking into account the results of the assessment of the effectiveness of the individual Director, and the respective Director's actual conduct on the Board, the NC is satisfied that all the Directors have adequately carried out their duties as Directors notwithstanding their other listed

The nature of the Directors' appointments on Board and the details of their memberships in the Board Committees for the year ended 31 December 2014 are set out below:

Directors	Board Membership	Board Committee Memberships				
		Audit	Nominating	Remuneration	Board Risk	Board Safety
Loh Chin Hua	Non-executive Chairman Non-ID	-	Member	Member	-	Member
Ang Wee Gee	CEO Non-ID	-	-	-	-	Member
Lim Ho Kee ¹	ID	-	Chairman	Member	-	-
Tsui Kai Chong ²	ID	Chairman	-	-	Member	-
Lee Ai Ming	ID	Member	-	-	Member	-
Tan Yam Pin	ID	-	-	Chairman	-	Chairman
Heng Chiang Meng	ID	Member	-	-	-	Member
Edward Lee Kwong Foo ³	ID	-	Chairman	Member	Member	-
Koh-Lim Wen Gin ⁴	ID	-	-	-	-	Member
Yap Chee Meng ⁵	ID	Chairman	Member	-	Member	-
Huang Jing ⁶	ID	-	-	-	Member	-
Oon Kum Loon ⁷	Non-ID	Member	-	-	Chairperson	-
Chan Hon Chew ⁸	Non-ID	Member	-	-	Member	-

¹ Lim Ho Kee retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014. He also ceased to be Chairman of the Nominating Committee and a member of the Remuneration Committee.

² Tsui Kai Chong retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014. He also ceased to be Chairman of the Audit Committee and a member of the Board Risk Committee.

³ Edward Lee Kwong Foo was appointed as Chairman of the Nominating Committee with effect from 21 April 2014.

⁴ Koh-Lim Wen Gin ceased to be a member of the Board Risk Committee with effect from 17 April 2014.

⁵ Yap Chee Meng was appointed as Chairman of the Audit Committee and a member of the Nominating Committee and Board Risk Committee with effect from 21 April 2014, 25 February 2014 and 17 April 2014 respectively.

⁶ Huang Jing was appointed as an independent and non-executive Director with effect from 1 January 2014. He was appointed as a member of the Board Risk Committee with effect from 17 April 2014.

⁷ Oon Kum Loon ceased to be a member of the Nominating Committee with effect from 25 February 2014.

⁸ Chan Hon Chew was appointed as a non-independent and non-executive Director with effect from 1 July 2014. He was appointed as a member of the Audit and Board Risk Committees with effect from 16 August 2014.

company board representations and/or principal commitments.

The internal guideline adopted by the Company to address the issue of multiple board representations is that Directors should not have more than six listed company board representations and other principal commitments.

The Board recognises that proper succession planning plays an important role in ensuring continuous and effective stewardship of the Company. As such, the NC reviews the Company's succession plans annually to ensure the progressive renewal of the Board, including the Chairman and the CEO.

The NC also reviews the succession and leadership development plans for Management with the assistance of the Talent Review Committee, which is chaired by the CEO and which comprises divisional heads as members.

A formal process is in place to identify high potential staff and, under a structured framework, to actively plan their careers and development to assume leadership positions.

High potential staff are enrolled onto the Leadership Development Programme to undergo a diverse range of career building learning experiences including training programmes, overseas posting, job rotation and stretched assignments.

They also benefit from mentorship under proven leaders at a senior level, handpicked by the Talent Review Committee. This process is reviewed and discussed periodically by the Talent Review Committee and the NC.

BOARD PERFORMANCE

Principle 5:

Formal Assessment of the Effectiveness of the Board and Board Committees and the Contribution by Each Director to the Effectiveness of the Board

Evaluation Processes

The NC has implemented a process for evaluating the effectiveness of

the Board as a whole and its Board Committees, the contribution by each individual Director to the effectiveness of the Board, and the effectiveness of the Chairman of the Board.

The NC sets objective performance criteria for evaluation which allow comparison with industry peers and the Company's share price performance over a five-year period vis-à-vis the Singapore Straits Times Index and a benchmark index of its industry peers.

The annual process of evaluating the performance of the Board, individual Directors and Chairman is as follows:

- (a) The questionnaire for the annual evaluation of the Board is completed by all Board members;
- (b) The evaluation of individual Directors' performance is done once a year by the Directors, on a self and peer evaluation basis. The evaluation of individual Directors is differentiated for executive Directors and NEDs. In the case of the assessment of the individual executive Director, each NED is required to complete the executive Director's assessment form. As for the assessment of the performance of the NEDs, each Director is required to complete the NED's assessment form. Each NED is also required to perform a self-assessment in addition to a peer assessment; and
- (c) The Chairman's performance is evaluated annually by NEDs.

The whole evaluation process is managed by an independent co-ordinator, who does not have any connection with the Company or any of its Directors. The independent co-ordinator will consolidate the evaluation returns, and present a report to the NC and the Chairman of the Board for discussion.

Thereafter, the independent co-ordinator will discuss the final consolidated report with the NC Chairman and the Chairman of the Board so that they may provide the Board with the necessary feedback with a view to improving Board performance.

Performance Benchmarks

The benchmarks for Board evaluation include Board size and composition, Board independence, Board processes, Board information and accountability, Board performance in relation to discharging its principal functions, Board Committees' performance in relation to discharging their responsibilities set out in their respective terms of reference and financial targets. For 2014, the Board has met its performance objectives based on the above benchmarks.

These targets include net profit, return on capital employed, return on equity, debt-equity ratio, dividend pay-out ratio, economic value added, earnings per share, and total shareholder return (i.e. dividend plus share price increase over the year).

The individual Director's performance is assessed based on a wide range of criteria that include his/her interactive and interpersonal skills, participation level at meetings, insight/knowledge and analytical skills, foresight, preparedness for the meetings, availability to attend meetings and other discussion forums as well as overall contribution to the Board and the Board Committees, as appropriate.

The assessment of the Chairman of the Board includes his ability to lead the Board meetings, in terms of both the frequency and duration, and guide the discussions and timely resolution of issues. He is also evaluated based on his ability to ensure that adequate and timely information is provided to the Board as well as to ensure that Board Committees are formed as necessary, with clear terms of reference.

The years of initial appointment and re-election/re-appointment of the Directors are set out in the table below:

Directors	Position	Age	Date of Appointment	Date of Last Re-election/ Re-appointment
Loh Chin Hua ¹	Non-executive Chairman	53	1 July 2012	19 April 2013
Ang Wee Gee	CEO	53	1 January 2013	19 April 2013
Lim Ho Kee ²	Director	70	8 November 2001	19 April 2013
Tsui Kai Chong ³	Director	59	8 November 2001	21 April 2011
Lee Ai Ming	Director	60	1 November 2002	20 April 2012
Tan Yam Pin	Director	74	1 June 2003	17 April 2014
Heng Chiang Meng	Director	69	1 March 2005	17 April 2014
Edward Lee Kwong Foo	Director	68	1 July 2006	19 April 2013
Koh-Lim Wen Gin	Director	70	20 January 2010	19 April 2013
Yap Chee Meng	Director	59	2 December 2013	17 April 2014
Huang Jing	Director	58	1 January 2014	17 April 2014
Oon Kum Loon	Director	64	1 September 2010	17 April 2014
Chan Hon Chew ⁴	Director	49	1 July 2014	-

¹ Loh Chin Hua was appointed as Chairman of the Board with effect from 1 January 2014.

² Lim Ho Kee retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014.

³ Tsui Kai Chong retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014.

⁴ Chan Hon Chew was appointed as a non-independent and non-executive Director with effect from 1 July 2014.

ACCESS TO INFORMATION

Principle 6:

Board Members to Have Complete, Adequate and Timely Information

Management provides the Board with complete, accurate and adequate information in a timely manner in recognition of its obligation to do so.

The provision of information such as management accounts on a monthly basis enables the Directors to keep abreast of the Group's operational and financial performance and position. Management also updates the Board on key issues and prospects of the Group.

Board papers are sent to Directors about seven days before Board meetings so that Directors may better understand the matters before their deliberations at the meetings, and the Board meeting time may be conserved and discussion time focused on questions that the Directors may have on the Board papers.

Managers who can provide additional insight into the matters to be discussed will be present at the relevant time during the Board

meetings. The Directors are provided with the names and contact details of the Company's key management personnel and the Company Secretaries to facilitate direct access to Management and the Company Secretaries.

The Company Secretaries are responsible for ensuring that Board procedures are followed and that applicable rules and regulations, including the requirements of the Singapore Companies Act, are complied with, with the assistance of the relevant key management personnel.

The Company Secretaries also assist the Chairman in ensuring proper information flow within the Board and its Board Committees, and between Management and NEDs, advising the Board on all governance matters as well as facilitating orientation and assisting with the professional development of the Directors.

The Company Secretaries attend all Board meetings. The appointment and the removal of the Company Secretaries are subject to approval of the Board.

The Board takes independent professional advice as and when necessary to enable it or the IDs to discharge its or their responsibilities effectively. IDs may also seek and obtain independent professional advice to assist them in their duties. The cost of such advice is borne by the Company.

REMUNERATION MATTERS PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7:

Formal and Transparent Procedure for Fixing the Remuneration Packages of Individual Directors

LEVEL AND MIX OF REMUNERATION

Principle 8:

Level and Structure of Director Fees are Aligned with the Long-term Interest of the Company and Appropriate to Attract, Retain and Motivate Directors to Provide Good Stewardship of the Company

Level and Structure of Key Management Remuneration are Aligned with the Long-term Interest and Risk Policies of the Company and Appropriate to Attract, Retain and Motivate Key Management to Successfully Manage the Company

DISCLOSURE ON REMUNERATION

Principle 9:

Clear Disclosure on Remuneration Policy, Level and Mix of Remuneration, and the Procedure for Setting Remuneration

Remuneration Committee

The Remuneration Committee ("RC") consists of three NEDs currently, namely Mr Tan Yam Pin (Chairman), Mr Loh Chin Hua and Mr Edward Lee Kwong Foo. Other than Mr Loh Chin Hua, the other two Directors are independent.

The RC is responsible for approving the framework of remuneration for the entire Group and reviewing the appropriateness, transparency and accountability to shareholders on the remuneration issues of the Directors and key management personnel in the Company.

The aim of the RC is to ensure that remuneration packages and practices are able to motivate without being excessive, retain Directors and key management personnel, and ensure that the Company is able to attract and retain the best talent in the market to drive the Group's businesses forward in order to maximise long-term shareholder value.

The RC is guided by the following terms of reference:

- (1) Review and recommend to the Board a framework of remuneration for the Board members and key management personnel, and the specific remuneration packages for each Director as well as for the key management personnel;
- (2) Review the Company's obligations arising in the event of termination of the executive Directors' and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable;
- (3) Consider whether or not Directors should be eligible for benefits under long-term incentive schemes (including weighing the use of share schemes against other types of long-term incentive scheme);

- (4) Administer the Company's employee share option scheme (the "Keppel Land Share Option Scheme") and the KLL Share Plans, in accordance with the rules of the Keppel Land Share Option Scheme and KLL Share Plans;
- (5) Report to the Board on material matters and recommendations;
- (6) Review the RC's terms of reference annually and recommend any proposed changes to the Board;
- (7) Perform such other functions as the Board may determine; and
- (8) Sub-delegate any of its powers within its terms of reference as listed above, from time to time as the RC may deem fit.

No member of the RC or any other Director will be involved in deliberations in respect of any remuneration, compensation, option or any form of benefits to be granted to him/her.

The RC will recommend to the Board the specific remuneration packages for the Directors upon their recruitment and review Directors' fees annually.

Directors' fees are established annually for the Chairman and the other Directors. Additional fees are paid, where applicable, for participation in Board Committees.

The level of fees takes into account the size and complexity of the Company's operations, and the responsibilities and workload requirements of the Directors.

The fees are submitted to shareholders for approval at each AGM. The CEO, being an executive Director, does not receive Director's fee.

Remuneration Policy for Executive Directors and Other Key Management Personnel

The RC also reviews the remuneration of key management personnel annually. The Company adopts a remuneration system that is aimed at attracting, retaining and motivating talent on a sustainable basis.

In designing the compensation structure, the RC seeks to ensure that the level and mix of remuneration is competitive, relevant and appropriate in finding a balance between current versus long-term compensation and between cash versus equity incentive compensation.

The annual fixed cash component comprises the annual basic salary plus fixed allowances which the Company benchmarks with the relevant industry market data.

The annual performance incentive which is tied to the performance of the Company, business unit and individual employee, is inclusive of a portion which is tied to economic value added ("EVA") performance. The EVA performance incentive is currently extended to only key management personnel who have greater line of sight to value creation.

The EVA performance incentive plan and the KLL Share Plans are both long-term incentive plans. Key management personnel who have a greater ability to influence Company outcomes have a greater proportion of overall reward at risk.

The RC exercises broad discretion and independent judgement in ensuring that the amount and mix of compensation are aligned with the interests of shareholders and promote the long-term success of the Company. The mix of fixed and variable rewards is considered appropriate for the Group and for each individual role.

The compensation structure is directly linked to corporate and individual performances, both in terms of financial, non-financial performance and the creation of shareholder wealth. This link is achieved in the following ways:

- (a) By placing a significant portion of executives' remuneration at risk ("at risk component") and in some cases, subject to a vesting schedule;

- (b) By incorporating appropriate key performance indicators (“KPIs”) for awarding of annual cash incentives:
- (i) Four scorecard areas have been identified as key to measuring the performance of the Company – commercial/ financial; customers; process; and people; and
 - (ii) Four scorecard areas have been chosen because they support how the Company achieves its strategic objectives. The framework provides a link for employees in understanding how they contribute to each area of the scorecard, and therefore to the Company’s overall strategic goals. This is designed to achieve a consistent approach and understanding across the Company;
- (c) By selecting performance conditions such as return on equity, total shareholder return and EVA for equity awards that are aligned with shareholder interests;
- (d) By requiring those KPIs or conditions to be met in order for the at risk components of remuneration to be awarded or vested; and
- (e) By forfeiting the at risk components of remuneration when those KPIs or conditions are not met at a satisfactory level.

The RC also recognised the need for a reasonable alignment between risk and remuneration to discourage excessive risk-taking. Therefore, in determining the compensation structure, the RC had incorporated risk-adjustments into the compensation structure through several initiatives, including but not limited to:

- (a) Prudent funding of annual cash incentives;
- (b) Bonus deferrals under the EVA performance incentive plans;
- (c) Vesting of contingent share awards under the KLL Share Plans subject to KPIs and/or performance conditions being met; and
- (d) Potential forfeiture of variable incentives in any year due to misconduct.

The RC is of the view that the overall level of remuneration is not considered to be at a level which is likely to promote behaviours contrary to the Company’s risk profile.

In determining the actual quantum of variable component of remuneration, the RC has taken into account the extent to which the performance conditions, as described above, have been met. The RC is of the view that remuneration is aligned to performance during 2014.

In order to align the interests of the CEO and other key management personnel with the shareholders’, the CEO and other key management personnel are remunerated partly in the form of shares in the Company and are encouraged to hold such shares while they remain in the employment of the Company.

The Directors, the CEO and other key management personnel are remunerated on an earned basis. There are no termination, retirement and post-employment benefits that are granted over and above what has been disclosed.

Long-Term Incentive Plans

- (a) *EVA Incentive Plan*
- Each year, the current year’s EVA bonus earned is added to the accrued EVA bank balance of the preceding year, and thereafter one-third is paid out provided the total EVA balance is positive. The other two-thirds of the total EVA balance is credited to the employee’s EVA bank for payment in future years, subject to the continued EVA performance of the Company.

The EVA bank concept is used to defer incentive compensation over a time horizon to ensure that the employee continues to generate sustainable shareholder value over the longer-term.

The EVA bank account is designated on a personal basis and represents the employee’s contribution to the EVA performance of the Company. Monies credited into the EVA bank are at risk in that the amount in the EVA bank can decrease should

EVA performance be adversely affected in future years.

- (b) *KLL Share Plans*
- The KLL Share Plans are put in place to increase the Company’s flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve long-term sustained performance and maximise long-term shareholder value.

The KLL Share Plans also aim to strengthen the Company’s competitiveness in attracting and retaining talented key management personnel and employees.

The KLL Restricted Share Plan (“KLL RSP”) is targeted at a broader base of employees while the KLL Performance Share Plan (“KLL PSP”) is awarded to a selected group of key management personnel. Generally, the performance targets set under the KLL RSP and KLL PSP will be different.

In addition, the targets for the KLL PSP, which are more stretched than those under the KLL RSP, emphasise strategic goals linked to sustaining longer-term growth.

The RC has the discretion not to award variable incentives in any year if an executive Director or key management personnel is directly involved in a material restatement of financial statements or of misconduct resulting in restatement of financial statements or of misconduct resulting in financial loss to the Company. Outstanding EVA bank balance, KLL RSP and KLL PSP are also subject to RC’s discretion before further payment or vesting can occur.

The KLL Share Plans, which have been approved by shareholders of the Company, are administered by the RC. Please refer to pages 176 and 177 of this Annual Report for details on the KLL Share Plans.

To enable it to carry out its duties, the RC has access to expert advice in the field of executive compensation

inside and/or outside the Company, where necessary.

The framework for determining the Directors' fees is as follows:

During the year, the RC sought views on market practice and trends from the external remuneration consultants, Aon Hewitt, to update the review of the long-term incentive plans for the CEO, key management personnel and employees. The RC undertook a review of the independence and objectivity of the external remuneration consultants, and has confirmed that the external remuneration consultants had no relationships with the Company which would affect their independence.	Board	Chairman	\$90,000 per annum
		Member	\$65,000 per annum
	Audit Committee	Chairman	\$45,000 per annum
		Member	\$25,000 per annum
	Board Risk Committee	Chairman	\$40,000 per annum
		Member	\$20,000 per annum
	Remuneration Committee	Chairman	\$30,000 per annum
		Member	\$17,000 per annum
	Board Safety Committee	Chairman	\$30,000 per annum
		Member	\$17,000 per annum
	Nominating Committee	Chairman	\$25,000 per annum
		Member	\$15,000 per annum

The level and mix of each of the Directors' remuneration (rounded to the nearest thousand dollars) for the year ended 31 December 2014 are set out below:

Name of Director	Base/ Fixed Salary (\$)	Performance-Related Bonuses Earned (including EVA and Non-EVA Bonuses Earned)		Contingent Awards of Shares ²		Directors' Fees ³ (\$)	Directors' Allowance (\$)	Total Remuneration (\$)
		Paid (\$)	Deferred and at Risk (\$)	PSP (\$)	RSP (\$)			
Above \$3,000,000 to \$3,250,000								
Ang Wee Gee ¹	752,000	933,000	813,000	336,000	223,000	- ⁴	-	3,057,000
Below \$250,000								
Loh Chin Hua	-	-	-	-	-	139,000	-	139,000
Lim Ho Kee ⁵	-	-	-	-	-	32,000	-	32,000
Tsui Kai Chong ⁶	-	-	-	-	-	38,000	-	38,000
Lee Ai Ming	-	-	-	-	-	110,000	-	110,000
Tan Yam Pin	-	-	-	-	-	125,000	-	125,000
Heng Chiang Meng	-	-	-	-	-	107,000	-	107,000
Edward Lee Kwong Foo ⁷	-	-	-	-	-	124,000	10,000	134,000
Koh-Lim Wen Gin ⁸	-	-	-	-	-	88,000	-	88,000
Yap Chee Meng ⁹	-	-	-	-	-	131,000	-	131,000
Huang Jing ¹⁰	-	-	-	-	-	79,000	-	79,000
Oon Kum Loon ¹¹	-	-	-	-	-	132,000	-	132,000
Chan Hon Chew ¹²	-	-	-	-	-	49,000	-	49,000

¹ The RC is satisfied that the quantum of performance-related bonuses earned by the executive Director, Ang Wee Gee, was fair and appropriate taking into account the extent to which the KPIs for 2014 were met.

² Shares awarded under the KLL Performance Share Plan ("PSP") and KLL Restricted Share Plan ("RSP") are subject to pre-determined targets set over a three-year and a one-year performance period respectively. As at 31 March 2014 (being the grant date), the estimated fair values of shares granted in respect of the contingent awards under the KLL PSP and KLL RSP were \$1.678 and \$3.180 per share respectively. For KLL PSP, the figures were based on the fair values of the PSP shares at 100% of the award and the figures may not be indicative of the actual value at vesting which can range from 0% to 150% of the award.

³ The Directors' fees are subject to shareholders' approval at the forthcoming AGM.

⁴ Directors' fee amounting to \$82,000 in relation to service provided by the executive Director, Ang Wee Gee, will be paid to the Company.

⁵ Lim Ho Kee retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014. He also ceased to be Chairman of the Nominating Committee and a member of the Remuneration Committee.

⁶ Tsui Kai Chong retired from the Board and did not seek re-election at the Company's AGM on 17 April 2014. He also ceased to be Chairman of the Audit Committee and a member of the Board Risk Committee.

⁷ Edward Lee Kwong Foo was appointed as Chairman of the Nominating Committee with effect from 21 April 2014.

⁸ Koh-Lim Wen Gin ceased to be a member of the Board Risk Committee with effect from 17 April 2014.

⁹ Yap Chee Meng was appointed as Chairman of the Audit Committee and a member of the Nominating Committee and Board Risk Committee with effect from 21 April 2014, 25 February 2014 and 17 April 2014 respectively.

¹⁰ Huang Jing was appointed as an independent and non-executive Director with effect from 1 January 2014. He was appointed as a member of the Board Risk Committee with effect from 17 April 2014.

¹¹ Oon Kum Loon ceased to be a member of the Nominating Committee with effect from 25 February 2014.

¹² Chan Hon Chew was appointed as a non-independent and non-executive Director with effect from 1 July 2014. He was appointed as a member of the Audit and Board Risk Committees with effect from 16 August 2014.

PSP and RSP shares granted and vested for the executive Director as at 31 December 2014 are shown below:

Name of Director	PSP Awards	Vesting Date	Contingent Awards of PSP Shares	Number of PSP Shares Vested	Value of PSP Shares Vested ¹	RSP Awards	Vesting Date	Contingent Awards of RSP Shares	Number of RSP Shares Vested	Value of RSP Shares Vested ¹
Ang Wee Gee	2010 award	28 February 2013	0 to 180,000	99,600	\$398,400	award	28 February 2011 28 February 2012 28 February 2013	40,000	13,300	\$56,525
									13,300	\$45,885
									13,400	\$53,600
	2011 award	28 February 2014	0 to 144,000	50,800	\$161,544	award	28 February 2012 28 February 2013 28 February 2014	33,000	11,000	\$37,950
									11,000	\$44,000
11,000	\$34,980									
2012 award	27 February 2015	0 to 180,000	-	-	award	28 February 2013 28 February 2014 27 February 2015	40,000	13,300	\$53,200	
								13,300	\$42,294	
-	-									
2013 award	26 February 2016	0 to 240,000	-	-	award	28 February 2014 27 February 2015 26 February 2016	57,000	19,000	\$60,420	
								-	-	
								-	-	
2014 award	28 February 2017	0 to 300,000	-	-	award	27 February 2015 26 February 2016 28 February 2017	70,000	-	-	
								-	-	
								-	-	

¹ The values of KLL PSP and KLL RSP shares vested are computed based on the market prices of the shares when the shares are credited to the executive Director's CDP account.

² The RC is satisfied that the values of the shares vested under the KLL PSP and KLL RSP to the executive Director, Ang Wee Gee, were fair and appropriate, taking into account the extent to which the KPIs and performance conditions for 2014 were met.

The total remuneration paid to the top five key management personnel (who are not Directors or the CEO) for the year ended 31 December 2014 was \$7,097,730. The level and mix of each of the top key management personnel in bands of \$250,000 are set out below:

Remuneration Band and Name	Base/ Fixed Salary	Performance-Related Bonuses Earned (including EVA and Non-EVA Bonuses Earned)		Contingent Awards of Shares/Units	
		Paid	Deferred and at Risk	PSP/PUP	RSP ¹ /RUP
Above \$1,500,000 to \$1,750,000					
Christina Tan Hua Mui	28%	55%	9%	8% ²	- ²
Above \$1,250,000 to \$1,500,000					
Tan Swee Yiow	34%	27%	23%	9% ²	7% ²
Ho Cheok Kong	38%	24%	21%	10% ²	7% ²
Ng Hsueh Ling	38%	39%	-	11% ³	12% ³
Above \$1,000,000 to \$1,250,000					
Lim Kei Hin	33%	25%	21%	11% ²	10% ²

¹ With effect from 2012 onwards, executives who have retired and re-employed on contract basis will no longer be eligible to participate in the KLL RSP awards.

² Shares awarded under the KLL PSP and KLL RSP are subject to pre-determined targets set over a three-year and a one-year performance period respectively. As at 31 March 2014 (being the grant date), the estimated fair values of shares granted in respect of the contingent awards under the KLL PSP and KLL RSP were \$1.678 and \$3.180 per share respectively. For KLL PSP, the figures were based on the fair values of the PSP shares at 100% of the awards and the figures may not be indicative of the actual value at vesting which can range from 0% to 150% of the awards.

³ Units awarded under the Keppel REIT Management Limited ("KRML") Performance Unit Plan ("PUP") and Restricted Unit Plan ("RUP") are subject to pre-determined targets set over a three-year and a one-year performance period respectively. As at 31 March 2014 (being the grant date), the estimated fair values of units granted in respect of the contingent awards under the KRML PUP and KRML RUP were \$0.570 and \$1.030 per unit respectively. For KRML PUP, the figures were based on the fair values of the PUP units at 100% of the awards and the figures may not be indicative of the actual value at vesting which can range from 0% to 150% of the awards.

No employee of the Company and its subsidiaries was an immediate family member of a Director or the CEO and whose remuneration exceeded \$50,000 during the financial year ended 31 December 2014. "Immediate family member" means the spouse, child, adopted child, stepchild, brother, sister and parent.

**ACCOUNTABILITY AND AUDIT
ACCOUNTABILITY**

Principle 10:

Board to Present a Balanced and Understandable Assessment of the Company's Performance, Position and Prospects

**RISK MANAGEMENT AND
INTERNAL CONTROLS**

Principle 11:

Sound System of Risk Management and Internal Controls

AUDIT COMMITTEE

Principle 12:

Establishment of Audit Committee with Written Terms of Reference

The Board is committed to provide shareholders with a balanced and understandable assessment of the Company's financial performance, position, and prospects, including

interim and other price-sensitive public reports, and reports to regulators (if required).

The Board provides shareholders with quarterly and annual financial results within 30 days from the end of each quarter and financial year-end. The Board believes that the timely release of such financial statements is important as it enables shareholders to receive information on the performance, position and prospects of the Company regularly and promptly.

Management provides all members of the Board with management accounts which present a balanced and understandable assessment of the Company's performance, position and prospects on a monthly basis. Such reports enable the Directors to keep abreast of the Group's operational and financial performance and position. Any material variances between the projections and actual results are disclosed and explained.

The Board, supported by the AC and Board Risk Committee ("BRC"), oversees the Group's system of internal controls and risk management.

01 & 02

Keppel Land proactively engages and updates shareholders on the Company's strategic directions at the Annual General Meeting.



Audit Committee

Currently, the AC consists of five NEDs, namely Mr Yap Chee Meng (Chairman), Mrs Lee Ai Ming, Mr Heng Chiang Meng, Mrs Oon Kum Loon and Mr Chan Hon Chew.

Mr Yap Chee Meng, Mr Heng Chiang Meng, Mrs Oon Kum Loon and Mr Chan Hon Chew have accounting and related financial management expertise, while Mrs Lee Ai Ming provides expertise in legal issues. Mrs Oon Kum Loon also has experience in risk management. At least two AC members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience. Mr Yap Chee Meng was formerly the Chief Operating Officer of KPMG International for the Asia Pacific region and Mr Chan Hon Chew is currently the Chief Financial Officer of Keppel Corporation Limited.

The AC's primary role is to assist the Board to ensure the integrity of financial reporting and the existence of sound internal control systems. The AC is kept abreast of changes to accounting and governance standards and issues which have a direct impact on financial statements through quarterly updates and discussion with the external auditor.

The AC is guided by the following terms of reference:

- (1) Review financial statements and formal announcements relating to financial performance, and review significant financial reporting issues and judgements contained in them, for better assurance of the integrity of such statements and announcements;
- (2) Review and report to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational,

compliance and information technology controls (such review can be carried out internally or with the assistance of any competent third parties);

- (3) Review audit plans and reports of the external auditor and internal auditor, and consider the effectiveness of actions or policies taken by Management on the recommendations and observations;
- (4) Review the independence and objectivity of the external auditor;
- (5) Review the nature and extent of non-audit services performed by the external auditor;
- (6) Meet with external auditor and internal auditor, without the presence of Management, at least annually;
- (7) Make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of external auditor, and approve the remuneration and terms of engagement of the external auditor;
- (8) Review the adequacy and effectiveness of the Company's internal audit function, at least annually;
- (9) Ensure that the internal audit function is adequately resourced, and has appropriate standing within the Company, at least annually;
- (10) Approve the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- (11) Review the policy and arrangements by which employees of the Company and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters, to ensure that arrangements are in place for such concerns to be

raised and independently investigated, and for appropriate follow up action to be taken;

- (12) Review interested person transactions ("IPTs");
- (13) Investigate any matters within the AC's purview, whenever it deems necessary;
- (14) Report to the Board on material matters, findings and recommendations;
- (15) Review the AC's terms of reference annually and recommend any proposed changes to the Board;
- (16) Perform such other functions as the Board may determine; and
- (17) Sub-delegate any of its powers within its terms of reference as listed above from time to time as the AC may deem fit.

During the year, the AC reviewed the internal and external auditors' plans and findings to ensure that they are sufficient to assess the adequacy and effectiveness of the Company's significant internal controls, including financial, operational, compliance and information technology controls and management of risks of fraud and other irregularities.

The AC also reviews the effectiveness of the actions taken by Management on the recommendations made by the internal and external auditors in this respect.

The AC also performed independent reviews of the financial statements of the Company before the announcements of the results. The reviews included an assessment of the quality of key accounting principles applied and Management's judgements which have a major impact on the financial statements.

On a quarterly basis, Management reported to the AC all IPTs in accordance with the Company's shareholders' mandate for IPTs. The IPTs were audited by the internal auditor on a semi-annual basis, with findings reported to the AC.

The AC has explicit authority to investigate any matter within its terms of reference, full access to and cooperation by Management and full discretion to invite any Director or executive officer to attend its meetings, and has reasonable resources to enable it to discharge its functions properly.

The AC held five meetings during the year. The members' attendances at these meetings are disclosed on page 96. The internal and external auditors, the CEO, the Chief Financial Officer ("CFO") and the Director, Corporate Services were invited to attend its meetings. The Company's internal and external auditors reported their audit findings and recommendations independently to the AC. At the meetings, the external auditor also provided briefing to the members of the AC on the latest developments in accounting and governance standards and practices.

The AC also met with the internal and external auditors, without the presence of Management, during the financial year.

In addition, the AC reviewed the independence and objectivity of the external auditor through discussions with the external auditor as well as reviewing the non-audit fees awarded to them. For 2014, the Group accrued aggregate fees of \$2.4 million for the external auditor, comprising non-audit services fees of \$0.1 million and audit services fees of \$2.3 million. The AC has confirmed that the non-audit services performed by the external auditor did not affect their independence.

The Company has complied with Rule 712, and Rule 715 (read with Rule 716) of the Listing Manual of the SGX-ST in relation to its auditing firms.

Board Risk Committee

The Board, assisted by the BRC, has

oversight of risk management in the Group. The BRC examines the adequacy and effectiveness of the Company's risk management system, and ensures that a robust risk management system is maintained. Its members are Mrs Oon Kum Loon (Chairperson), Mrs Lee Ai Ming, Mr Edward Lee Kwong Foo, Mr Yap Chee Meng, Professor Huang Jing and Mr Chan Hon Chew.

The BRC reviews and guides Management in the formulation of risk policies and processes to identify, evaluate and manage significant risks, to safeguard shareholders' interests and the Company's assets. The BRC also discusses risk management strategies with Management and the Board.

In addition, the BRC makes visits to the Company's project sites, and holds meetings with Management at every visit to discuss the risk mitigation actions and issues that the Group faces in the various markets.

The BRC's terms of reference are as follows:

- (1) Receive, as and when appropriate, reports and recommendations from Management on risk tolerance and strategy, and recommend to the Board for its determination of the nature and extent of significant risks which the Group overall may take in achieving its strategic objectives, and the overall Group's levels of risk tolerance and risk policies;
- (2) Review and discuss, as and when appropriate, with Management the Group's risk governance structure and its risk policies, and risk mitigation and monitoring processes and procedures;
- (3) Receive and review at least quarterly reports from Management on major risk exposures and the steps taken

to monitor, control and mitigate such risks;

- (4) Review the Group's capability to identify and manage new risk types;
- (5) Review and monitor Management's responsiveness to the findings and recommendations of the Risk Management Department;
- (6) Provide timely input to the Board on critical risk issues;
- (7) Review the BRC's terms of reference annually and recommend any proposed changes to the Board;
- (8) Perform such other functions as the Board may determine; and
- (9) Sub-delegate any of its powers within its terms of reference as listed above from time to time as the BRC may deem fit.

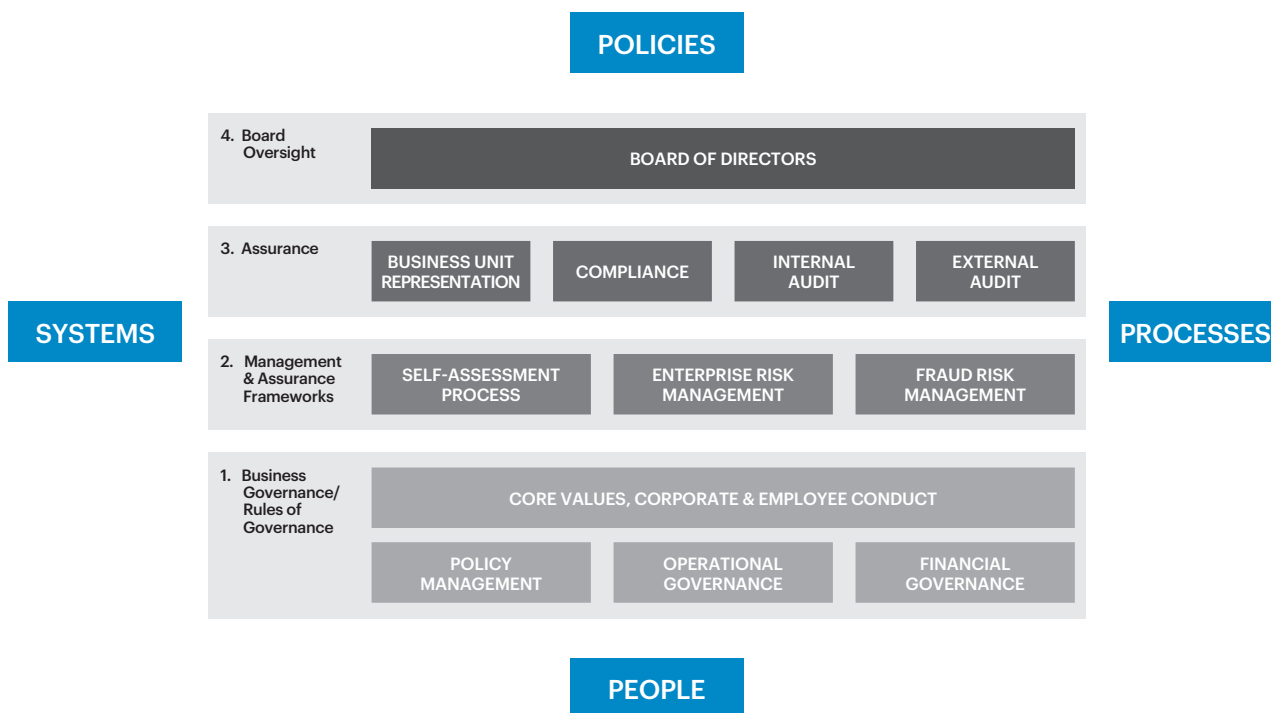
Risk Management and Internal Controls

The Company's approach to risk management is set out in the "Risk Management" section on pages 122 to 124. The Company is guided by a set of Risk Tolerance Guiding Principles as disclosed on page 122.

The Group also has in place a Risk Management Assessment Framework to facilitate the Board's assessment on the adequacy and effectiveness of the Group's risk management system. The framework lays out the governing policies, processes and systems pertaining to each of the key risk areas of the Group, and assessments are made on the adequacy and effectiveness of the Group's risk management system in managing each of these key risk areas.

The Group also has in place the Keppel Land's System of Management Controls Framework (the "Framework") outlining the Group's internal control and risk management processes and procedures. The Framework comprises three lines of defences towards ensuring the adequacy of the Group's system of internal controls and risk management.

KEPPEL LAND'S SYSTEM OF MANAGEMENT CONTROL



Under the first Line of Defence, Management is required to ensure good corporate governance through the implementation and management of policies and procedures relevant to the Group's business scope and environment. Such policies and procedures govern financial, operational, compliance and information technology matters and are reviewed and updated periodically. Employees are also guided by the Group's core values and expected to comply strictly with the Employee Code of Conduct.

Under the second Line of Defence, significant business units are required to conduct self-assessment exercise on an annual basis. This exercise requires such business units to assess the status of their respective internal controls and risk management via self-assessment questionnaires. Action plans would then be drawn up to remedy identified control

gaps. Under the Group's Enterprise Risk Management Framework, significant risks areas of the Group are also identified and assessed, with systems, policies and processes put in place to manage and mitigate the identified risks. Fraud risk management processes include mandatory conflict of interest declaration by employees in high-risk positions and the implementation of policies such as the Whistle-blower Protection Policy and Employee Code of Conduct to establish a clear tone at the top with regard to employees' business and ethical conduct.

Under the third Line of Defence, to assist the Company to ascertain the adequacy and effectiveness of the Group's internal controls, business units are required to provide the Company with written assurances as to the adequacy and effectiveness of their system

of internal controls and risk management. Such assurances are also sought from the Company's internal and external auditors based on their independent assessments.

The Board has received assurances from the CEO and CFO that, among others:

- (1) the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the operations and finances of the Group;
- (2) the internal controls in place are adequate and effective to address the financial, operational, compliance and information technology risks which the Group considers relevant and material to its current business scope and environment, and that they are not aware of any material weaknesses in the

- Group's overall system of internal controls; and
- (3) they are of the view that the Group's risk management system is adequate and effective.

For 2014, based on the review of the Group's governing framework, systems, policies and processes in addressing the key risks under the Group's Risk Management Assessment Framework, the monitoring and review of the Group's overall performance and representation from the Management, the Board, with the concurrence of the BRC, is of the view that the Group's risk management system is adequate and effective.

For 2014, based on the Group's framework of management control, the internal control policies and procedures established and maintained by the Group, and the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls are adequate and effective to address the financial, operational, compliance and information technology risks which the Group considers relevant and material to its current business scope and environment.

The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Employee Code of Conduct

To build a culture of high integrity as well as reinforce ethical business

practices, the Company has in place an employee code of conduct.

This policy addresses, at the employee level, the standards of acceptable and unacceptable behaviour and personal decorum as well as issues of workplace harassment. On the business front, the policy addresses the standards of business behavior pertaining to the offering and receiving of business courtesies as well as issues on conflict of interests. The policy also requires all staff to avoid any conflict between their own interests and the interests of the Company in dealing with its suppliers, customers and other third parties.

The rules require business to be conducted with integrity, fairly, impartially, in an ethical and proper manner, and in compliance with all applicable laws and regulations. Relevant anti-corruption rules are also spelled out to protect the business, resources and reputation of the Company.

The general rule is that employees must not offer or authorise the giving, directly or through third parties, of any bribe, kickback, illicit payment, or any benefit-in-kind or any other advantage to any person or entity, as an inducement or reward for an improper performance or non-performance of a function or activity. Similarly, employees must not solicit or accept illicit payment, directly or indirectly, from any person or entity that is intended to induce or reward an improper performance or non-performance of a function or activity.

Briefings for all staff were held when the policy was introduced. New employees are briefed on the policy when they join the Company's orientation programme. Subsequently, to maintain awareness, all employees are required to acknowledge the policy annually. Any revisions are highlighted to them when they perform the annual acknowledgements.

Whistle-blower Protection Policy

The Company has a whistle-blower protection policy to encourage the reporting in good faith of suspected reportable conduct by establishing clearly defined processes through which such reports may be made with the confidence that employees and other persons making such reports to the employees' supervisors, AC Chairman or Head of Group Internal Audit will be treated fairly and, to the extent possible, protected from reprisal.

The AC Chairman is kept informed of all cases reported. Anonymous reports are also accepted if there are strong merits to look further into the cases. The policy and contact details of AC Chairman and Head of Group Internal Audit have been briefed and made available to all employees.

Upon receipt of allegations of fraud or other misconduct reported under the whistle-blower protection policy, the AC will ensure that the necessary investigations are carried out in a timely manner. The AC will also ensure that any disciplinary, civil and/or criminal action that is initiated following completion of investigation, is appropriate, balanced, and fair.

The AC will also monitor the actions taken to correct the weaknesses in the existing system of internal processes and policies which resulted in or may cause the perpetration of the fraud and/or misconduct, to prevent any recurrence.

Briefings for all staff were held when the policy was introduced. New employees are briefed on the policy when they join the Company's orientation programme. Subsequently, to maintain awareness, all employees are required to acknowledge the policy annually. Any revisions are highlighted to them when they perform the annual acknowledgements.

01

The Board Safety Committee visits project sites in Singapore and overseas regularly to align safety practices across the Group.



Board Safety Committee

The Company's Board Safety Committee ("BSC") guides Management to enhance the Group's commitment to work safely in all workplaces and foster a safety culture in the Company. Currently, its members comprise Mr Tan Yam Pin (Chairman), Mr Loh Chin Hua, Mr Ang Wee Gee, Mr Heng Chiang Meng and Mrs Koh-Lim Wen Gin. The BSC is supported by the Management Safety Committee ("MSC"). The BSC meets quarterly to discuss safety issues and provide guidance and direction to chart safety milestones. The BSC makes regular field visits to project sites in Singapore and overseas to enforce the Board's commitment to safety.

The MSC members comprise nominated senior personnel from each of the Company's business units. The MSC is formed to lead, champion and manage workplace safety and health, and build a strong safety culture in the Company. The MSC meets quarterly to discuss safety issues and spearhead the safety programmes and directives endorsed by the BSC. Regular visits

are made to project sites in Singapore and overseas to ensure that contractors are complying with the local regulations and industry's best practices.

The BSC and the MSC are supported by the Workplace Safety and Health ("WSH") Department. The WSH Department, headed by the General Manager, Workplace Safety and Health, and a team of safety professionals from various engineering disciplines, conducts regular site safety inspections and audits on all the active projects in Singapore and overseas.

The BSC is guided by the following terms of reference:

- (1) Establish the health and safety ("H&S") policies;
- (2) Monitor the Company's compliance with the approved H&S policies by:
 - (a) Assessing the adequacy of H&S standards prepared by the MSC;
 - (b) Assessing the operations of the Company and recommendations of the MSC on training, safety audits,

- (c) Assessing the compliance of the Company with applicable legislation;
- (3) Recommend the adoption of acceptable H&S practices in the industries in which the Company operates;
- (4) Receive reports concerning H&S incidents within the Company; and
- (5) Consider H&S issues that may have strategic, business and reputational implications for the Company.

The BSC held four meetings during the year. The members' attendances at these meetings are disclosed on page 96.

INTERNAL AUDIT

Principle 13:

Effective and Independent Internal Audit Function that is Adequately Resourced

The Company has its own in-house Internal Audit Department ("Group Internal Audit") that is independent of the activities it audits. Group Internal Audit reports directly to the AC

Chairman and administratively to the CEO. Group Internal Audit's authority is specified in the Internal Audit Charter which was endorsed by the AC. Group Internal Audit has unrestricted direct access to the AC and unfettered access to all the Group's documents, records, properties and personnel.

The AC ensures that the internal audit function has adequate resources and appropriate standing within the Company.

The key role of Group Internal Audit is to assist the AC to provide reasonable assurance that the Company is maintaining an adequate system of internal controls by periodic reviews of material controls and procedures to test their effectiveness. The Group Internal Audit may undertake investigations as directed by the AC.

To ensure that internal audits are performed by competent professionals, Group Internal Audit employs qualified staff, including a number of Certified Internal Auditors and staff with many years of specific industry experience. The AC monitors and ensures they are provided with adequate training and development so that their technical knowledge remains current and relevant. Furthermore, Group Internal Audit also has qualified staff with specialised knowledge in information system audit and fraud examination.

Group Internal Audit is a member of the Singapore chapter of the Institute of Internal Auditors ("IIA"). Group Internal Audit is guided by the International Standards for the Professional Practice of Internal Auditing ("Standards") set by IIA, and has incorporated them into its audit practices.

A quality assurance programme comprising continuous internal and regular independent external assessments is in place to ensure that audits are performed in accordance with IIA's Standards. The Standards

require that an external assessment on quality assurance be conducted at least once every five years. The last quality assurance review was performed by an independent external reviewer in 2012, and the results re-affirmed that Group Internal Audit generally conforms to the Standards.

Using a risk-based audit methodology, Group Internal Audit plans its internal audit assignments annually in consultation with, but independent of, Management. The annual audit plan is submitted to and approved by the AC.

Based on the risk assessment conducted by Group Internal Audit, activities within the Group are reviewed at appropriate intervals and with greater emphasis on higher risk activities. Internal audit plans are also aligned with the Company's risk management programme.

The aim is to ensure that an effective and efficient control environment is in place to manage those risks exclusive to a particular business unit in addition to those that may be relevant on an enterprise-wide basis.

A comprehensive progress report is presented by Group Internal Audit to the AC at each scheduled meeting. All audit reports are distributed to the AC, the Chairman of the Board, the CEO, the CFO, the Director, Corporate Services and other relevant key management personnel. All outstanding corrective actions as agreed by Management will be continuously monitored until they are properly cleared.

Group Internal Audit issued an annual assessment of the Company's overall internal controls system to the AC. Group Internal Audit is generally satisfied that the Company's overall system of internal control is adequate for 2014.

On an ongoing basis, the AC assesses the adequacy and effectiveness of Group Internal Audit, such as its scope of work and quality of audit reports.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

SHAREHOLDER RIGHTS

Principle 14:

Fair and Equitable Treatment of Shareholders and Protection of Shareholders' Rights

COMMUNICATION WITH SHAREHOLDERS

Principle 15:

Regular, Effective and Fair Communication with Shareholders

CONDUCT OF SHAREHOLDER MEETINGS

Principle 16:

Greater Shareholder Participation at General Meetings

Proactive Engagement

Keppel Land continually strives to engage and further strengthen relationships with its shareholders and the investment community. A dedicated Investor Relations ("IR") team supports Management in providing balanced insights into the Group's strategic directions, financial performance and key developments to its shareholders and the investment community.

The Company aims to balance investor engagement throughout the year by providing a two-way communication opportunity with investors and analysts. It takes a proactive approach through various platforms such as the AGM, combined results briefings with media and analysts, investor meetings with analysts and fund managers, non-deal roadshows and investor conferences, newsletters as well as its corporate website.

In 2014, Management and the IR team held about 170 meetings with investors at one-on-one meetings, conferences and non-deal roadshows in Singapore, Malaysia, Hong Kong, Japan, UK, Europe and US. These meetings focused on the issues of strategy, and the operational and financial performance of the Company.

The Company acknowledges its duty to treat all of its shareholders

fairly and equitably, and keeps all its shareholders and other stakeholders informed of its corporate activities, including changes in the Company or its business which could materially affect the price or value of its shares, on a timely basis.

The Company has put in place an IR Policy which sets out the principles to provide shareholders and prospective investors with timely, accurate and fair disclosure of information which will allow them to make well-informed investment decisions. The IR Policy is published on the Company's website at www.keppelland.com.

Fair Disclosure of Information

The Company continues to commit to its practice to disclose material information to shareholders on a timely and non-selective basis. Should an inadvertent disclosure be made to a selected group, the Company will make the same disclosure publicly as soon as practicable. The Company disseminates all announcements, press releases and presentation slides through the SGX-ST via SGXNET and its corporate website www.keppelland.com.

The corporate website keeps the investment community up to date, providing, *inter alia*, key corporate and financial information, press releases and stock information. Queries received via the website are also duly addressed.

Dialogue with Shareholders

The AGM and/or the Extraordinary General Meeting are the principal forums for dialogue with shareholders. The Company encourages attendance by shareholders in such meetings. Shareholders are informed of these meetings three weeks in advance through notices published in the newspapers and annual reports or circulars sent to them. Shareholders are also encouraged to ask relevant questions or seek clarification on the motions to be debated and decided upon during such meetings.

If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meeting through proxy forms sent in advance.

The Chairman and, where appropriate, the CEO and other Directors, will respond to shareholders' questions. The chairmen of the various Board Committees and the external auditor are required to be present at the meetings to address relevant queries from shareholders.

Each item of special business included in the notice of the meeting is accompanied by an explanation for the proposed resolution. Additional resolutions are proposed for separate issues at the meeting, and the Chairman declares the number of proxy votes received for and against the resolutions.

The Company also prepares detailed minutes of general meetings, which include queries and comments from shareholders and responses from the Board and Management. These minutes are available to shareholders upon request.

To ensure transparency, the Company conducts electronic poll voting for shareholders/proxies present at the meeting for all the resolutions proposed at the general meeting. Votes cast for and against and the respective percentages, on each resolution will be displayed 'live' to shareholders/proxies immediately after each poll is conducted. The total number of votes cast for or against the resolutions and the respective percentages are also announced in a timely manner after the general meeting via SGXNET.

The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax due to concerns over the security and integrity of the information as well as other pertinent issues involved.

SECURITY TRANSACTIONS

The Company has issued a formal insider trading policy on dealings in

the securities of the Company and its listed subsidiaries to the Directors and employees, setting out the implications of insider trading and guidance on such dealings, including the prohibition on dealings with the Company's securities on short-term considerations.

In compliance with Rule 1207(19) of the Listing Manual of the SGX-ST on best practices on dealing in securities, the Company issues circulars to its Directors and employees informing that the Company and its officers must not deal in listed securities of the Company one month before the release of the full-year results and two weeks before the release of quarterly results, and if they are in possession of unpublished price-sensitive information.

INTERESTED PERSON TRANSACTIONS

Disclosure of IPTs is set out on page 121. When a potential conflict of interest arises, the Director concerned neither takes part in discussions nor exercises any influence over other members of the Board.

DISCLOSURE GUIDELINES

Guideline	Questions	How has the Company complied?
General	(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and the alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.	Yes.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines in the Code?	Not applicable.
Board Responsibility Guideline 1.5	What are the types of material transactions which require approval from the Board?	In Singapore, new investments and borrowings (including financial commitments such as loans from or warranties to related or third parties), business acquisitions and divestments exceeding \$10 million or 1% of the Group's net tangible asset value, whichever is lower, require the approval of the Board. For overseas operations, the requirement is similar, except that the exact limit may vary slightly from \$10 million due to exchange rate differences.
Members of the Board Guideline 2.6	(a) What is the Board's policy with regard to diversity in identifying director nominees?	The Nominating Committee ("NC") has a formal policy in identifying and evaluating nominees for appointment as Directors. The NC will first evaluate the diversity of the Board in terms of mix of expertise, knowledge and experience on the Board and, in consultation with Management, determine the role and the desirable competencies for a particular appointment. The NC is also responsible for the re-nomination of Directors. For this purpose, the NC reviews each Director's contribution (such as attendance, preparedness, participation and candour), the results of the assessment of the performance of the Director by his peers for the relevant year and the balance and diversity of the Board to maximise its effectiveness. Upon review, the Director is recommended to the Board for re-appointment.
	(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.	The Board is of the view that the current size and composition of the Board and its board committees are appropriate, and as a group, the Directors provide an appropriate balance and diversity of skills, experience, gender and knowledge of the Company, as well as relevant core competencies in areas such as accounting or finance, legal, business or management experience, industry knowledge, strategic planning experience, and customer-based experience or knowledge.
	(c) What steps has the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?	See above on the considerations for the appointment of new Directors and recommendation for the re-election of Directors. See also Guideline 4.6 below for details on process for nomination of new directors and Board succession planning.

DISCLOSURE GUIDELINES (continued)

Guideline	Questions	How has the Company complied?
Guideline 4.6	Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	<p>For new directors</p> <p>To increase the reliability of the process, the NC has a formal policy in identifying and evaluating nominees for appointment as Directors.</p> <p>The NC will first evaluate the diversity of the Board in terms of mix of expertise, knowledge and experience on the Board and, in consultation with Management, determine the role and the desirable competencies for a particular appointment.</p> <p>Recommendations from Directors and Management are the usual source for potential candidates. However, external search consultants are also considered.</p> <p>The NC will then conduct formal interviews with the short-listed candidates to assess their suitability and verify that the candidates are aware of the expectations and the level of commitment required, after which the NC will make recommendations on the appointment(s) to the Board for approval.</p> <p>The following criteria are used to assess all new appointments:</p> <ul style="list-style-type: none"> (a) Integrity; (b) Independent mindset; (c) Possession of expert knowledge that meets the needs of the Company and complements the skills and competencies of the existing Directors on the Board; (d) Ability to commit time and effort to carry out duties and responsibilities effectively; (e) Past achievements and value-add in organisations; (f) Experience in high-performing organisations; and (g) Good business acumen and financial literacy. <p>For incumbent directors</p> <p>The NC is also responsible for the re-nomination of Directors. For this purpose, the NC reviews each Director's contribution (such as attendance, preparedness, participation and candour), the results of the assessment of the performance of the Director by his peers for the relevant year and the balance and diversity of the Board to maximise its effectiveness. Upon review, the Director is recommended to the Board for re-appointment.</p> <p>All Directors, including the Chairman of the Board and CEO, submit themselves for re-election at regular intervals of about once every three years. One-third of the Directors will retire at the Company's Annual General Meeting ("AGM") each year.</p>

Guideline	Questions	How has the Company complied?
Guideline 1.6	<p>(a) Are new directors given formal training? If not, please explain why.</p> <p>(b) What are the types of information and training provided to (i) new directors and (ii) existing directors to keep them up-to-date?</p>	<p>Yes.</p> <p>Upon appointment of each Director, a letter setting up his/her duties and responsibilities is issued to the Director. Directors are given appropriate orientation and briefings by the Management on the business activities of the Group, its strategic directions, and the Company's corporate governance policies and practices when they are first appointed to the Board. If the newly-appointed Director has no prior experience as a director of a listed company, training in relevant areas such as finance and legal, as well as industry-related areas will be provided.</p> <p>The Directors are updated regularly on accounting and regulatory changes, and are also given further appropriate training from time to time. The update and training attended by some of the Directors in 2014 include the "Directors in Dialogue – Board Leadership in the 21st Century: How Directors can make a Real Difference" conducted by TMS Academy which provided latest thinking on how board directors can make a leadership difference, and the "SID Chairmen's Conversations – The Nominating Committee – Board Building: Succession & Diversity" conducted by the Singapore Institute of Directors and Russell Reynolds Associates that discussed how to strategically approach succession and diversity, both internally and externally to an organisation.</p>
Guideline 4.4	<p>(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?</p> <p>(b) If a maximum number has not been determined, what are the reasons?</p> <p>(c) What are the specific considerations in deciding on the capacity of directors?</p>	<p>The internal guideline adopted by the Company to address the issue of multiple board representations is that Directors should not have more than six listed company board representations and other principal commitments. This serves as a guide and the NC takes into account other factors in deciding on the capacity of director.</p> <p>Not applicable.</p> <p>The individual Director's capacity is assessed based on his/her attendance at Board and Board Committees' meetings, as well as a wide range of criteria that include his/her participation level at meetings, preparedness for the meetings, availability to attend meetings and other discussion forums as well as overall contribution to the Board and the Board Committees, as appropriate.</p>

DISCLOSURE GUIDELINES (continued)

Guideline	Questions	How has the Company complied?
Board Evaluation Guideline 5.1	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	The whole annual process of evaluating the Board's performance is managed by an independent co-ordinator who does not have any connection with the Company or any of its Directors. The independent co-ordinator will consolidate the evaluation returns, and present a report to the NC and the Chairman of the Board for discussion. Thereafter, the independent co-ordinator will discuss the final consolidated report with the NC Chairman and the Chairman of the Board so that they may provide the Board with the necessary feedback with a view to improving Board performance. The benchmarks for Board evaluation include Board size and composition, Board independence, Board processes, Board information and accountability, Board performance in relation to discharging its principal functions, Board Committees' performance in relation to discharging their responsibilities set out in their respective terms of reference and financial targets.
	(b) Has the Board met its performance objectives?	Yes.
Independence of Directors Guideline 2.1	Does the Company comply with the guideline on the proportion of independent directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	Yes.
Guideline 2.3	(a) Is there any director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the director and specify the nature of such relationship.	Not applicable.
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.	Not applicable.
Guideline 2.4	Has any independent director served on the Board for more than nine years from the date of his first appointment? If so, please identify the director and set out the Board's reasons for considering him independent.	Yes. They are Mrs Lee Ai Ming, Mr Tan Yam Pin and Mr Heng Chiang Meng. These three Directors have each demonstrated independence of views and conduct at Board and Board Committee meetings, and taking into account the respective Directors' self-declarations of independence and the outcome of the Directors' recent self and peer assessment, the NC is of the firm view that they have been exercising independent judgement in the best interests of the Company in the discharge of their Directors' duties. Taking into account the views of the NC, the Board concurs that they should be deemed independent even though they each have served on the Board for more than nine years from the respective dates of their first appointment. As part of Board renewal process, Mrs Lee Ai Ming and Mr Heng Chiang Meng will be retiring at the forthcoming AGM of the Company, and will not be offering themselves for re-election.

Guideline	Questions	How has the Company complied?
Disclosure on Remuneration Guideline 9.2	Has the Company disclosed each director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	Yes (see page 103).
Guideline 9.3	(a) Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or in more detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so? (b) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO).	Yes (see page 104). Aggregate remuneration paid: S\$7,097,730.
Guideline 9.4	Is there any employee who is an immediate family member of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year? If so, please identify the employee and specify the relationship with the relevant director or the CEO.	No.
Guideline 9.6	(a) Please describe how the remuneration received by executive directors and key management personnel has been determined by the performance criteria. (b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	The total remuneration mix comprises three key components; that is, annual fixed cash, annual performance incentive, and the KLL Share Plans. The annual fixed cash component comprises the annual basic salary plus fixed allowances which the Company benchmarks with the relevant industry market data. The annual performance incentive which is tied to the performance of the Company, business unit and individual employee, is inclusive of a portion which is tied to economic value added ("EVA") performance. The KLL Share Plans are in the form of two share plans approved by shareholders, the KLL Restricted Share Plans ("KLL RSP") and the KLL Performance Share Plans ("KLL PSP"). The EVA performance incentive plan and the KLL Share Plans are long-term incentive plans. The compensation structure is directly linked to corporate and individual performance, both in terms of financial, non-financial performance and the creation of shareholder wealth. The key performance indicators ("KPIs") for awarding of annual cash incentives are based on the four scorecard areas that the Company has identified as key to measuring the performance of the Group – (i) Commercial/Financial; (ii) Customers; (iii) Process; and (iv) People. For the long-term incentive plans, performance conditions that are aligned with shareholder interests such as return on equity, total shareholder return and EVA are selected for equity awards.

DISCLOSURE GUIDELINES (continued)

Guideline	Questions	How has the Company complied?
	(c) Were all of these performance conditions met? If not, what were the reasons?	Yes, the performance conditions were met and the RC is satisfied that the quantum of performance-related bonuses and the value of shares vested under the KLL PSP and KLL RSP to the executive Director and key management personnel were fair and appropriate taking into account the extent to which their KPIs and performance conditions for 2014 were met.
Risk Management and Internal Controls Guideline 6.1	What types of information does the Company provide to independent directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	<p>Management provides the Board with complete, accurate and adequate information in a timely manner in recognition of its obligation to do so. The provision of information such as management accounts on a monthly basis enables the Directors to keep abreast of the Group's operational and financial performance and position. Any material variances between the projections and actual results are disclosed and explained. Management also updates the Board on key issues and prospects of the Group.</p> <p>Board papers are sent to Directors about seven days before Board meetings so that Directors may better understand the matters before their deliberations at the meetings, and the Board meeting time may be conserved and discussion time focused on questions that the Directors may have on the Board papers. Managers who can provide additional insight into the matters to be discussed will be present at the relevant time during the Board meetings.</p>
Guideline 13.1	Does the Company have an internal audit function? If not, please explain why.	Yes.
Guideline 11.3	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	<p>The Board, supported by the Audit Committee ("AC") and Board Risk Committee ("BRC"), oversees the Group's system of internal controls and risk management.</p> <p>During the year, the AC reviewed the internal and external auditors' plans and findings to ensure that they are sufficient to assess the adequacy and effectiveness of the Company's significant internal controls, including financial, operational, compliance and information technology controls and management of risks of fraud and other irregularities.</p> <p>The BRC examines the adequacy and effectiveness of the Company's risk management system, and ensures that a robust risk management system is maintained.</p>

Guideline	Questions	How has the Company complied?
	<p>(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the internal auditor that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?</p>	<p>The Group also has in place a Risk Management Assessment Framework to facilitate the Board's assessment on the adequacy and effectiveness of the Group's risk management system. The framework lays out the governing policies, processes and systems pertaining to each of the key risk areas of the Group, and assessments are made on the adequacy and effectiveness of the Group's risk management system in managing each of these key risk areas.</p> <p>The Group also has in place the Keppel Land's System of Management Controls Framework (the "Framework") outlining the Group's internal control and risk management processes and procedures. The Framework comprises three lines of defences towards ensuring the adequacy of the Group's system of internal controls and risk management. Please refer to page 108 for details.</p> <p>For 2014, based on the review of the Group's governing framework, systems, policies and processes in addressing the key risks under the Group's Risk Management Assessment Framework, the monitoring and review of the Group's overall performance and representation from the Management, the Board, with the concurrence of the BRC, is of the view that the Group's risk management system is adequate and effective.</p> <p>For 2014, based on the Group's framework of management control, the internal control policies and procedures established and maintained by the Group, and the regular audits, monitoring and reviews performed by the internal and external auditors, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls are adequate and effective to address the financial, operational, compliance and information technology risks which the Group considers relevant and material to its current business scope and environment.</p> <p>Yes.</p>

DISCLOSURE GUIDELINES (continued)

Guideline	Questions	How has the Company complied?
Guideline 12.6	<p>(a) Please provide a breakdown of the fees paid in total to the external auditors for audit and non-audit services for the financial year.</p> <p>(b) If the external auditors have supplied a substantial volume of non-audit services to the Company, please state the bases for the Audit Committee's view on the independence of the external auditors.</p>	<p>For 2014, the Group accrued aggregate fees of \$2.4 million for the external auditor, comprising non-audit services fees of \$0.1 million and audit services fees of \$2.3 million.</p> <p>The external auditors did not provide a substantial volume of non-audit services to the Company in 2014.</p>
<p>Communication with Shareholders Guideline 15.4</p>	<p>(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?</p> <p>(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?</p> <p>(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the annual report?</p>	<p>Yes. It takes a proactive approach through various platforms such as the AGM, combined results briefings with media and analysts, investor meetings with analysts and fund managers, non-deal roadshows and investor conferences, newsletters as well as its corporate website. In 2014, Management and the Investor Relations team held about 170 meetings with investors at one-on-one meetings, conferences and non-deal roadshows in Singapore, Malaysia, Hong Kong, Japan, UK, Europe and US.</p> <p>Yes, by a dedicated Investor Relations team.</p> <p>The Company disseminates all announcements, press releases and presentation slides through the SGX-ST via SGXNET and its corporate website www.keppelland.com.</p> <p>The corporate website keeps the investment community up to date, providing, <i>inter alia</i>, key corporate and financial information, press releases and stock information. Queries received via the website are also duly addressed.</p>
Guideline 15.5	If the Company is not paying any dividends for the financial year, please explain why.	Not applicable. The Directors have proposed that a final one-tier tax exempt ordinary dividend of 14 cents per share be paid for the year ended 31 December 2014. This is subject to the shareholders' approval at the forthcoming AGM of the Company.

The Group has obtained a general mandate from the shareholders of the Company for interested person transactions in the AGM held on 17 April 2014. During the financial year, the following interested person transactions were entered into by the Group.

INTERESTED PERSON TRANSACTIONS

Name of Interested Person	Aggregate Value of all Interested Person Transactions during the Period under Review (excluding Transactions less than \$100,000 and Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST Listing Manual)		Aggregate Value of all Interested Person Transactions Conducted under Shareholders' Mandate Pursuant to Rule 920 of SGX-ST Listing Manual (excluding Transactions less than \$100,000)	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Property transactions –				
Keppel Corporation Limited Group:				
Project development and management fees received	–	–	849	3,267
Property management fees received	–	–	365	3,027
Marketing commission received	–	–	3,238	13,525
Management and support service fees received	–	–	2,462	2,880
Asset management fees received	–	–	–	35,469
Rental income	–	–	1,679	–
Rental expense	–	–	340	983
Consideration for the acquisition of land from Sino-Singapore Tianjin Eco-City Investment and Development Co., Ltd	–	49,345	–	–
Consideration for the disposal of S25 Interest ¹ and T25 Interest ² to Keppel DC REIT	127,440	–	–	–
(b) Other transactions –				
Keppel Corporation Limited Group:				
Deposits outstanding at end of year	–	–	1,876,857	431,924
Treasury – interest income	–	–	1,442	727
Treasury – interest expense	–	–	3,589	6,637
Treasury – foreign exchange transactions	–	–	132,000	165,840
Management fees paid	–	–	11,309	9,348
Other products and service fees paid	–	–	2,437	2,473
Shareholder's loan to Keppel Data Centres Holding Pte Ltd	–	34,050	–	–
Shareholder's loan to Keppel Point Pte Ltd	180	5,498	–	–
Shareholder's loan repayment from Keppel Data Centres Holding Pte Ltd	36,000	–	–	–
Subscription of 4.9% interest in Keppel DC REIT	40,236	–	–	–
Temasek Group:				
Interest expense	–	–	–	858
(c) Transactions entered into by the Group with Directors of the Company –				
Consideration for the sale of a unit in a Singapore residential development to an immediate family member of a Director of the Company at the prevailing price applicable to third parties	–	10,307	–	–

¹ "S25 Interest" refers to the Company's indirect 30% interest in a 30-year leasehold interest in the property known as S25, located at 25 Serangoon North Ave 5, Singapore 554914.

² "T25 Interest" refers to the Company's indirect 30% interest in a 30-year leasehold interest in the property known as T25, located at 25 Tampines Street 92, Singapore 528877.

Risk Management

01

Business continuity management plans are tested and enhanced for operational preparedness.

02

Round-the-clock vigilance ensures timely response to potential safety and health risks.

Keppel Land maintains a robust risk management system which will enable it to meet challenges and seize business opportunities in a dynamic business environment.

ROBUST RISK MANAGEMENT FRAMEWORK

Keppel Land's Board of Directors (the Board) is responsible for governing risks and ensuring that the management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets. Assisted by the Board Risk Committee (BRC), the Board provides valuable advice to the management in formulating risk policies and guidelines.

Comprising five Directors, the BRC held a total of four meetings in 2014. In addition, the BRC visited various ongoing projects in Yangon and Mandalay, Myanmar, as well as Bangkok, Thailand, during the year to understand and review the risks that may affect Keppel Land.

Since 2013, Keppel Land has adopted three risk tolerance guiding principles which serve to determine the nature and extent of the significant risks that

the Board is willing to take in achieving its strategic objectives. These three risk tolerance guiding principles are:

1. Risk taken should be carefully evaluated, commensurate with rewards and in line with the Group's core strengths and strategic objectives.
2. No risk arising from a single area of operation, investment or undertaking should be so huge as to endanger the entire Group.
3. The Group adopts zero tolerance towards safety incidents, non-compliance with laws and regulations, as well as acts such as fraud, bribery and corruption.

Ongoing improvements are made to strengthen the existing risk governance. Our risk governance framework is set out on page 105 under Principle 11 (Risk Management and Internal Controls). In 2014, the Board has assessed that the risk management system is adequate and effective in addressing the key risks of the Company.

The enterprise risk management (ERM) framework, a component of Keppel's system of Management Controls, provides the Group with a holistic and systematic approach in risk management.

It outlines the reporting structure, monitoring mechanisms, specific risk management processes and tools as well as Group policies and limits in addressing key risks in the Group.

The Group's five-step risk management process consists of risk identification, risk assessment, formulation of risk mitigation measures, communication and implementation as well as monitoring and reviews. The assessment process takes into account both the impact and likelihood of the risks occurring and also covers the financial, operational and reputational aspects. A set of key risk indicators, which are closely monitored by the business units and risk owners, serve as early warning signals. Risk plans and key risk indicators are regularly reviewed to ensure risks identified remain relevant and mitigating actions continue to be adequate, timely and effective.

An ERM Committee, comprising all business unit and functional department heads, drives and coordinates Group-wide risk management initiatives. The risk registers of the individual business units and functional departments are reviewed regularly to ensure the risks identified and accompanying mitigating measures remain relevant in view of the dynamic business environment.

As part of the control assurance process, Keppel Land has also implemented the Control Self-Assessment and Group-wide information technology (IT) risk assessment.

Risk management is an integral part of strategic, operational and financial decision-making processes at all levels of the Group. The Group's holistic approach to identifying and managing risks not only instills a strong risk ownership across the Company but also reduces uncertainties associated with executing our strategies, allowing us to harness opportunities with agility.

Despite best efforts, the Group recognises that risks can never be entirely eliminated, especially in an



evolving landscape of uncertainties and vulnerabilities.

MANAGING KEY RISKS

Keppel Land has identified 12 key risks and put in place appropriate mitigating measures as listed on page 124 of this Report.

BOLSTERING OPERATIONAL READINESS

Keppel Land is committed to enhance its operational resilience through the establishment of a robust business continuity management (BCM) plan that will allow it to respond effectively to potential crises and external threats while minimising any impact on its people, operations and assets.

Led by the BCM committee, business units in various locations conduct a range of simulations under a broad spectrum of disruptions such as haze, flood, earthquake, pandemic disease, fire, civil unrest to enhance their operational preparedness. These plans are tested and refined to ensure responses are practical, executable and effective while critical business functions continue to operate smoothly.

ENHANCING RISK CENTRIC CULTURE

Effective risk management hinges

equally on mindsets and attitudes as well as systems and processes. The management is committed to foster a strong risk-centric culture in the Group, which encourages prudent risk-taking in decision-making and business processes. A survey was carried out during the year to gauge the Group's risk centric culture.

Risk management workshops are conducted to enhance risk management competency and awareness of staff. In 2014, six risk management workshops were conducted for staff based in Singapore. The Group also seeks to raise senior staff accountability for risk management through the performance evaluation process.

PROACTIVE RISK MANAGEMENT

Keppel Land will continue to review and refine its risk management methodology, systems and processes to ensure its adequacy and effectiveness. The Group will continue to leverage its educational initiatives to raise employees' risk management awareness and capabilities as well as enhance the process in sharing of lessons learned.



Managing Key Risks

The key risks identified and appropriate mitigating actions undertaken by Keppel Land in 2014 are as follows:

1. BUSINESS STRATEGY RISKS

- The Group's strategic direction and business strategies are reviewed by the Board and senior management. Factors including the laws and regulations, market conditions and competitive landscape within each market are considered carefully. Keppel Land continues to look into matters relating to technology, innovation and solutions as part of its strategy to develop alternative business products and innovative solutions.

2. CONCENTRATION EXPOSURE RISKS

- A concentration risk management policy that governs the exposure limits of each market and project is established to manage concentration exposure risk.
- Exposure to all countries and projects are monitored regularly to ensure the Group is not overly exposed to any single project or market.

3. INVESTMENT/ DIVESTMENT RISKS

- Guided by investment parameters, all major investments are subject to due diligence processes and evaluated by the Board.
- All investment and divestment proposals submitted for approval would have to be accompanied by a completed set of risk assessment template.

4. EXPOSURE TO FINANCIAL MARKET RISKS

- Keppel Land hedges against foreign exchange and interest rate risks through the utilisation of various financial instruments where appropriate.
- The Group ensures that adequate funding resources are available for investments and cash flows are actively managed.

5. MISSTATEMENT OF FINANCIAL STATEMENTS

- The Group ensures that the consolidated financial statements have been prepared in accordance with the Singapore Financial Reporting Standards.
- Internal and external audits are conducted to provide reasonable assurance on the accuracy of financial statements.

6. PROJECT MANAGEMENT RISKS

- Project management processes are reviewed regularly by the Project Management & Sustainable Design department. Through these processes, the Group adopts good industry practices to achieve project delivery on time, within budgeted cost and meet the quality expectations of buyers and tenants.
- Trainings are conducted for project managers to increase their familiarisation and ensure their compliance with the processes.

7. HUMAN RESOURCES RISKS

- Keppel Land leverages scholarships as well as management associate and leadership development programmes to identify and develop its talent pipeline.
- Succession planning for key executive positions is regularly reviewed to ensure relevance.

8. INFORMATION TECHNOLOGY RISKS

- The IT department has established the IT Security Framework to address IT security risks. Various measures such as intrusion prevention and detection systems and firewalls are put in place to protect confidential information.
- The IT Disaster Recovery Plan is reviewed and tested regularly to ensure the robustness of the IT system. IT audits are also carried out. Policies governing

end-user computing as well as the safeguarding and backing up of information have been put in place.

9. BUSINESS CONTINUITY RISKS

- Business units continually review and test their business continuity plans to ensure effective response to disruptive events.
- Critical business functions are determined and alternative processes, resource requirements and interdependencies are identified to support operation at times of disruption.

10. FRAUD/CORRUPTION RISKS

- Keppel Land has put in place the employee code of conduct, insider trading and whistle-blower protection policies, financial authority limits and control self-assessment tools to mitigate the risk of fraud, corruption and misconduct by staff.
- Internal and external audits are conducted regularly to prevent, detect and mitigate fraud risk.

11. QUALITY OF DELIVERABLES

- The Group has put in place the Quality Assurance/ Quality Control procedures and Keppel Quality Standards to ensure excellence in project deliveries.
- The handover procedures and defects management standard operating procedures are adopted to ensure customer satisfaction of products delivered.

12. HEALTH AND SAFETY RISKS

- Keppel Land has put in place a Health and Safety (H&S) Policy to raise staff awareness on the importance of workplace H&S.
- Various initiatives and policies are implemented via the Workplace Safety and Health (WSH) department. WSH also ensures a safety culture is inculcated in all employees.

As a leading green developer, Keppel Land strives to create sustainable and optimal live-work-play environments of enduring value for the community.

BENCHMARKS OF EXCELLENCE

Keppel Land has an Integrated Management System which combines the ISO 14001 environmental management system, the ISO9001 quality management system and the OHSAS 18001 occupational health and safety management system. In 2014, the Company obtained the ISO 9001 certification for its property development and project management services as well as received the ISO 14001 & OHSAS 18001 Renewal Audits from TUV SUD PSB. These certifications attest to its commitment on quality delivery, protection of the environment and safety at its development projects.

The Group has set a benchmark for all new projects in Singapore to obtain at least the Building and Construction Authority of Singapore's (BCA) Green Mark Gold^{PLUS} rating, and for all completed commercial buildings in Singapore to meet at least the BCA Green Mark Gold^{PLUS} standard in 2015. It is also committed to achieve the minimum BCA Green Mark Gold certification or its equivalent for all new overseas projects.

In 2014, the Group achieved seven new BCA Green Mark awards for its residential and commercial projects in Singapore and overseas, bringing to total 47 Green Mark awards in its portfolio. Total savings from these developments is estimated at over 125 million kWh, or \$30 million per annum. In recognition of its environmental stewardship, Keppel Land was awarded the highest honour of BCA Green Mark Champion in 2014.



IMPROVING ENVIRONMENTAL PERFORMANCE

Keppel Land has in place a Carbon Management Plan to reduce carbon emissions intensity by 16% from 2010's levels by 2020, and Environmental Operation Plans to reduce energy, water and waste in its completed commercial buildings in Singapore and overseas.

These will result in a reduction of almost 23,000 tonnes of carbon dioxide emission, representing potential savings of over \$12.4 million up to 2020. Beyond 2020, annual savings of about \$2.75 million are expected.

ENVIRONMENTAL OUTREACH

In 2014, the Company collaborated with Philips to offer its tenants a zero capital expenditure scheme to replace existing conventional office lamps with energy-efficient light-emitting diode lighting. This will achieve cost efficiencies of up to 60%.

Keppel Land also collaborated with Ricoh Asia Pacific in the annual Eco Action Day. Six roadshows were held at Keppel Land and

Keppel REIT's commercial buildings to raise environmental awareness. Management also participated in the panel discussion on the topic, "Small Island States and Sustainable Development: Singapore's Experience", at the inaugural Eco Action Day Forum.

During the year, the Company also shared best practices and green building technologies at the BCA International Green Building Conference and the Singapore Compact CSR Summit.

Please refer to Keppel Land's Sustainability Report 2014 for more details on its environmental efforts and performance.

01

Keppel Land's Director of Corporate Services, Mr Choo Chin Teck, shared on the Company's approach towards sustainability in its businesses and operations at the 6th International Singapore Compact CSR Summit 2014.

Health and Safety

01

Keppel Land recognises the importance of a safe working environment and strives for a zero-harm workplace.



SAFETY MANAGEMENT

Safety is one of Keppel Land's core values. The Company advocates a strong safety culture and strives for a zero-harm workplace by encouraging all stakeholders to embrace safety as a personal and collective responsibility.

In 2014, the Board Safety Committee visited the worksites of residential projects in Singapore, China and Vietnam to reinforce the importance of workplace safety.

To ensure that all its contractors remain vigilant and comply with relevant regulatory requirements and safe work practices, the Workplace Safety and Health (WSH) unit conducts weekly inspections at its Singapore worksites and inspects overseas worksites on a quarterly basis. In 2014, these included projects in Tianjin, Beijing, Shanghai, Wuxi, Jiangyin, Nantong, Chengdu, Zhongshan and Kunming in China, Jakarta in Indonesia, Johor Bahru in Malaysia, Ho Chi Minh City in Vietnam, Manila in the Philippines as well as Yangon and Mandalay in Myanmar.

Keppel Land also conducts audits for all of its completed buildings.

A total of 17 commercial and hospitality establishments in Singapore, China, Vietnam, Indonesia and Myanmar were audited by the WSH unit in 2014.

In addition, YellowJacket, an online safety reporting system, was adopted for reporting of non-conformance of health and safety practices on-site for Singapore projects such as The Glades, The Luxurie and Corals at Keppel Bay in 2014.

REINFORCING SAFETY AWARENESS

Keppel Land works closely with like-minded contractors, subcontractors and suppliers who uphold high safety standards. Main contractors must be certified as bizSAFE Partners under the WSH Council's bizSAFE programme before they are appointed. As a bizSAFE Mentor, Keppel Land encourages contractors to actively develop and implement safety initiatives at their workplaces. It also provides stewardship and support for its contractors to meet the safety standards set by the WSH Council.

Keppel Land has in place the Behavioural Management of Safety (BMOS) programme which integrates behavioural strategies and processes

into the health and safety management system to reduce the risks of work-related accidents. BMOS has been implemented at projects in Singapore, and Myanmar, and will be rolled out in China in 2015.

Keppel Land's two Safety Awareness Centres in Ho Chi Minh City, Vietnam, and Johor Bahru, Malaysia, continue to provide training to improve the safety performance of contractors' employees. To date, more than 16,000 workers have been trained.

Keppel Land recorded an accident severity rate at 6.86 and fewer man-days lost at 212 days in 2014, compared with 214 days in 2013. The accident frequency rate was 0.55 reportable cases for every million man-hours worked. There were no fatalities in 2014.

For its strong safety record and commitment to safety initiatives, the Company was conferred the Merit Award at the prestigious International Safety Awards 2014 by the British Safety Council.

Please refer to Keppel Land's Sustainability Report 2014 for more details on its health and safety efforts.

02

The Annual Staff Conference held in May 2014 served as a good platform for staff to network and exchange learning experiences.



With people as the cornerstone of its business, Keppel Land strives to develop a committed workforce to drive further growth.

DEVELOPING TALENT

A Career Review Committee headed by the Chief Executive Officer (CEO) seeks to identify and groom promising employees for future leadership position.

The Leadership Development Programme is put in place to nurture high potential executives. Employees undergo a structured learning plan, with periodic reviews of their performance. In 2014, staff attended leadership programmes conducted by Keppel College, business acumen workshops on leadership competencies as well as a leadership lunch talk series.

A cross-unit attachment programme was initiated to allow staff to understand and learn about key functions of other units. In 2014, selected staff from the marketing and project management departments were attached to the Customer Focus Unit.

The Company adopts a results-based approach to spur employees to better

their performance. Employees and their supervisors jointly set targets and draw up action plans for further development. Employees also receive regular feedback on their performance and career development.

Keppel Land also has in place a management associate programme which aims to attract promising new graduates. In 2014, more than 650 applications were received and two from the 43 shortlisted candidates were admitted into the programme after rigorous screenings.

ENGAGING STAFF

In order to enhance staff interaction, Kloud, a staff lounge, was officially opened in May 2014. Tea seasons are organised every fortnight to encourage greater interaction between management and staff in an informal setting.

Staff also received regular email messages from the CEO. Post-results communication sessions are held half-yearly to encourage greater engagement with the CEO. Webcasts of the sessions are available for overseas staff as well.

To foster a culture that embraces innovation and encourages the

generation of new ideas, K'onversations, a regular series of inspiring talks, was initiated in 2014. Notable speakers from Singapore Airlines and PropertyGuru were invited to share topics on innovation.

PROMOTING WORK-LIFE BALANCE

In 2014, as part of the Ministry of Social and Family Development's Family Life Ambassador programme, talks and events were conducted to promote bonding between staff and their family members. The Welfare Committee also increased its budget by 10% to include more family-related activities. For its exemplary efforts in promoting workplace health, Keppel Land was conferred a Platinum Award at the Singapore HEALTH Award 2014.

At the Singapore HR Awards 2014, Keppel Land was conferred an award for leading HR practices in learning and human capital development. It also received special mentions for talent management, retention and succession planning as well as compensation and rewards management.

Please refer to Keppel Land's Sustainability Report 2014 for more details on its human capital management efforts and initiatives.

Community and Society

01

Keppel Land has extended the Words on Wheels programme to Ho Chi Minh City following the initiative's success in Hanoi, Vietnam.

01



By championing charitable causes in the chosen areas of education and environment and encouraging employee volunteerism, Keppel Land strives to enrich the lives of communities where it operates. Employees are entitled to two days of volunteer leave annually to participate in community engagement programmes.

ENGAGING COMMUNITIES PARTNERSHIP INITIATIVES

2014 saw a significant increase in the number of overseas volunteer trips and employee participation. About 70 employees from Keppel Land's headquarters, overseas offices as well as other business units within the Keppel Group participated in nine volunteer trips for the Words on Wheels mobile library programme in Vietnam and Water for Life project in Myanmar. This brings the total number of employees who have participated in the Company's volunteer trips to about 140 to date.

Following the success of Words on Wheels in Hanoi, Keppel Land extended it to Ho Chi Minh City.

Launched in May 2014, the four-year collaboration between Keppel Land, Singapore International Foundation (SIF) and the General Sciences Library will provide over 3,000 school children in the Binh Chanh District with free access to educational materials and multimedia facilities. In 2014, about 40 staff travelled with the mobile library to conduct English classes for the school children over five volunteer trips.

In Myanmar, Keppel Land is collaborating with SIF, the Singapore Red Cross, and non-profit organisation Mingalar Myanmar on the Water for Life (Yangon) project. Launched in May 2013, the three-year initiative aims to provide over 7,000 villagers with access to clean drinking water. As at end-2014, a total of 16 tube wells with water storage shelters have been installed in the Kaw Hmu and Kungyangon townships. Over four volunteer trips in 2014, about 30 staff assisted in building tube wells and conducted basic hygiene workshops for the local community.

OVERSEAS OUTREACH

In Chengdu, China, a pro-bono tuition initiative was started by Keppel Land China in 2014,

in support of needy students from Ya'an Yong Fu Primary School.

In response to the Yunnan Ludian County earthquake in August 2014, over RMB 210,000 was raised by Keppel Land China's employees.

CARING FOR THE COMMUNITY

Keppel Land sponsored the Run For Life charity run in Singapore in July 2014, contributing \$10,000 towards the event. Some 30 employees, together with their family members, took part in the event organised by Life Community Services Society.

A Christmas Charity Bazaar was held at Keppel Land's Singapore headquarters in support of gifts hand-made by non-profit organisations such as the National Council of Social Service and Keppel's adopted charity, the Association for Persons with Special Needs. Employees also donated schoolbags and stationery packs to 50 underprivileged children from Lakeside Family Services.

Please refer to Keppel Land's Sustainability Report 2014 for more details on its community efforts.

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The Directors submit their report together with the audited consolidated financial statements of Keppel Land Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2014.

1. Directors

The Directors of the Company in office at the date of this report are:

Loh Chin Hua, Chairman
 Ang Wee Gee, Chief Executive Officer
 Lee Ai Ming
 Tan Yam Pin
 Heng Chiang Meng
 Edward Lee Kwong Foo
 Koh-Lim Wen Gin
 Yap Chee Meng
 Huang Jing
 Oon Kum Loon
 Chan Hon Chew (appointed on 1 July 2014)

The Directors holding office at the end of the financial year and their interests in the share capital and share options of the Company and related companies as recorded in the register of Directors' shareholdings are as follows:

	01.01.2014/ Date of Appointment	Holdings At	
		31.12.2014	21.01.2015
The Company			
Ordinary shares			
Loh Chin Hua	99,600	150,400	150,400
Ang Wee Gee	1,457,366	1,551,466	1,551,466
Lee Ai Ming	2,000	12,000	12,000
Tan Yam Pin	2,000	12,000	12,000
Heng Chiang Meng	2,000	11,000	11,000
Edward Lee Kwong Foo	145,198	154,198	154,198
Koh-Lim Wen Gin	2,000	11,000	11,000
Oon Kum Loon	2,000	14,000	14,000
Share options			
Ang Wee Gee	390,504	390,504	390,504
Unvested restricted shares to be delivered after 2011			
Ang Wee Gee	11,000	-	-
Unvested restricted shares to be delivered after 2012			
Ang Wee Gee	26,700	13,400	13,400
Unvested restricted shares to be delivered after 2013			
Ang Wee Gee	57,000	38,000	38,000
Contingent award of restricted shares to be delivered after 2014⁽¹⁾			
Ang Wee Gee	-	70,000	70,000

	01.01.2014/ Date of Appointment	Holdings At	
		31.12.2014	21.01.2015
The Company (continued)			
Contingent award of performance shares issued in 2011 to be delivered after 2013 ⁽²⁾			
Loh Chin Hua	96,000	-	-
Ang Wee Gee	96,000	-	-
Contingent award of performance shares issued in 2012 to be delivered after 2014 ⁽²⁾			
Ang Wee Gee	120,000	120,000	120,000
Contingent award of performance shares issued in 2013 to be delivered after 2015 ⁽²⁾			
Ang Wee Gee	160,000	160,000	160,000
Contingent award of performance shares issued in 2014 to be delivered after 2016 ⁽²⁾			
Ang Wee Gee	-	200,000	200,000
Keppel Corporation Limited			
Ordinary shares			
Loh Chin Hua	25,000	180,212	180,212
Loh Chin Hua (Deemed interest)	38,500	38,500	38,500
Ang Wee Gee	2,500	2,500	2,500
Tan Yam Pin (Deemed interest)	132,000	132,000	132,000
Yap Chee Meng	95,360	95,360	95,360
Oon Kum Loon	63,200	69,200	69,200
Oon Kum Loon (Deemed interest)	54,000	54,000	54,000
Chan Hon Chew	5,500	5,500	5,500
Chan Hon Chew (Deemed interest)	7,770	7,770	7,770
Unvested restricted shares to be delivered after 2012			
Loh Chin Hua	51,762	25,881	25,881
Unvested restricted shares to be delivered after 2013			
Loh Chin Hua	87,995	58,664	58,664
Contingent award of restricted shares to be delivered after 2014 ⁽¹⁾			
Loh Chin Hua	-	150,000	150,000
Chan Hon Chew	35,000	35,000	35,000
Contingent award of performance shares issued in 2012 to be delivered after 2014 ⁽²⁾			
Loh Chin Hua	77,643	77,643	77,643

1. Directors (continued)

	01.01.2014/ Date of Appointment	Holdings At	
		31.12.2014	21.01.2015
Keppel Corporation Limited (continued)			
Contingent award of performance shares issued in 2013 to be delivered after 2015 ⁽²⁾			
Loh Chin Hua	93,171	93,171	93,171
Contingent award of performance shares issued in 2014 to be delivered after 2016 ⁽²⁾			
Loh Chin Hua	-	180,000	180,000
Chan Hon Chew	30,000	30,000	30,000
Keppel REIT			
Units			
Loh Chin Hua	7,000	7,000	7,000
Loh Chin Hua (Deemed interest)	556,160	556,160	556,160
Ang Wee Gee	685,200	685,200	685,200
Lee Ai Ming	851,000	851,000	851,000
Lee Ai Ming (Deemed interest)	130,000	130,000	130,000
Tan Yam Pin (Deemed interest)	871,960	971,960	971,960
Heng Chiang Meng	1,000,000	1,000,000	1,000,000
Yap Chee Meng	26,700	26,700	26,700
Oon Kum Loon	17,696	17,696	17,696
Oon Kum Loon (Deemed interest)	12,320	12,320	12,320
Chan Hon Chew	1,100	1,100	1,100
Chan Hon Chew (Deemed interest)	1,875	1,875	1,875
Keppel DC REIT			
Units			
Ang Wee Gee	-	150,000	150,000
Edward Lee Kwong Foo	-	50,000	50,000
Tan Yam Pin	-	75,000	75,000
Heng Chiang Meng	-	75,000	75,000
Oon Kum Loon	-	75,000	75,000

Notes:

- Depending on the achievement of pre-determined performance targets, the actual number of restricted shares to be released can be zero or the numbers stated.
- Depending on the achievement of pre-determined performance targets, the actual number of performance shares to be released can range from zero to 150% of the numbers stated.

Since the end of the previous financial year, no Director has received or become entitled to receive benefits under contracts required to be disclosed by Section 201(8) of the Singapore Companies Act, Chapter 50, except as disclosed in the notes to the financial statements.

Neither at the end of the financial year, nor at any time during the year, did there subsist any arrangement, to which the Company or any of its subsidiaries is a party, whereby the Directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate other than the Keppel Land Share Option Scheme, Keppel Land Restricted Share Plan and Keppel Land Performance Share Plan approved previously by shareholders at Extraordinary General Meetings.

2. Share Options of the Company

The particulars of the share options of the Company are as follows:

- (a) At the Extraordinary General Meeting of the Company held on 23 April 2010, the Company's shareholders approved the adoption of two new share plans, with effect from the date of termination of the Keppel Land Share Option Scheme (the "Scheme"). The Scheme was terminated on 30 June 2010. Options granted and outstanding prior to the termination will continue to be valid and subject to the terms and conditions of the Scheme.
- (b) Details of share options granted under the Scheme are disclosed in Note 14 to the financial statements.
- (c) Pursuant to Rule 12(a)(iv) of the Scheme, the number and the exercise price of those share options granted prior to 12 June 2009 have been adjusted for the effects of the Company's rights issue in 2009.
- (d) There were no options granted during the financial year. The movements in the number of share options under the Scheme are as follows:

Date of Grant	Number of Share Options				Expiry Date	Exercise Price (Adjusted for Rights Issue) (\$)	Value of Options (\$)
	At 01.01.14	Exercised	Cancelled/ Lapsed	At 31.12.14			
08.02.06	117,319	-	-	117,319	07.02.16	3.33	1.3620
10.08.06	117,319	-	-	117,319	09.08.16	3.47	1.3894
27.11.07	269,834	-	-	269,834	26.11.17	6.81	2.6404
27.11.07	269,833	-	-	269,833	26.11.17	6.86	2.5801
12.02.08	366,036	-	-	366,036	11.02.18	5.03	1.5354
13.08.08	200,029	-	-	200,029	12.08.18	3.76	1.1161
05.08.09	192,500	-	-	192,500	04.08.19	2.67	0.8940
08.02.10	444,250	-	-	444,250	07.02.20	3.37	1.1840
	<u>1,977,120</u>	<u>-</u>	<u>-</u>	<u>1,977,120</u>			

- (e) The information on Directors of the Company participating in the Scheme is as follows:

Name of Director	Aggregate Number of Options Granted Since Commencement of the Scheme to the End of the Financial Year	Aggregate Number of Options Exercised Since Commencement of the Scheme to the End of the Financial Year	Aggregate Number of Options Outstanding as at the End of the Financial Year
Ang Wee Gee	<u>1,555,461</u>	<u>1,065,537</u>	<u>390,504</u>

- (f) There are no options granted to any of the Company's controlling shareholders or their associates under the Scheme.

3. Share Plans of the Company

The particulars of the share plans of the Company are as follows:

- (a) The Keppel Land Restricted Share Plan ("KLL RSP") and Keppel Land Performance Share Plan ("KLL PSP") (collectively the "share plans") were approved by the Company's shareholders at the Extraordinary General Meeting of the Company on 23 April 2010.
- (b) Details of the KLL RSP and KLL PSP are disclosed in Note 14 to the financial statements.
- (c) The movements in the number of shares under KLL RSP and KLL PSP are as follows:

Contingent awards:

Date of Grant	Number of Shares					At 31.12.14
	At 01.01.14	Contingent Awards Granted	Adjustment upon Release	Released	Cancelled	
<u>KLL RSP</u>						
28.03.13	1,060,000	-	-	(1,025,619)	(34,381)	-
31.03.14 ⁽¹⁾	-	1,123,000	-	-	(6,000)	1,117,000
	<u>1,060,000</u>	<u>1,123,000</u>	<u>-</u>	<u>(1,025,619)</u>	<u>(40,381)</u>	<u>1,117,000</u>
<u>KLL PSP</u>						
30.06.11	300,000	-	(141,200)	(158,800)	-	-
29.06.12 ⁽²⁾	340,000	-	-	-	-	340,000
28.03.13 ⁽²⁾	370,000	-	-	-	-	370,000
31.03.14 ⁽²⁾	-	700,000	-	-	-	700,000
	<u>1,010,000</u>	<u>700,000</u>	<u>(141,200)</u>	<u>(158,800)</u>	<u>-</u>	<u>1,410,000</u>

Awards released but not vested:

Date of Grant	Number of Shares				At 31.12.14
	At 01.01.14	Released	Vested	Cancelled	
<u>KLL RSP</u>					
30.06.11		244,900	-	(244,900)	-
29.06.12		622,900	-	(311,900)	(12,000)
28.03.13		-	1,025,619	(341,900)	(26,000)
		<u>867,800</u>	<u>1,025,619</u>	<u>(898,700)</u>	<u>(38,000)</u>
<u>KLL PSP</u>					
30.06.11		-	158,000	(158,000)	-
		<u>-</u>	<u>158,000</u>	<u>(158,000)</u>	<u>-</u>

Notes:

1. Depending on the achievement of pre-determined performance targets, the actual number of restricted shares to be released can be zero or the number stated.
2. Depending on the achievement of pre-determined performance targets, the actual number of performance shares to be released can range from zero to 150% of the numbers stated.

- (d) The information on Directors of the Company participating in the share plans and those employees of a subsidiary who receive 5% or more of the total number of contingent award of shares granted to date is as follows:

Contingent awards:

Name of Director/Employee	Contingent Awards Granted During the Financial Year	Aggregate Awards Granted Since Commencement of the Share Plans to the End of the Financial Year	Aggregate Awards Adjusted upon Release Since Commencement of the Share Plans to the End of the Financial Year	Aggregate Awards Released Since Commencement of the Share Plans to the End of the Financial Year	Aggregate Awards not Released as at the End of the Financial Year
<u>KLL RSP⁽¹⁾</u>					
Director of the Company:					
Ang Wee Gee	70,000	240,000	-	(170,000)	70,000
Employees of a Subsidiary:					
Tan Swee Yiow	35,000	154,000	-	(119,000)	35,000
Lim Kei Hin	35,000	137,500	-	(102,500)	35,000
<u>KLL PSP⁽²⁾</u>					
Director of the Company:					
Ang Wee Gee	200,000	696,000	(65,600)	(150,400)	480,000
Employees of a Subsidiary:					
Tan Swee Yiow	80,000	374,000	(43,700)	(100,300)	230,000
Lim Kei Hin	80,000	330,000	(30,200)	(69,800)	230,000

Awards released but not vested:

Name of Director/Employee	Aggregate Awards Released Since Commencement of the Share Plans to the End of the Financial Year	Aggregate Awards Vested Since Commencement of the Share Plans to the End of the Financial Year	Aggregate Awards Released but not Vested as at the End of the Financial Year
<u>KLL RSP</u>			
Director of the Company:			
Ang Wee Gee	170,000	(118,600)	51,400
Employees of a Subsidiary:			
Tan Swee Yiow	119,000	(85,700)	33,300
Lim Kei Hin	102,500	(69,200)	33,300
<u>KLL PSP</u>			
Director of the Company:			
Ang Wee Gee	150,400	(150,400)	-
Employees of a Subsidiary:			
Tan Swee Yiow	100,300	(100,300)	-
Lim Kei Hin	69,800	(69,800)	-

Notes:

- Depending on the achievement of pre-determined performance targets, the actual number of restricted shares to be released can be zero or the numbers stated.
- Depending on the achievement of pre-determined performance targets, the actual number of performance shares to be released can range from zero to 150% of the numbers stated.

3. Share Plans of the Company (continued)

- (e) No Director or employee received 5% or more of the total number of contingent award of shares granted during the financial year, except for the followings:

Name of Director/Employee	Number of Contingent Shares Received	Percentage of Contingent Award of Shares under KLL RSP and KLL PSP
Ang Wee Gee	270,000	14.8%
Tan Swee Yiow	115,000	6.3%
Ho Cheek Kong	115,000	6.3%
Lim Kei Hin	115,000	6.3%
Sam Moon Thong	100,000	5.5%
Linson Lim Soon Kooi	95,000	5.2%
Ng Ooi Hooi	95,000	5.2%

- (f) There are no contingent award of shares granted to any of the Company's controlling shareholders or their associates under the KLL RSP and KLL PSP.

4. Unit Plans of a Subsidiary

Keppel REIT Management Limited ("KRML"), a wholly-owned subsidiary of the Group, implemented a Restricted Unit Plan ("KRML RUP") and a Performance Unit Plan ("KRML PUP") (collectively the "unit plans") for its key senior management and employees.

The particulars of the unit plans of KRML are as follows:

- (a) The KRML RUP and KRML PUP were approved and administered by the Nominating and Remuneration Committee of KRML.
- (b) KRML is the manager of Keppel REIT. The awards granted by KRML will be settled in Keppel REIT units. Details of the KRML RUP and KRML PUP are disclosed in Note 14 to the financial statements.
- (c) The movements in the number of units under KRML RUP and KRML PUP are as follows:

Contingent awards:

Date of Grant	Number of Units						
	At 01.01.14	Adjustment ⁽³⁾	Contingent Awards Granted	Adjustment upon Release	Released	Cancelled	At 31.12.14
<u>KRML RUP</u>							
28.03.13	283,500	3,207	-	-	(286,707)	-	-
31.03.14 ⁽¹⁾	-	-	310,500	-	-	(24,000)	286,500
	<u>283,500</u>	<u>3,207</u>	<u>310,500</u>	<u>-</u>	<u>(286,707)</u>	<u>(24,000)</u>	<u>286,500</u>
<u>KRML PUP</u>							
30.06.11	196,654	2,268	-	(139,222)	(59,700)	-	-
29.06.12 ⁽²⁾	217,404	2,508	-	-	-	-	219,912
28.03.13 ⁽²⁾	230,000	2,654	-	-	-	-	232,654
31.03.14 ⁽²⁾	-	-	258,000	-	-	-	258,000
	<u>644,058</u>	<u>7,430</u>	<u>258,000</u>	<u>(139,222)</u>	<u>(59,700)</u>	<u>-</u>	<u>710,566</u>

Awards released but not vested:

Date of Grant	Number of Units					
	At 01.01.14	Adjustment ⁽²⁾	Released	Vested	Cancelled	At 31.12.14
<u>KRML RUP</u>						
30.06.11	42,057	472	-	(42,529)	-	-
29.06.12	148,650	1,664	-	(75,113)	(8,548)	66,653
28.03.13	-	-	286,707	(95,569)	(14,156)	176,982
	<u>190,707</u>	<u>2,136</u>	<u>286,707</u>	<u>(213,211)</u>	<u>(22,704)</u>	<u>243,635</u>
<u>KRML PUP</u>						
30.06.11	-	-	59,700	(59,700)	-	-
	<u>-</u>	<u>-</u>	<u>59,700</u>	<u>(59,700)</u>	<u>-</u>	<u>-</u>

Notes:

1. Depending on the achievement of pre-determined performance targets, the actual number of restricted units to be released can be zero or the number stated.
2. Depending on the achievement of pre-determined performance targets, the actual number of performance units to be released can range from zero to 150% of the numbers stated.
3. During the year, the number of units under KRML RUP and KRML PUP was adjusted for the effects of Keppel REIT's capital distributions announced on 22 March 2013, 15 April 2013, 15 July 2013, 4 September 2013, 14 October 2013 and 20 January 2014.

(d) The information on Directors of KRML participating in the unit plans is as follows:

Contingent awards:

Name of Director	Contingent Awards Granted During the Financial Year	Aggregate Awards Granted Since Commencement of the Unit Plans to the End of the Financial Year ⁽¹⁾	Aggregate Awards Adjusted upon Release Since Commencement of the Unit Plans to the End of the Financial Year ⁽¹⁾	Aggregate Awards Released Since Commencement of the Unit Plans to the End of the Financial Year ⁽¹⁾	Aggregate Awards not Released as at the End of the Financial Year
<u>KRML RUP ⁽²⁾</u>					
Ng Hsueh Ling	<u>150,000</u>	<u>521,409</u>	<u>-</u>	<u>(371,409)</u>	<u>150,000</u>
<u>KRML PUP ⁽³⁾</u>					
Ng Hsueh Ling	<u>258,000</u>	<u>1,027,478</u>	<u>(180,512)</u>	<u>(136,400)</u>	<u>710,566</u>

Awards released but not vested:

Name of Director	Aggregate Awards Released Since Commencement of the Unit Plans to the End of the Financial Year ⁽¹⁾	Aggregate Awards Vested Since Commencement of the Unit Plans to the End of the Financial Year ⁽¹⁾	Aggregate Awards Released but not Vested as at the End of the Financial Year
<u>KRML RUP</u>			
Ng Hsueh Ling	<u>371,409</u>	<u>(250,433)</u>	<u>120,976</u>
<u>KRML PUP</u>			
Ng Hsueh Ling	<u>136,400</u>	<u>(136,400)</u>	<u>-</u>

Notes:

1. The aggregate awards granted and released since commencement of the unit plans included adjustments for the effects of Keppel REIT's rights issue in 2011 as well as Keppel REIT's capital distributions announced in 2012, 2013 and on 20 January 2014.
2. Depending on the achievement of pre-determined performance targets, the actual number of restricted units to be released can be zero or the number stated.
3. Depending on the achievement of pre-determined performance targets, the actual number of performance units to be released can range from zero to 150% of the number stated.

4. Unit Plans of a Subsidiary (continued)

- (e) Other than Ng Hsueh Ling who received 408,000 contingent units or 71.8% and Toh Wah San who received 39,000 contingent units or 6.9% of the contingent award of units under the KRML RUP and KRML PUP, no Director or employee of KRML received 5% or more of the total number of contingent award of units granted during the financial year.
- (f) There are no employees who receive 5% or more of the total number of contingent award of units granted to date.
- (g) There are no contingent award of units granted to any of the Company's controlling shareholders or their associates under the KRML RUP and KRML PUP.

5. Audit Committee

The Audit Committee comprises three independent and two non-independent Directors, namely:

Yap Chee Meng, Chairman
Lee Ai Ming
Heng Chiang Meng
Oon Kum Loon
Chan Hon Chew (appointed on 16 August 2014)

The Audit Committee carried out its functions in accordance with the Singapore Companies Act, Chapter 50 which included *inter alia* the following:

- Reviewed the audit plans and reports of the Company's external auditor and internal auditor, and considered the effectiveness of actions/policies taken by Management on their recommendations and observations;
- Carried out reviews of quarterly financial reports and year-end financial statements;
- Reviewed the adequacy and effectiveness of financial, operational, compliance and information technology controls;
- Reviewed the independence and objectivity of the external auditor;
- Reviewed the nature and extent of non-audit services performed by external auditor;
- Met with external auditor and internal auditor, without the presence of Management;
- Ensured that the internal audit function is adequately resourced and has appropriate standing within the Company;
- Reviewed interested person transactions; and
- Investigated matters within the Audit Committee's terms of reference.

The Audit Committee has recommended to the Board of Directors the re-appointment of Ernst & Young LLP, Public Accountants and Chartered Accountants, as external auditor of the Company at the forthcoming Annual General Meeting.

6. Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On Behalf of the Board



Loh Chin Hua
Chairman

Singapore, 17 February 2015



Ang Wee Gee
Chief Executive Officer

Statement by Directors

For the financial year ended 31 December 2014

We, LOH CHIN HUA and ANG WEE GEE, being two of the Directors of Keppel Land Limited, do hereby state that, in the opinion of the Directors:

- (a) the accompanying balance sheets, consolidated profit and loss account, consolidated statement of comprehensive income, statements of changes in equity, and consolidated cash flow statement together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2014 and the results of the business, changes in equity, and cash flows of the Group and the changes in equity of the Company for the year then ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On Behalf of the Board



Loh Chin Hua
Chairman



Ang Wee Gee
Chief Executive Officer

Singapore, 17 February 2015

To the Members of Keppel Land Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Keppel Land Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 142 to 231, which comprise the balance sheets of the Group and the Company as at 31 December 2014, the statements of changes in equity of the Group and the Company and the consolidated profit and loss account, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 December 2014 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP

Public Accountants and
Chartered Accountants

Singapore, 17 February 2015

Consolidated Profit and Loss Account

For the financial year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
Sales	4	1,497,177	1,461,048
Cost of sales		(1,048,707)	(1,047,143)
Gross profit		448,470	413,905
Distribution costs		(14,081)	(22,888)
Administrative and other expenses		(169,380)	(146,500)
Other income	6	212,537	186,551
Other loss	7	-	(2,443)
Investment income	5	3,091	11,510
Interest income	8	25,817	30,959
Interest expense	9	(54,503)	(28,309)
Share of results of associates and joint ventures	22	281,160	226,927
Pre-tax profit before fair value gain on investment properties		733,111	669,712
Fair value gain on investment properties	10	220,214	331,061
Pre-tax profit after fair value gain on investment properties		953,325	1,000,773
Taxation	11	(130,087)	(96,819)
Profit for the year	5	823,238	903,954
Profit attributable to:			
Shareholders of the Company	3	752,486	885,892
Non-controlling interests	3	70,752	18,062
		823,238	903,954
Earnings per share (cents)			
Basic	12	48.7	57.3
Diluted	12	48.6	57.2

The notes shown on pages 150 to 231 form an integral part of the financial statements.

Consolidated Statement of Comprehensive Income

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For the financial year ended 31 December 2014

	Note	2014 \$'000	2013 \$'000
Profit for the year		823,238	903,954
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets			
Net fair value change		11,174	(5,867)
Cash flow hedges			
Net fair value change		(2,158)	4,901
Foreign exchange translation			
Exchange differences on consolidation		117,922	121,314
Exchange differences transferred to profit and loss account		(2,229)	24,177
Share of other comprehensive income of associates and joint ventures			
Available-for-sale financial assets		(1,244)	139
Cash flow hedges		7,490	231
Foreign exchange translation		4,706	(19,301)
Item that will not be reclassified subsequently to profit or loss:			
Share of other comprehensive income of joint ventures			
Revaluation surplus		996	-
Other comprehensive income for the year, net of tax	16	136,657	125,594
Total comprehensive income for the year		959,895	1,029,548
Total comprehensive income attributable to:			
Shareholders of the Company		868,304	1,000,334
Non-controlling interests		91,591	29,214
		959,895	1,029,548

The notes shown on pages 150 to 231 form an integral part of the financial statements.

Balance Sheets

As at 31 December 2014

	Note	GROUP		COMPANY	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Share capital	14	2,398,336	2,398,336	2,398,336	2,398,336
Treasury shares	15	(2,446)	-	(2,446)	-
Reserves	16	5,259,647	4,591,083	2,341,255	2,200,139
Share capital and reserves		7,655,537	6,989,419	4,737,145	4,598,475
Non-controlling interests		489,401	496,168	-	-
Total equity		8,144,938	7,485,587	4,737,145	4,598,475
Represented by:					
Non-current assets					
Fixed assets	17	370,157	325,842	21	26
Investment properties	18	1,207,124	1,568,209	-	-
Amounts owing by associates and joint ventures	19	98,055	652,109	-	-
Other non-current assets	20	113,548	109,300	4,048	-
Investments					
Subsidiaries	21	-	-	1,318,990	1,318,266
Associates and joint ventures	22	2,837,505	2,917,588	70,099	70,099
Long-term investments	23	191,271	123,211	12,264	10,931
		3,028,776	3,040,799	1,401,353	1,399,296
		4,817,660	5,696,259	1,405,422	1,399,322
Current assets					
Properties held for sale	24	6,530,988	6,391,786	-	-
Stocks	25	4,839	5,009	-	-
Debtors	26	508,697	388,643	734	10,960
Amounts owing by holding company and related parties	27	71,645	55,480	7,599,153	6,605,581
Cash and cash equivalents	28	2,593,719	1,285,350	4,001	3,764
		9,709,888	8,126,268	7,603,888	6,620,305
Less:					
Current liabilities					
Creditors	29	1,771,172	1,785,640	20,537	20,436
Tax provision	11	144,444	149,265	1,482	1,743
Short-term borrowings	30	1,055,670	283,275	885,494	14,645
Amounts owing to holding company and related parties	27	26,792	7,881	1,536,615	654,179
		2,998,078	2,226,061	2,444,128	691,003
Net current assets		6,711,810	5,900,207	5,159,760	5,929,302
Less:					
Non-current liabilities					
Long-term borrowings	30	3,147,338	3,869,749	1,827,556	2,729,164
Deferred taxation	11	171,013	182,018	481	985
Other non-current liabilities	31	66,181	59,112	-	-
		3,384,532	4,110,879	1,828,037	2,730,149
Net assets		8,144,938	7,485,587	4,737,145	4,598,475

The notes shown on pages 150 to 231 form an integral part of the financial statements.

Statements of Changes in Equity

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For the financial year ended 31 December 2014

	Share Capital \$'000	Treasury Shares \$'000	Capital Reserves \$'000	Foreign Currency Translation Account \$'000	Revenue Reserves \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
GROUP								
Balance at 1 January 2014	2,398,336	-	74,940	(58,431)	4,574,574	6,989,419	496,168	7,485,587
Total comprehensive income for the year								
Profit for the year	-	-	-	-	752,486	752,486	70,752	823,238
Other comprehensive income (see Note 16)	-	-	16,479	99,339	-	115,818	20,839	136,657
Total comprehensive income for the year	-	-	16,479	99,339	752,486	868,304	91,591	959,895
Transactions with owners, recognised directly in equity								
<u>Contributions by and distributions to owners</u>								
Cost of share-based payments	-	-	4,650	-	-	4,650	-	4,650
Purchase of treasury shares (see Note 15)	-	(5,880)	-	-	-	(5,880)	-	(5,880)
Treasury shares reissued pursuant to Keppel Land Share Plans (see Note 15)	-	3,434	(3,434)	-	-	-	-	-
Capital contribution	-	-	-	-	-	-	6,434	6,434
Dividend paid (see Note 13)	-	-	-	-	(200,956)	(200,956)	(98,986)	(299,942)
Total contributions by and distributions to owners	-	(2,446)	1,216	-	(200,956)	(202,186)	(92,552)	(294,738)
<u>Changes in ownership interest in a subsidiary</u>								
Liquidation of a subsidiary	-	-	-	-	-	-	(5,806)	(5,806)
Total changes in ownership interest in a subsidiary	-	-	-	-	-	-	(5,806)	(5,806)
Total transactions with owners	-	(2,446)	1,216	-	(200,956)	(202,186)	(98,358)	(300,544)
Balance at 31 December 2014	<u>2,398,336</u>	<u>(2,446)</u>	<u>92,635</u>	<u>40,908</u>	<u>5,126,104</u>	<u>7,655,537</u>	<u>489,401</u>	<u>8,144,938</u>

The notes shown on pages 150 to 231 form an integral part of the financial statements.

Statements of Changes in Equity

	Share Capital \$'000	Capital Reserves \$'000	Foreign Currency Translation Account \$'000	Revenue Reserves \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
GROUP							
Balance at 1 January 2013	2,392,820	75,609	(173,467)	3,874,179	6,169,141	477,314	6,646,455
Total comprehensive income for the year							
Profit for the year	-	-	-	885,892	885,892	18,062	903,954
Other comprehensive income (see Note 16)	-	(594)	115,036	-	114,442	11,152	125,594
Total comprehensive income for the year	-	(594)	115,036	885,892	1,000,334	29,214	1,029,548
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Issue of shares (see Note 14)							
Under the Keppel Land Share Plans	3,818	(3,818)	-	-	-	-	-
Under the Keppel Land Share Option Scheme	1,098	-	-	-	1,098	-	1,098
Upon the conversion of bonds due 2013	600	-	-	-	600	-	600
Cost of share-based payments	-	3,311	-	-	3,311	-	3,311
Capital contribution	-	-	-	-	-	65,114	65,114
Dividend paid (see Note 13)	-	-	-	(185,497)	(185,497)	(16,481)	(201,978)
Total contributions by and distributions to owners	5,516	(507)	-	(185,497)	(180,488)	48,633	(131,855)
<u>Changes in ownership interests in subsidiaries</u>							
Disposal of subsidiaries (see Note 21)	-	-	-	-	-	(59,443)	(59,443)
Disposal of interest in a subsidiary without loss of control (see Note 21)	-	-	-	-	-	450	450
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(58,993)	(58,993)
Total transactions with owners	5,516	(507)	-	(185,497)	(180,488)	(10,360)	(190,848)
Other reserves - Share of capital reserve of an associate	-	432	-	-	432	-	432
Balance at 31 December 2013	2,398,336	74,940	(58,431)	4,574,574	6,989,419	496,168	7,485,587

The notes shown on pages 150 to 231 form an integral part of the financial statements.

	Share Capital \$'000	Treasury Shares \$'000	Capital Reserves \$'000	Revenue Reserves \$'000	Total Equity \$'000
COMPANY					
Balance at 1 January 2014	2,398,336	-	75,624	2,124,515	4,598,475
Total comprehensive income for the year					
Profit for the year	-	-	-	340,376	340,376
Other comprehensive income	-	-	480	-	480
Total comprehensive income for the year	-	-	480	340,376	340,856
Transactions with owners, recognised directly in equity					
<u>Contributions by and distributions to owners</u>					
Cost of share-based payments	-	-	4,650	-	4,650
Purchase of treasury shares (see Note 15)	-	(5,880)	-	-	(5,880)
Treasury shares reissued pursuant to Keppel Land Share Plans (see Note 15)	-	3,434	(3,434)	-	-
Dividend paid (see Note 13)	-	-	-	(200,956)	(200,956)
Total transactions with owners	-	(2,446)	1,216	(200,956)	(202,186)
Balance at 31 December 2014	<u>2,398,336</u>	<u>(2,446)</u>	<u>77,320</u>	<u>2,263,935</u>	<u>4,737,145</u>
Balance at 1 January 2013	2,392,820	-	70,043	2,187,382	4,650,245
Total comprehensive income for the year					
Profit for the year	-	-	-	122,630	122,630
Other comprehensive income	-	-	6,088	-	6,088
Total comprehensive income for the year	-	-	6,088	122,630	128,718
Transactions with owners, recognised directly in equity					
<u>Contributions by and distributions to owners</u>					
Issue of shares (see Note 14)					
Under the Keppel Land Share Plans	3,818	-	(3,818)	-	-
Under the Keppel Land Share Option Scheme	1,098	-	-	-	1,098
Upon the conversion of bonds due 2013	600	-	-	-	600
Cost of share-based payments	-	-	3,311	-	3,311
Dividend paid (see Note 13)	-	-	-	(185,497)	(185,497)
Total transactions with owners	5,516	-	(507)	(185,497)	(180,488)
Balance at 31 December 2013	<u>2,398,336</u>	<u>-</u>	<u>75,624</u>	<u>2,124,515</u>	<u>4,598,475</u>

The notes shown on pages 150 to 231 form an integral part of the financial statements.

Consolidated Cash Flow Statement

For the financial year ended 31 December 2014

	2014 \$'000	2013 \$'000
Operating Activities:		
Pre-tax profit	953,325	1,000,773
Adjustments for:		
Depreciation charge	17,401	15,052
Loss on sale of fixed assets	314	227
(Write-back of allowance)/allowance for foreseeable losses on properties held for sale	(1,833)	1,383
Bad debt (written back)/written off	(56)	445
Write-back of allowance for doubtful debts	(8)	(1,267)
Cost of share-based payments	5,076	3,814
Interest and investment income	(28,908)	(42,469)
Interest expense	54,503	28,309
Share of results of associates and joint ventures	(281,160)	(226,927)
(Gain)/loss on change in interest in an associate	(7,173)	2,443
Gain from disposal of an investment property	(91,988)	-
Gain from disposal of subsidiaries and associates	(94,553)	(164,105)
Fair value gain on call option	(200)	(3,700)
Fair value gain on investment properties	(220,214)	(331,061)
Operating cash flows before changes in working capital	304,526	282,917
Working capital changes:		
Debtors	(61,569)	(11,750)
Creditors	(64,787)	(56,356)
Stocks	174	(745)
Properties held for sale	22,099	(1,522,746)
Cash flows from/(used in) operations	200,443	(1,308,680)
Interest received	25,817	30,959
Interest paid	(50,042)	(20,530)
Income taxes paid	(106,541)	(68,987)
Net cash flows from/(used in) operating activities	69,677	(1,367,238)

The notes shown on pages 150 to 231 form an integral part of the financial statements.

	Note	2014 \$'000	2013 \$'000
Investing Activities:			
Acquisition of subsidiaries	21	-	(71,985)
Disposal of subsidiaries	21	-	227,247
Disposal of associates		487,865	-
Investment in associates and joint ventures		(108,430)	(168,465)
Investment in investee companies		(72,830)	-
Purchase of fixed assets		(51,390)	(52,616)
Expenditure on investment properties		(29,613)	(35,076)
Proceeds from sale of fixed assets and an investment property		550,112	22
Advances/repayment from associates and joint ventures		599,082	166,652
Advances/repayment to associates and joint ventures		(43,770)	(151,184)
Redemption of shares by investee companies		15,946	13,772
Dividends received from associates and joint ventures		271,870	191,727
Dividends received from investee companies		3,091	11,510
Net cash flows from investing activities		1,621,933	131,604
Financing Activities:			
Proceeds from issuance of shares		-	1,098
Purchase of treasury shares		(5,880)	-
Drawdown of loans		817,744	3,058,638
Repayment of loans		(803,613)	(2,119,077)
Loans from/(repayment of loans to) holding company and related companies		2,959	(8,547)
Dividends paid to shareholders		(200,956)	(185,497)
Proceed from disposal of interest in a subsidiary without loss of control	21	-	135,513
Advances/repayments from non-controlling shareholders		13,431	8,228
Advances/repayments to non-controlling shareholders		(131,317)	(34,947)
Contribution from non-controlling shareholders		6,434	65,114
Dividends paid to non-controlling shareholders		(98,986)	(16,481)
Net cash flows (used in)/from financing activities		(400,184)	904,042
Net increase/(decrease) in cash and cash equivalents		1,291,426	(331,592)
Cash and cash equivalents at beginning of year		1,285,350	1,596,504
Exchange adjustments		16,943	20,438
Cash and cash equivalents at end of year	28	2,593,719	1,285,350

The notes shown on pages 150 to 231 form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2014

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

Keppel Land Limited (the "Company") is a limited liability company incorporated in Singapore, and is listed on the Singapore Exchange Securities Trading Limited.

The registered office and principal place of business of the Company is located at 230 Victoria Street #15-05, Bugis Junction Towers, Singapore 188024.

The financial statements of Keppel Land Limited for the financial year ended 31 December 2014 were authorised for issue on 17 February 2015 in accordance with a resolution of the Board of Directors.

The principal activity of the Company is that of a holding, management and investment company.

The principal activities of its subsidiaries consist of property investment and development, fund management and property related services.

The immediate and ultimate holding company is Keppel Corporation Limited, incorporated in Singapore, and is listed on the Singapore Exchange Securities Trading Limited.

2. Significant Accounting Policies

(a) Basis of Preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are expressed in Singapore dollars ("SGD" or "\$") and all values are rounded to the nearest thousand ("'\$'000"), except where otherwise indicated.

Adoption of New and Revised Standards

The accounting policies adopted are consistent with those of the previous financial year, except in the current year, the Group adopted the following new and revised standards that are relevant and effective for financial years beginning on or after 1 January 2014:

FRS 27 *Separate Financial Statements*

FRS 28 *Investments in Associates and Joint Ventures*

FRS 110 *Consolidated Financial Statements*

FRS 111 *Joint Arrangements*

FRS 112 *Disclosure of Interests in Other Entities*

Amendments to FRS 32 *Offsetting of Financial Assets and Financial Liabilities*

Amendments to FRS 36 *Recoverable Amount Disclosure for Non-financial Assets*

Amendments to FRS 39 *Novation of Derivatives and Continuation of Hedge Accounting*

INT FRS 121 *Levies*

The adoption of the above FRSs did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements of the Group, except for the following:

FRS 110 Consolidated Financial Statements and Revised FRS 27 Separate Financial Statements
FRS 111 Joint Arrangements and Revised FRS 28 Investments in Associates and Joint Ventures

FRS 110 establishes a single control model that applies to all entities (including special purpose entities) and focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to effect those returns. The changes introduced by FRS 110 require management to determine which entities are controlled, and therefore are required to be consolidated by the Group. The revised FRS 27 was amended to address the accounting for subsidiaries, associates and joint ventures in the separate financial statements.

FRS 111 classifies joint arrangements either as joint operations or joint ventures. Joint operation is a joint arrangement whereby the parties that have rights to the assets and obligations for the liabilities whereas joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. FRS 111 requires the determination of joint arrangement's classification to be based on the parties' rights and obligations under the arrangement, with the existence of a separate legal vehicle no longer being the key factor. FRS 111 disallows proportionate consolidation and requires joint ventures to be accounted for using the equity method. The revised FRS 28 was amended to describe the application of equity method to investments in joint ventures in addition to associates.

The adoption of these standards did not have any significant impact on the financial statements of the Group.

FRS 112 Disclosure of Interests in Other Entities

FRS 112 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. FRS 112 requires an entity to disclose information that helps users of its financial statements to evaluate the nature and risks associated with its interests in other entities and the effects of those interests on its financial statements. The additional disclosures as a result of the adoption of this standard have been included in Notes 21 and 22.

(b) Basis of Consolidation and Business Combinations

(i) Basis of Consolidation

Basis of Consolidation from 1 January 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses are attributed to the non-controlling interest even if that results in a deficit balance. Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated profit and loss account and consolidated statement of comprehensive income, and within equity in the consolidated balance sheet, separately from the equity attributable to shareholders of the Company.

Change in the Company's ownership interest in a subsidiary that does not result in a loss of control is accounted for as an equity transaction. In such circumstance, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to shareholders of the Company.

2. Significant Accounting Policies (continued)

(b) Basis of Consolidation and Business Combinations (continued)

(i) Basis of Consolidation (continued)

Basis of Consolidation from 1 January 2010 (continued)

When control of a subsidiary is lost as a result of transaction, event or other circumstances, the Group derecognises all assets (including goodwill), liabilities, and non-controlling interests and foreign currency translation account at their carrying amounts, and reclassifies any other component of equity related to the subsidiary to profit and loss account or revenue reserves, as appropriate. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. Any gain or loss arising from the loss of control is recognised in the profit and loss account.

Basis of Consolidation Prior to 1 January 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following differences, however, are carried forward in certain instances from the previous basis of consolidation:

- Acquisitions of non-controlling interests, prior to 1 January 2010, were accounted for using the parent entity extension method, whereby the difference between the consideration and the book value of the share of the net assets acquired was recognised in goodwill.
- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying values of such investments as at 1 January 2010 have not been restated.

(ii) Business Combinations

Business Combinations from 1 January 2010

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in the profit and loss account or as change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in the profit and loss account.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2(i). When the excess is negative, a gain on bargain purchase is recognised in the profit and loss account on the acquisition date.

Business Combinations Prior to 1 January 2010

In comparison to the above-mentioned requirements, the following differences applied:

Business combinations were accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest was measured at the proportionate share of the acquiree's identifiable net assets.

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interest were treated as a revaluation and recognised in equity. Any additional acquired share of interest did not affect previously recognised goodwill.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent measurements to the contingent consideration affected goodwill.

(c) Fixed Assets

Fixed assets are initially recorded at cost and subsequently measured at cost less accumulated depreciation and any impairment in value. When the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount. Profits or losses on disposal of fixed assets are included in the profit and loss account.

All fixed assets, except for freehold land and assets under construction, are depreciated on a straight-line basis over their estimated useful lives and residual values have also been taken into account where appropriate. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives of the Group's fixed assets are as follows:

Freehold building	30 years
Leasehold land and buildings	Over period of lease (range from 20 to 50 years)
Machinery and equipment	3 to 7 years
Motor vehicles	4 to 5 years

The estimated useful lives, residual values and depreciation method are reviewed at each balance sheet date, with the effect of changes in estimates accounted for on a prospective basis.

(d) Investment Properties

Investment properties comprise completed properties and properties under construction or redevelopment held to earn rental and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value, determined annually by Directors based on valuations by independent professional valuers. Changes in fair value are recognised in the profit and loss account in the year in which they arise.

Investment properties are derecognised when either they are disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

Any gain or loss on the retirement or disposal of investment properties is recognised in the profit and loss account in the year of retirement or disposal.

2. Significant Accounting Policies (continued)**(e) Subsidiaries**

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses. On disposal of a subsidiary, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the profit and loss account.

(f) Joint Arrangements

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement. To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group reassesses whether the type of joint arrangement in which it is involved has changed when facts and circumstances change.

Joint Operations

The Group recognises in relation to its interest in a joint operation,

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

When the Group enters into transaction involving a sale or contribution of assets with a joint operation in which it is a joint operator, the Group recognises gains and losses resulting from such a transaction only to the extent of the interests held by the other parties to the joint operation.

When the Group enters into a transaction involving purchase of assets with a joint operation in which it is a joint operator, the Group does not recognise its share of the gains and losses until it resells those assets to a third party. When such transactions provide evidence of a reduction in the net realisable value of the assets to be purchased or of an impairment loss of those assets, the Group recognises its share of those losses.

Joint Ventures

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method. The accounting policy for investment in joint venture is set out in Note 2(g).

(g) Associates and Joint Ventures

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Associates and joint ventures (collectively the “equity-accounted investees”) are accounted for using the equity method of accounting less impairment losses, if any. In applying the equity method of accounting, the Group’s share of profits or losses and other comprehensive income of the equity-accounted investees are included in the Group’s profit and loss account and other comprehensive income respectively, and the Group’s share of net assets of the equity-accounted investees is included in the balance sheet from the date that the significant influence or joint control commences until the date that significant influence or joint control ceases. Distributions received from equity-accounted investees reduce the carrying amount of the investment. Unrealised gains and losses resulting from transactions between the Group and the equity-accounted investees are eliminated to the extent of the interest in the equity-accounted investees.

Any excess of the cost of acquisition over the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the equity-accounted investee recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in the profit and loss account as part of the Group’s share of results of the equity-accounted investee in the year in which the investment is acquired.

When the Group’s share of losses in an equity-accounted investee equals or exceeds its interest in the equity-accounted investee, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the equity-accounted investee.

The most recently available audited financial statements of the equity-accounted investees are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not co-terminous with those of the Group, the share of results is arrived at from the last audited financial statements available and unaudited management financial statements to the end of the accounting year. Where necessary, adjustments are made to align the accounting policies with those of the Group.

Upon loss of significant influence or joint control over the equity-accounted investee, the Group measures any retained investment at its fair value. Any difference between the carrying amount of the equity-accounted investee upon loss of significant influence or joint control and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in the profit and loss account.

When an investment in an associate becomes an investment in a joint venture or an investment in joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

If the Group’s ownership interest in an associate or a joint venture is reduced, but the Group continues to apply the equity method, the Group reclassifies to the profit and loss account the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to the profit and loss account on the disposal of the related assets or liabilities.

In the Company’s separate financial statements, investments in equity-accounted investees are accounted for at cost less impairment losses. On disposal of an equity-accounted investee, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the profit and loss account.

2. Significant Accounting Policies (continued)

(h) Long-term Investments

Long-term investments represent non-derivative financial assets that are designated as available-for-sale. After initial recognition, available-for-sale financial assets are measured at fair value. Gains or losses arising from changes in fair value are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses on monetary assets and interest calculated using the effective interest method which are recognised in the profit and loss account. Where the investment is disposed of or determined to be impaired, the cumulative gains or losses previously recognised in other comprehensive income and accumulated in available-for-sale asset reserve are reclassified to the profit and loss account.

The fair value of quoted investments is generally determined by reference to the relevant stock exchanges' quoted market bid prices at the close of business on the balance sheet date. For investments where there is no active market, the fair value is determined using various valuation techniques. Such techniques include using recent arm's length market transactions, reference to the underlying net asset value of the investee companies and discounted cash flow analysis.

Investments in equity instruments where fair value cannot be reliably determined are measured at cost less impairment losses.

(i) Goodwill

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Goodwill is reviewed for impairment, at least annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(j) Derivative Financial Instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the dates the derivative contracts are entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

Gains or losses arising from changes in fair value of derivative financial instruments that do not qualify for hedge accounting are taken to the profit and loss account for the year.

Hedge Accounting

The Group applies hedge accounting for certain qualifying hedging transactions.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

For cash flow hedges, the effective portion of the gains or losses on the hedging instrument is recognised directly in other comprehensive income, while the ineffective portion is recognised in the profit and loss account. Amounts taken to other comprehensive income are reclassified to the profit and loss account when the hedged transaction affects profit and loss.

Hedges of net investments in foreign operations, including hedges of monetary items that are accounted for as part of the net investments, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the profit and loss account. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the profit and loss account. The Group uses certain loans as hedges of its exposure to foreign exchange risk on its net investments in foreign operations.

(k) Properties Held for Sale

Properties under development where revenue is recognised using the percentage of completion method are stated at the lower of cost plus attributable profit/loss and net realisable value, net of progress billings. Properties under development where revenue is recognised using the completion of construction method, are stated at the lower of cost and net realisable value. Progress billings received prior to completion are presented as progress billings within creditors. Cost includes cost of land and construction, related overhead expenditure, and financing charges incurred during the period of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property. Upon completion of construction, they are transferred to completed properties held for sale.

Each property under development is accounted for as a separate project. Where a project comprises more than one component or phase with a separate temporary occupation permit, each component or phase is treated as a separate project, and interest and other net costs are apportioned accordingly.

When losses are expected, full allowance is made in the financial statements after adequate allowance has been made for estimated costs to completion. Any expenditure incurred on abortive projects is written off in the profit and loss account.

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost includes cost of land and construction, related overhead expenditure, financing charges and other net costs incurred during the period of development.

(l) Stocks

Stocks are valued at the lower of cost and net realisable value. Allowance is made for damaged, obsolete or slow-moving stocks on an item by item basis.

(m) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, fixed deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. These also include bank overdrafts that form an integral part of the Group's cash management.

(n) Financial Assets

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial assets include cash and cash equivalents, trade and other debtors, amounts owing by holding company and related parties, long-term investments and other non-current assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through the profit and loss account, directly attributable transaction costs. The Group determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been previously recognised in other comprehensive income is recognised in the profit and loss account.

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables comprise trade and other debtors, amounts owing by holding company and related parties, and cash and cash equivalents. Subsequent to initial recognition, loans and receivables are measured at amortised carrying value using the effective interest method, less impairment losses. Gains and losses are recognised in the profit and loss account when the loans and receivables are derecognised or impaired, and through the amortisation process.

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2. Significant Accounting Policies (continued)**(o) Impairment of Assets****Impairment of Non-Financial Assets**

At each balance sheet date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of an asset or a CGU exceeds its recoverable amount. The recoverable amount of an asset or a CGU is the higher of its fair value less cost of disposal and value-in-use.

Impairment losses are recognised in the profit and loss account. Impairment losses recognised in respect of CGU are allocated first to reduce the carrying amount of goodwill allocated to the CGU and then, to reduce the carrying amount of the other assets of the CGU on a pro-rata basis.

An impairment loss recognised for goodwill is not reversed in a subsequent period. In respect of other non-financial assets, a previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of the asset since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. A reversal of impairment loss is recognised in the profit and loss account.

Impairment of Financial Assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

(i) Assets Carried at Amortised Carrying Value

If there is objective evidence that a financial asset carried at amortised carrying value is impaired, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the original effective interest rate of the financial asset. The carrying amount of the asset is reduced through the use of an allowance account, and the loss is recognised in the profit and loss account.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying value of the asset does not exceed its amortised carrying value at the reversal date. The amount of reversal is recognised in the profit and loss account.

(ii) Assets Carried at Cost

If there is objective evidence that a financial asset carried at cost is impaired, the amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent years.

(iii) Available-for-Sale Financial Assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, the amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the profit and loss account, is transferred from equity to the profit and loss account. Reversals of impairment loss in respect of equity instruments are not recognised in the profit and loss account. Reversals of impairment losses on debt instruments are recognised in the profit and loss account, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the profit and loss account.

(p) Financial Liabilities

Financial liabilities within the scope of FRS 39 are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Financial liabilities include trade and other creditors, amounts owing to holding company and related parties, borrowings and other non-current liabilities. All financial liabilities, other than financial liabilities at fair value through the profit and loss account, are recognised initially at fair value, plus directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised carrying value using the effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss is recognised in the profit and loss account when the liability is derecognised, and through the amortisation process.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are initially recognised at their fair values plus transaction costs in the balance sheet. Financial guarantees are subsequently amortised to the profit and loss account over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to the profit and loss account.

2. Significant Accounting Policies (continued)**(q) Convertible Bonds**

Convertible bonds are separated into the equity and liability components at the date of issue. The liability component is recognised initially at its fair value. Subsequent to initial recognition, it is carried at amortised carrying value using the effective interest method until the liability is extinguished on conversion or redemption of the bonds. The equity component is the residual amount of the convertible bond after deducting the fair value of the liability component. This is recognised and included in equity, net of deferred tax effect, and is not subsequently remeasured.

(r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of economic resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(s) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable.

The Group recognises revenue and profit from sale of completed properties held for sale when the significant risks and rewards of ownership of the properties have been transferred to the purchasers.

Revenue recognition on partly completed properties held for sale is based on the following methods:

- (i) For Singapore trading properties under progressive payment scheme, revenue and profit are recognised using the percentage of completion method to reflect the continuous transfer of significant risks and rewards of ownership of the properties to the purchasers as construction progresses. The percentage of work completed is measured based on the construction and related costs incurred to date as a proportion of the estimated total construction and related costs; and
- (ii) For overseas trading properties, revenue and profit are recognised upon the transfer of significant risks and rewards of ownership of the properties to the purchasers using the completion of construction method.

Rental and related income from operating leases on investment properties are recognised on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Dividend income is recognised when the Group's right to receive payment is established.

Interest income is recognised on a time proportion basis (using the effective interest method).

Service charges, management fees and car park fees are recognised in the year in which the services are rendered.

(t) Borrowing Costs

Borrowing costs incurred to finance the development of properties are capitalised during the period of time that is required to complete and prepare the assets for their intended use. Other borrowing costs are taken to the profit and loss account over the period of borrowing using the effective interest method.

(u) Employee Benefits**Defined Contribution Plan**

The Group makes contributions to pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies make contributions to the Central Provident Fund in Singapore, a defined contribution pension scheme. Contributions to pension schemes are recognised as an expense in the year in which the related service is performed.

Employee Leave Entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the balance sheet date.

Share Option Scheme and Share Plans

The Group operates share-based compensation plans. For equity-settled share-based payment transactions, the fair value of the employee services received in exchange for the grant of options, restricted shares and performance shares is recognised as an expense in the profit and loss account with a corresponding increase in the share option and share plan reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair values of the options, restricted shares and performance shares granted at the respective dates of grant.

At each balance sheet date, the Group revises its estimates of the number of options that are expected to become exercisable and share plan awards that are expected to vest on the vesting dates, and recognises the impact of the revision of the estimates in the profit and loss account, with a corresponding adjustment to the share option and share plan reserve over the remaining vesting period.

No expense is recognised for options or share plan awards that do not ultimately vest, except for options or share plan awards where vesting is conditional upon a market condition, which are treated as vested irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied.

For cash-settled share-based payment transactions, the employee services received is measured initially at fair value at the date of grant. The fair value is recognised as an expense in the profit and loss account over the vesting period with recognition of a corresponding liability. Until the liability is settled, it is remeasured at each balance sheet date with changes in fair value recognised in the profit and loss account.

The proceeds received from the exercise of options are credited to share capital when the options are exercised. When the share plan awards are released, the share option and share plan reserve is transferred to share capital if new shares are issued.

2. Significant Accounting Policies (continued)**(v) Taxation****Current Tax**

Current tax assets and liabilities for the current and prior years are measured at the amounts expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current tax is recognised in the profit and loss account except to the extent that the tax relates to items recognised outside the profit and loss account, either in other comprehensive income or directly in equity.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the balance sheet date. The principal temporary differences arise from fair value gain on investment properties, depreciation of fixed assets, unremitted offshore income and certain provisions or charges in the financial statements for which the tax relief is not immediately available.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investment in subsidiaries, associates and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised as an expense or income in the profit and loss account, except where it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity, or where it arises from the initial accounting for a business combination. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Sales Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- (i) Where the sales tax incurred in a purchase of an asset or service is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) Debtors and creditors are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of debtors and creditors in the balance sheet.

(w) Foreign Currencies**Functional Currency**

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("functional currency").

The financial statements of the Group and the balance sheet and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company.

Foreign Currency Transactions

Transactions in foreign currencies are translated at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at exchange rates approximating those ruling at that date. Exchange differences arising from settlement or translation of monetary items are taken to the profit and loss account, except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation account.

Exchange differences arising on translation of the financial liabilities designated as hedges of net investments in foreign operations are recognised in other comprehensive income to the extent that the hedge is effective, and are accumulated under foreign currency translation account. The exchange differences relating to the ineffective portion of the hedge are recognised in the profit and loss account. On disposal of the hedged net investment, the relevant amount of the exchange differences shall be reclassified from equity to the profit and loss account as part of the gain or loss on disposal.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Exchange differences on non-monetary items such as available-for-sale financial assets are included in the available-for-sale asset reserve.

Foreign Currency Translation

For inclusion in the Group's financial statements, all assets and liabilities of foreign subsidiaries, associates and joint ventures that are in functional currencies other than Singapore dollars are translated into Singapore dollars at the exchange rates ruling at the balance sheet date. The trading results of foreign subsidiaries, associates and joint ventures are translated into Singapore dollars using the average exchange rates for the financial year. Exchange differences due to such currency translation are recognised in other comprehensive income and accumulated in the foreign currency translation account. On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation shall be reclassified from equity to the profit and loss account as part of the gain or loss on disposal.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in the profit and loss account. For partial disposal of associates and joint ventures that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to the profit and loss account.

Goodwill and fair value adjustments arising on acquisition of a foreign entity on or after 1 January 2005 are treated as foreign currency assets and liabilities of the acquiree and recorded at the closing exchange rate.

2. Significant Accounting Policies (continued)**(x) Segment Reporting**

For management purposes, the Group is organised into strategic business units based on their products, services and geography. The Group has five reportable operating segments, namely property trading, property investment, fund management, hotels and resorts, and others. Management monitors the results of each of these operating segments for the purpose of making decisions on resource allocation and performance assessment. Additional disclosures on these segments are shown in Note 32.

(y) LeasesAs Lessee*Operating Leases*

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments (net of any incentive received from lessor) are taken to the profit and loss account on a straight-line basis over the lease term. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the year in which termination takes place.

As Lessor*Finance Leases*

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the lessee. Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Operating Leases

Assets leased out under operating leases are included in investment properties and are stated at fair values. Rental income (net of any incentive given to lessee) is recognised on a straight-line basis over the lease term.

(z) Treasury Shares

When shares are reacquired by the Company, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. When treasury shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury shares account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs, is recognised in the capital reserve. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

(aa) Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and for which the fair values can be reliably determined.

(bb) Critical Accounting Estimates and Judgement**(i) Critical Judgement Made in Applying the Group's Accounting Policies**

In the process of applying the Group's accounting policies, management has made the following judgement which has an effect on the consolidated financial statements:

Investment in Keppel REIT

The Group has approximately 45% ownership interest in Keppel REIT as at 31 December 2014 and 2013. Keppel REIT is managed by Keppel REIT Management Limited ("KRML"), a wholly-owned subsidiary of the Group. The Group has provided an undertaking to the trustee of Keppel REIT to grant the unitholders the right to endorse or re-endorse the appointment of directors of KRML at the annual general meetings of Keppel REIT. The Group has determined that it continues to have significant influence over Keppel REIT.

(ii) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Revenue Recognition

For Singapore property trading projects under progressive payment scheme, the Group recognises revenue from partly completed projects based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2(s). Significant assumptions are required in determining the stage of completion, the total estimated development costs and the estimated total revenue. In making the assumptions, the Group evaluates them by relying on past experience and the work of specialists. Revenue from partly completed projects is disclosed in Note 4.

Income Taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant assumption is required in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. The carrying amounts of taxation and deferred taxation are disclosed in the balance sheet.

Impairment of Non-Financial Assets

The Group assesses at each balance sheet date whether there are any indicators of impairment for all non-financial assets.

Determining whether the carrying values of fixed assets, goodwill, investments in subsidiaries and investments in associates and joint ventures are impaired requires an estimation of the value-in-use of the asset or the CGU. This requires the Group to estimate the future cash flows expected from the asset or the CGU and an appropriate discount rate in order to calculate the present value of the future cash flows. The carrying amounts of fixed assets, investments in subsidiaries and investments in associates and joint ventures at the balance sheet date are disclosed in Notes 17, 21 and 22 respectively.

2. Significant Accounting Policies (continued)**(bb) Critical Accounting Estimates and Judgement** (continued)**(ii) Key Sources of Estimation Uncertainty** (continued)**Impairment of Available-for-Sale Financial Assets**

The Group follows the guidance of FRS 39 in determining when an available-for-sale financial asset is considered impaired. The Group evaluates, among other factors, the duration and extent to which the fair value of a financial asset is less than its cost, the financial health of and the near-term business outlook of the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow. The fair values of long-term investments are disclosed in Note 23.

Impairment of Loans and Receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a loan and receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

When there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amounts of loans and receivables at the balance sheet date are disclosed in Notes 19, 26, 27 and 28 to the financial statements.

Allowance for Foreseeable Losses on Properties Held for Sale

For properties held for sale, allowance for foreseeable losses is made when the net realisable value has fallen below cost. The carrying amount of properties held for sale and the key assumptions used in estimating net realisable value and total construction costs are disclosed in Note 24.

Revaluation of Investment Properties

The Group carries its investment properties at fair value with changes in fair value being recognised in profit and loss account. In determining fair values, the valuers have used valuation techniques which involve certain estimates. The key assumptions to determine the fair value of investment properties include market-corroborated capitalisation yield, terminal yield and discount rate. In relying on the valuation reports, management has exercised its judgement to ensure that the valuation methods and estimates are reflective of current market conditions.

The carrying amount of investment properties and the key assumptions used to determine the fair value of the investment properties are disclosed in Notes 18 and 37.

3. Profit from Operations and Fair Value Gain on Investment Properties

	2014			2013		
	Operations \$'000	Fair Value Gain \$'000	Total \$'000	Operations \$'000	Fair Value Gain \$'000	Total \$'000
Pre-tax profit	733,111	220,214	953,325	669,712	331,061	1,000,773
Taxation	(116,281)	(13,806)	(130,087)	(90,877)	(5,942)	(96,819)
	616,830	206,408	823,238	578,835	325,119	903,954
Non-controlling interests	(64,826)	(5,926)	(70,752)	4,821	(22,883)	(18,062)
Profit attributable to shareholders	552,004	200,482	752,486	583,656	302,236	885,892

4. Sales

	GROUP	
	2014 \$'000	2013 \$'000
Trading of properties:		
Recognised on completion of construction method	879,599	707,515
Recognised on percentage of completion method	391,633	521,587
	1,271,232	1,229,102
Rental and related income	42,237	47,181
Fund management fees	105,587	94,123
Operations of hotels and resorts	65,637	67,153
Corporate services, property services and others	12,484	23,489
	1,497,177	1,461,048

5. Profit for the Year

	GROUP	
	2014 \$'000	2013 \$'000
The following amounts have been charged/(credited) in arriving at the profit for the year:		
(a) Investment income:		
Gross dividends from unquoted investments	(3,091)	(11,510)
(b) Staff costs:		
Key managers' emoluments:		
Short-term benefits (including annual base salaries and annual performance incentives)	8,353	7,493
Employer's contribution to defined contribution plans, including the Central Provident Fund	71	69
Cost of share-based payments	1,726	1,192
	10,150	8,754
Other staff costs:		
Short-term benefits (including annual base salaries and annual performance incentives)	143,263	129,958
Employer's contribution to defined contribution plans, including the Central Provident Fund	10,302	10,422
Cost of share-based payments	3,350	2,622
	156,915	143,002
Total staff costs	167,065	151,756
(c) Others:		
Depreciation of fixed assets (see Note 17):		
Freehold building	5	5
Leasehold properties	8,745	7,921
Machinery, equipment and vehicles	8,651	7,126
	17,401	15,052
Loss on sale of fixed assets	314	227
Auditors' remuneration:		
Auditors of the Company	881	917
Other auditors	1,382	1,408
Fees and other remuneration to Directors of the Company	1,246	1,050
Shares granted to Directors of the Company	-	284
Cost of properties held for sale recognised in cost of sales	953,242	953,350
Foreign exchange (gain)/loss	(6,160)	3,056
Fair value loss on derivative financial instruments	1,393	2,253
Write-back of allowance for doubtful debts	(8)	(1,267)
Bad debts (written back)/written off	(56)	445
(Write-back of allowance)/allowance for foreseeable losses on properties held for sale	(1,833)	1,383
Direct expenses of investment properties that generate rental income	10,934	17,475

Staff costs capitalised during the year under properties held for sale and investment properties amounted to \$28,875,000 (2013: \$24,433,000).

Total share-based payments of \$5,076,000 (2013: \$3,814,000) comprise equity-settled and cash-settled payments of \$4,650,000 (2013: \$3,311,000) and \$426,000 (2013: \$503,000) respectively.

6. Other Income

	GROUP	
	2014 \$'000	2013 \$'000
Gains from disposal of subsidiaries	-	164,105
Gain from disposal of an associate	94,553	-
Gain from disposal of an investment property	91,988	-
Gain on change in interest in an associate (see Note 22)	7,173	-
Fair value gain on call option (see Note 20)	200	3,700
Net lease income	15,768	15,412
Write-back of costs accruals	2,855	3,334
	212,537	186,551

The gains from disposal of subsidiaries in 2013 arose from the divestment of a wholly-owned subsidiary, Montfort Development Pte Ltd, and the Group's 51% interests in PT Mitra Sindo Sukses and PT Mitra Sindo Makmur. The details of the disposals are disclosed in Note 21.

The gain from disposal of an associate arose from the divestment of the Group's one-third interest in Central Boulevard Development Pte. Ltd., which owns Marina Bay Financial Centre Tower 3, to Keppel REIT. The details of the disposal are disclosed in Note 22.

The gain from disposal of an investment property arose from the divestment of Equity Plaza through a subsidiary, D.L. Properties Ltd. The divestment gain attributable to the Group amounted to \$59,452,000, after accounting for the non-controlling shareholder's 35.37% share.

7. Other Loss

	GROUP	
	2014 \$'000	2013 \$'000
Loss on change in interest in an associate (see Note 22)	-	2,443

8. Interest Income

	GROUP	
	2014 \$'000	2013 \$'000
Interest from deposits and loans with:		
Banks	12,441	12,910
Associates and joint ventures	10,815	11,719
Related companies	1,380	603
Interest from advances to non-controlling shareholders of certain subsidiaries	182	1,139
Others	999	4,588
	25,817	30,959

A related company is a subsidiary of Keppel Corporation Limited in which the Company has no shareholding interest.

Related parties include subsidiaries, associates, joint ventures, related companies, Temasek Group and Directors of the Company and their associates.

Information on interest rates is disclosed in Notes 19, 26, 27 and 28.

9. Interest Expense

	GROUP	
	2014 \$'000	2013 \$'000
Interest expense on:		
Convertible bonds (see Note 30)	13,836	20,781
Other term loans and overdrafts from:		
Related companies	166	121
Banks	38,447	4,336
Loans from non-controlling shareholders of certain subsidiaries and others	2,054	3,071
	54,503	28,309

Information on interest rates is disclosed in Notes 27, 29, 30 and 31.

10. Fair Value Gain on Investment Properties

Analysis of the Group's fair value gain on investment properties is as follows:

	2014				2013			
	Gross \$'000	Deferred Tax \$'000	Non- controlling Interests \$'000	Net \$'000	Gross \$'000	Deferred Tax \$'000	Non- controlling Interests \$'000	Net \$'000
Subsidiaries	27,240	(7,744)	(5,926)	13,570	79,223	(3,291)	(22,883)	53,049
Associates and joint ventures (see Note 22)	192,974	(6,062)	-	186,912	251,838	(2,651)	-	249,187
	220,214	(13,806)	(5,926)	200,482	331,061	(5,942)	(22,883)	302,236

The fair value gain for subsidiaries excluded the fair value gain relating to the portion of a property under construction that will be delivered in kind upon completion to third parties under a contractual agreement (see Note 29).

11. Taxation

	GROUP	
	2014 \$'000	2013 \$'000
Current tax:		
Current income tax	102,461	112,772
Over provision in respect of previous years	(5,542)	(30,122)
	96,919	82,650
Deferred tax:		
Origination and reversal of temporary differences	(10,972)	(19,377)
	85,947	63,273
Associates and joint ventures (see Note 22)	44,140	33,546
	130,087	96,819

The reconciliation between the tax expense reported and the product of accounting profit multiplied by the applicable tax rate is as follows:

	GROUP	
	2014 \$'000	2013 \$'000
Pre-tax profit	953,325	1,000,773
Tax calculated at tax rate of 17% (2013: 17%)	162,065	170,131
Adjustments:		
Non-deductible expenses	16,932	11,154
Income not subject to tax	(29,611)	(25,708)
Share of results of associates and joint ventures	(80,603)	(81,390)
Over provision in respect of previous years	(5,542)	(30,122)
Different tax rates in other jurisdictions	14,886	15,282
Utilisation of previously unrecognised tax benefits	(12,203)	(14,843)
Tax benefits not recognised	20,023	18,769
	85,947	63,273

Under the group tax relief system introduced by the Inland Revenue Authority of Singapore ("IRAS"), a Singapore incorporated company may, upon satisfaction of the criteria set out by the IRAS, transfer its current year's unabsorbed capital allowances, trade losses and donations to another company belonging to the same group, to be deducted against the assessable income of the latter company.

Tax Provision

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Provision for taxation	145,227	149,686	1,482	1,743
Income tax refund receivable	(783)	(421)	-	-
	144,444	149,265	1,482	1,743

The Group has certain unutilised tax losses of \$287,657,000 (2013: \$297,666,000) and capital allowances of \$4,341,000 (2013: \$6,271,000) as at 31 December 2014 for which related tax benefits totaling \$62,149,000 (2013: \$63,095,000) have not been included in the financial statements. The tax losses are available for offset against future taxable profits of the companies in which the losses arose but for which no deferred tax asset has been recognised due to uncertainty of their recoverability. The use of tax losses is subject to the agreement by the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the Group operates. Tax losses amounting to \$170,782,000 (2013: \$159,466,000) can be carried forward for a period of 3 to 5 years subsequent to the year of the loss, while the remaining tax losses have no expiry dates.

11. Taxation (continued)**Deferred Taxation**

Deferred tax at the end of the year consisted of the following:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Deferred tax liabilities arising from:				
Fair value gain on investment properties	17,322	9,101	-	-
Differences in depreciation	3,475	8,128	-	-
Differences in fair values and book values	194,869	193,722	-	-
Issuance of convertible bonds	475	982	475	982
Unremitted earnings	120	132	6	3
	216,261	212,065	481	985
Deferred tax assets arising from:				
Accruals and others	(45,248)	(30,047)	-	-
Total net deferred tax liabilities	171,013	182,018	481	985

As at 31 December 2014, deferred tax liabilities amounting to \$30,927,000 (2013: \$20,983,000) had not been recognised for taxes that would be payable on the undistributed earnings of certain subsidiaries as these earnings would not be distributed in the foreseeable future.

Movements in the deferred tax liabilities and assets are as follows:

	Fair Value Gain on Investment Properties \$'000	Differences in Depreciation \$'000	Fair Value Adjustments on Acquisition of Subsidiaries \$'000	Issuance of Convertible Bonds \$'000	Unremitted Earnings \$'000	Accruals and Others \$'000	Total \$'000
GROUP							
At 1 January 2014	9,101	8,128	193,722	982	132	(30,047)	182,018
Charged/(credited) to profit and loss account	7,744	(4,705)	542	(507)	(12)	(14,034)	(10,972)
Exchange differences on consolidation	477	52	605	-	-	(1,167)	(33)
At 31 December 2014	17,322	3,475	194,869	475	120	(45,248)	171,013
At 1 January 2013	5,855	7,825	142,493	1,971	2,402	(10,002)	150,544
Charged/(credited) to profit and loss account	3,291	196	(340)	(989)	(2,270)	(19,265)	(19,377)
Companies acquired (see Note 21)	-	674	50,595	-	-	-	51,269
Exchange differences on consolidation	(45)	(567)	974	-	-	(780)	(418)
At 31 December 2013	9,101	8,128	193,722	982	132	(30,047)	182,018

Except for deferred tax write-back of \$996,000 (2013: \$Nil) relating to the share of other comprehensive income of joint ventures, there was no tax recognised in the Group's other components of other comprehensive income.

	Issuance of Convertible Bonds \$'000	Unremitted Earnings \$'000	Total \$'000
COMPANY			
At 1 January 2014	982	3	985
(Credited)/charged to profit and loss account	(507)	3	(504)
At 31 December 2014	<u>475</u>	<u>6</u>	<u>481</u>
At 1 January 2013	1,971	-	1,971
(Credited)/charged to profit and loss account	(989)	3	(986)
At 31 December 2013	<u>982</u>	<u>3</u>	<u>985</u>

12. Earnings per Share

	GROUP			
	2014 \$'000		2013 \$'000	
	Basic	Diluted	Basic	Diluted
Profit before fair value gain on investment properties (see Note 3)	552,004	552,004	583,656	583,656
Fair value gain on investment properties, net of deferred tax and non-controlling interests (see Notes 3 and 10)	200,482	200,482	302,236	302,236
Profit after fair value gain on investment properties	752,486	752,486	885,892	885,892
	2014 Number of Shares '000		2013 Number of Shares '000	
	Basic	Diluted	Basic	Diluted
Weighted average number of shares	1,545,629	1,545,629	1,545,592	1,545,592
Adjustment for potential dilutive shares under:				
Employee share option scheme	-	41	-	124
Share plans	-	3,173	-	2,223
Weighted average number of shares used to compute earnings per share	1,545,629	1,548,843	1,545,592	1,547,939
Earnings per share (cents) based on:				
Profit before fair value gain on investment properties	35.7	35.6	37.8	37.7
Profit after fair value gain on investment properties	48.7	48.6	57.3	57.2

The earnings per share with the inclusion of profit after fair value gain on investment properties have taken into account deferred tax and non-controlling interests as shown in Note 10.

13. Dividends

- (a) Final Dividend Paid

	GROUP AND COMPANY	
	2014 \$'000	2013 \$'000
Dividends on ordinary shares:		
Final one-tier tax exempt ordinary dividend of 13 cents per share (2013: Final one-tier tax exempt ordinary dividend of 12 cents per share)	200,956	185,497

- (b) The Directors have proposed that a final one-tier tax exempt ordinary dividend of 14 cents per share (2013: a final one-tier tax exempt ordinary dividend of 13 cents per share) amounting to \$216,323,000 (2013: \$200,956,000), subject to the shareholders' approval at the forthcoming Annual General Meeting of the Company, be paid for the year ended 31 December 2014.

14. Share Capital

	GROUP AND COMPANY			
	2014 Number of Shares '000	2013 Number of Shares '000	2014 \$'000	2013 \$'000
Issued and fully paid: 1,545,913,168 (2013: 1,545,913,168) ordinary shares	1,545,913	1,545,913	2,398,336	2,398,336
Issued and fully paid:				
At 1 January	1,545,913	1,544,312	2,398,336	2,392,820
Issue of shares:				
Under the Keppel Land Share Plans	-	1,114	-	3,818
Under the Keppel Land Share Option Scheme	-	380	-	1,098
Upon the conversion of bonds due 2013	-	107	-	600
At 31 December	1,545,913	1,545,913	2,398,336	2,398,336

There was no issuance of shares during the year.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

Keppel Land Share Option Scheme

- (a) The Keppel Land Share Option Scheme (the "Scheme") which has been approved by the shareholders of the Company is administered by the Remuneration Committee whose members are:

Tan Yam Pin, Chairman
Loh Chin Hua
Edward Lee Kwong Foo

At the Extraordinary General Meeting of the Company held on 23 April 2010, the Company's shareholders approved the adoption of two new share plans, with effect from the date of termination of the Scheme. The Scheme was terminated on 30 June 2010. Options granted and outstanding prior to the termination will continue to be valid and subject to the terms and conditions of the Scheme.

- (b) Under the Scheme, an option may, except in certain special circumstances, be exercised at any time after 2 years but no later than the expiry date. The shares under option may be exercised in full or in respect of 100 shares or a multiple thereof, on the payment of the subscription price. The subscription price is based on the average last business done price for the shares of the Company on the Singapore Exchange Securities Trading Limited for the 3 market days preceding the date of offer. The Remuneration Committee may at its discretion fix the subscription price at a discount not exceeding 20% of the above-mentioned average market price. The executive employees to whom the options have been granted do not have the right to participate by virtue of the options in a share issue of any other company.
- (c) Pursuant to Rule 12(a)(iv) of the Scheme, the number and the exercise price of those share options granted prior to 12 June 2009 have been adjusted for the effects of the Company's rights issue in 2009.

Movements in the number of share options and their weighted average exercise prices are as follows:

	2014		2013	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
At 1 January	1,977,120	\$4.60	3,063,596	\$4.76
Exercised	-	-	(379,629)	\$2.89
Forfeited	-	-	(706,847)	\$6.23
At 31 December	1,977,120	\$4.60	1,977,120	\$4.60
Exercisable at 31 December	1,977,120	\$4.60	1,977,120	\$4.60

There was no option exercised during the year. The weighted average share price at the date of exercise for options exercised in 2013 was \$3.99. The options outstanding at the end of the financial year had a weighted average exercise price of \$4.60 (2013: \$4.60) and a weighted average remaining contractual life of 3.5 years (2013: 4.5 years).

- (d) As at 31 December 2014, there were options granted to certain employees to take up 1,977,120 unissued shares in the Company as follows:

Exercise Price (Adjusted for Rights Issue) (\$)	Number of Share Options (Adjusted for Rights Issue)
3.33	117,319
3.47	117,319
6.81	269,834
6.86	269,833
5.03	366,036
3.76	200,029
2.67	192,500
3.37	444,250
	1,977,120

14. Share Capital (continued)**Keppel Land Share Plans**

(a) The Keppel Land Restricted Share Plan ("KLL RSP") and Keppel Land Performance Share Plan ("KLL PSP") are share-based incentive plans for the key senior management and employees of the Company. They were approved by the Company's shareholders at the Extraordinary General Meeting of the Company on 23 April 2010 and are administered by the Remuneration Committee.

(b) Details of the KLL RSP and KLL PSP are as follows:

	KLL RSP	KLL PSP
Plan description	Award of fully-paid ordinary shares of the Company, conditional on achievement of pre-determined targets at the end of a one-year performance period	Award of fully-paid ordinary shares of the Company, conditional on achievement of pre-determined targets over a three-year performance period
Performance conditions	Return on equity	(a) Economic value added (b) Absolute total shareholder's return (c) Relative total shareholder's return to FTSE ST Real Estate Holding & Development ("FSTREH") Index
Final award	0% or 100% of the contingent award granted, depending on achievement of pre-determined targets	0% to 150% of the contingent award granted, depending on achievement of pre-determined targets
Vesting condition and schedule	If pre-determined targets are achieved, awards will vest equally over three years subject to fulfilment of service requirements	If pre-determined targets are achieved, awards will vest at the end of the three-year performance period subject to fulfilment of service requirements

(c) Movements in the number of shares under KLL RSP and KLL PSP are as follows:

	2014		2013	
	RSP	PSP	RSP	PSP
At 1 January	1,927,800	1,010,000	1,902,500	1,660,000
Contingent awards granted	1,123,000	700,000	1,078,000	370,000
Adjustment upon release	-	(141,200)	-	(63,900)
Vested	(898,700)	(158,800)	(801,900)	(312,100)
Cancelled	(78,381)	-	(250,800)	(644,000)
At 31 December	2,073,719	1,410,000	1,927,800	1,010,000

Under KLL RSP, there were 956,719 (2013: 867,800) restricted shares that were released but not vested as well as a contingent award of 1,117,000 (2013: 1,060,000) restricted shares that were granted but not released as at 31 December 2014. Depending on the achievement of pre-determined performance targets, the actual number of restricted shares to be released can be zero or 100% of the contingent award granted.

Under KLL PSP, there were contingent awards of 1,410,000 (2013: 1,010,000) performance shares that were granted but not released as at 31 December 2014. Depending on the achievement of pre-determined performance targets, the actual number of performance shares to be released can range from zero to 150% of the contingent awards granted.

- (d) On 31 March 2014, the Company granted contingent awards of 1,123,000 shares under KLL RSP and 700,000 shares under KLL PSP. The estimated fair values of the shares granted under KLL RSP range from \$3.08 to \$3.28. The estimated fair value of the shares granted under KLL PSP is \$1.68. The fair values of the contingent awards are determined at the grant date using Monte Carlo simulation method which involves projection of future outcomes using statistical distributions of key random variables including share price and volatility. The significant inputs into the model are as follows:

	2014		2013	
	RSP	PSP	RSP	PSP
Date of grant	31.03.14	31.03.14	28.03.13	28.03.13
Prevailing share price at date of grant	\$3.36	\$3.36	\$3.94	\$3.94
Expected volatility				
Company	34.79%	34.79%	34.91%	34.91%
FSTREH Index	-	20.50%	-	21.41%
Correlation with FSTREH Index	-	91.70%	-	87.40%
Expected term	0.75 - 2.75 years	2.75 years	0.75 - 2.75 years	2.75 years
Risk free rate	0.35% - 0.70%	0.70%	0.15% - 0.36%	0.36%
Expected dividend yield	*	*	*	*

* The expected dividend yield is based on management's forecast.

The expected volatilities are based on the historical volatilities of the Company's share price and the FSTREH Index price over the previous 36 months immediately preceding the grant date. The expected term used in the model is based on the grant date and the end of the performance period.

- (e) Senior managers are required to hold a portion of the shares released to them under a share ownership guideline which requires them to maintain a beneficial ownership stake in the Company, so as to align their interests with the shareholders.

14. Share Capital (continued)**Unit Plans of a Subsidiary**

- (a) Keppel REIT Management Limited ("KRML"), a wholly-owned subsidiary of the Group, implemented a Restricted Unit Plan ("KRML RUP") and a Performance Unit Plan ("KRML PUP") (collectively the "unit plans") for its key senior management and employees. The KRML RUP and KRML PUP were approved and administered by the Nominating and Remuneration Committee of KRML.
- (b) KRML is the manager of Keppel REIT. The awards granted by KRML will be settled in Keppel REIT units. Details of the KRML RUP and KRML PUP are as follows:

	KRML RUP	KRML PUP
Plan description	Award of fully-paid units of Keppel REIT ("units"), conditional on achievement of pre-determined targets at the end of a one-year performance period	Award of fully-paid units of Keppel REIT ("units"), conditional on achievement of pre-determined targets over a three-year performance period
Performance conditions	Distribution per unit	(a) Growth in assets under management (b) Absolute total unitholder's return (c) Relative total unitholder's return to FTSE ST REIT ("FSTREI") Index
Final award	0% or 100% of the contingent award granted, depending on achievement of pre-determined targets	0% to 150% of the contingent award granted, depending on achievement of pre-determined targets
Vesting condition and schedule	If pre-determined targets are achieved, awards will vest equally over three years subject to fulfilment of service requirements	If pre-determined targets are achieved, awards will vest at the end of the three-year performance period subject to fulfilment of service requirements

- (c) Movements in the number of units under KRML RUP and KRML PUP are as follows:

	2014		2013	
	RUP	PUP	RUP	PUP
At 1 January	474,207	644,058	335,415	528,613
Adjustment	5,343	7,430	2,160	3,435
Contingent awards granted	310,500	258,000	313,500	278,000
Adjustment upon release	-	(139,222)	-	(41,290)
Vested	(213,211)	(59,700)	(142,139)	(76,700)
Cancelled	(46,704)	-	(34,729)	(48,000)
At 31 December	530,135	710,566	474,207	644,058

Under KRML RUP, there were 243,635 (2013: 190,707) restricted units that were released but not vested as well as a contingent award of 286,500 (2013: 283,500) restricted units that were granted but not released as at 31 December 2014. Depending on the achievement of pre-determined performance targets, the actual number of restricted units to be released can be zero or 100% of the contingent award granted.

Under KRML PUP, there were contingent awards of 710,566 (2013: 644,058) performance units that were granted but not released as at 31 December 2014. Depending on the achievement of pre-determined performance targets, the actual number of performance units to be released can range from zero to 150% of the contingent awards granted.

- (d) During the year, the number of units under KRML RUP and KRML PUP was adjusted for the effects of Keppel REIT's capital distributions announced on 22 March 2013, 15 April 2013, 15 July 2013, 4 September 2013, 14 October 2013 and 20 January 2014.
- (e) On 31 March 2014, KRML granted contingent awards of 310,500 units under KRML RUP and 258,000 units under KRML PUP. The estimated fair values of the units granted under KRML RUP range from \$0.97 to \$1.09. The estimated fair value of the units granted under KRML PUP is \$0.57. The fair values of the contingent awards are determined at the grant date using Monte Carlo simulation method which involves projection of future outcomes using statistical distributions of key random variables including unit price and volatility. The significant inputs into the model are as follows:

	2014		2013	
	RUP	PUP	RUP	PUP
Date of grant	31.03.14	31.03.14	28.03.13	28.03.13
Prevailing unit price at date of grant	\$1.14	\$1.14	\$1.36	\$1.36
Expected volatility				
Keppel REIT	19.28%	19.28%	18.39%	18.39%
FSTREI Index	-	14.05%	-	12.43%
Correlation with FSTREI Index	-	82.00%	-	76.20%
Expected term	0.75 - 2.75 years	2.75 years	0.75 - 2.75 years	2.75 years
Risk free rate	0.35% - 0.70%	0.70%	0.15% - 0.36%	0.36%
Expected dividend yield	*	*	*	*

* The expected dividend yield is based on management's forecast.

The expected volatilities are based on the historical volatilities of Keppel REIT's unit price and the FSTREI Index price over the previous 36 months immediately preceding the grant date. The expected term used in the model is based on the grant date and the end of the performance period.

- (f) Senior managers of KRML are required to hold a portion of the units released to them under a unit ownership guideline which requires them to maintain a beneficial ownership stake in Keppel REIT, so as to align their interests with the unitholders.

15. Treasury Shares

	GROUP AND COMPANY			
	2014 Number of Shares '000	2013 Number of Shares '000	2014 \$'000	2013 \$'000
At 1 January	-	-	-	-
Purchase of treasury shares	1,808	-	5,880	-
Treasury shares reissued pursuant to Keppel Land Share Plans:				
Transferred from share option and share plan reserve	(1,058)	-	(3,563)	-
Gain on reissuance of treasury shares	-	-	129	-
	(1,058)	-	(3,434)	-
At 31 December	750	-	2,446	-

Treasury shares relate to ordinary shares of the Company that are held by the Company.

During the financial year, the Company purchased 1,808,000 (2013: Nil) of its ordinary shares by way of on-market purchases at share prices ranging from \$3.19 to \$3.32 (2013: \$Nil). The total amount paid to purchase the shares was \$5,880,000 (2013: \$Nil) and this is presented as a component within equity attributable to owners of the Company. The Company reissued 1,057,500 (2013: Nil) treasury shares pursuant to Keppel Land Share Plans at a weighted average exercise price of \$3.25 (2013: \$Nil) each. The number of treasury shares as at 31 December 2014 was 750,500 (2013: Nil).

16. Reserves

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Capital reserves:				
Equity components of convertible bonds	44,984	44,984	44,984	44,984
Share option and share plan reserves	19,436	18,349	19,436	18,349
Available-for-sale asset reserve	23,984	14,056	8,723	7,390
Hedging reserve	(2,709)	(8,264)	4,048	4,901
Revaluation reserve	15,475	14,479	-	-
Gain on disposal of interest in a subsidiary without loss of control	12,932	12,932	-	-
Net premium paid on acquisition of non-controlling interests	(24,838)	(24,838)	-	-
Others	3,371	3,242	129	-
	92,635	74,940	77,320	75,624
Foreign currency translation account	40,908	(58,431)	-	-
Revenue reserves	5,126,104	4,574,574	2,263,935	2,124,515
	5,259,647	4,591,083	2,341,255	2,200,139

The equity components of convertible bonds represent the residual amounts of the convertible bonds after deducting the fair values of the liability components. These amounts are presented net of deferred tax liabilities.

The share option and share plan reserves represent the cumulative value of employee services received for the issue of share options and shares under the share plans.

The available-for-sale asset reserve represents the cumulative net change in fair value of available-for-sale financial assets until they are derecognised.

The hedging reserve represents the cumulative net change in fair value of the effective portion of the cash flow hedges.

The revaluation reserve represents the share of fair value change of fixed assets recognised by certain joint ventures up to the date of change in use from fixed assets to investment property. These amounts are presented net of deferred tax liabilities.

The gain on disposal of interest in a subsidiary without loss of control represents the difference between the consideration received and the book value of the interest disposed of which did not result in a loss of control.

The net premium paid on acquisition of non-controlling interests represents the difference between the consideration paid and the book value of the share of net assets acquired from the non-controlling interests.

Others comprise mainly statutory reserve, capital redemption reserve and gain on reissuance of treasury shares.

The foreign currency translation account represents the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the translation of monetary items that forms part of the Group's net investment in foreign operations.

Movements in the Group's and the Company's reserves are set out in the statements of changes in equity.

Other Comprehensive Income, Net of Tax

	Foreign Currency Translation Account \$'000	Capital Reserves			Total \$'000	Non- controlling Interests \$'000	Total Other Comprehensive Income \$'000
		Available- for-sale Asset Reserve \$'000	Hedging Reserve \$'000	Revaluation Reserve \$'000			
GROUP							
2014							
Available-for-sale financial assets:							
Net fair value change	-	11,172	-	-	11,172	2	11,174
Cash flow hedges:							
Net fair value change	-	-	(1,935)	-	(1,935)	(223)	(2,158)
Exchange differences on consolidation	96,861	-	-	-	96,861	21,061	117,922
Exchange differences transferred to profit and loss account	(2,228)	-	-	-	(2,228)	(1)	(2,229)
Share of other comprehensive income of associates and joint ventures	4,706	(1,244)	7,490	996	11,948	-	11,948
Total other comprehensive income, net of tax	<u>99,339</u>	<u>9,928</u>	<u>5,555</u>	<u>996</u>	<u>115,818</u>	<u>20,839</u>	<u>136,657</u>
2013							
Available-for-sale financial assets:							
Net fair value change	-	(5,865)	-	-	(5,865)	(2)	(5,867)
Cash flow hedges:							
Net fair value change	-	-	4,901	-	4,901	-	4,901
Exchange differences on consolidation	110,160	-	-	-	110,160	11,154	121,314
Exchange differences transferred to profit and loss account	24,177	-	-	-	24,177	-	24,177
Share of other comprehensive income of associates and joint ventures	(19,301)	139	231	-	(18,931)	-	(18,931)
Total other comprehensive income, net of tax	<u>115,036</u>	<u>(5,726)</u>	<u>5,132</u>	<u>-</u>	<u>114,442</u>	<u>11,152</u>	<u>125,594</u>

The other comprehensive income of the Company relates to changes in fair value of its available-for-sale financial assets and cash flow hedge.

17. Fixed Assets

	Freehold Land and Building \$'000	Long Leasehold Land and Buildings \$'000	Machinery, Equipment and Vehicles \$'000	Assets under Construction \$'000	Total \$'000
GROUP					
Cost					
At 1 January 2014	156	391,164	128,124	83,429	602,873
Additions	-	160	6,069	45,161	51,390
Disposals	-	-	(5,376)	-	(5,376)
Cost adjustments	-	(715)	(1,325)	(1)	(2,041)
Reclassification	-	17,393	26,150	(43,543)	-
Exchange differences on consolidation	-	13,127	3,904	3,674	20,705
At 31 December 2014	<u>156</u>	<u>421,129</u>	<u>157,546</u>	<u>88,720</u>	<u>667,551</u>
Accumulated Depreciation and Impairment					
At 1 January 2014	130	169,820	107,081	-	277,031
Depreciation charge	5	8,745	8,651	-	17,401
Disposals	-	-	(4,950)	-	(4,950)
Cost adjustments	-	12	(944)	-	(932)
Exchange differences on consolidation	-	5,261	3,583	-	8,844
At 31 December 2014	<u>135</u>	<u>183,838</u>	<u>113,421</u>	<u>-</u>	<u>297,394</u>
Net Carrying Amount	<u>21</u>	<u>237,291</u>	<u>44,125</u>	<u>88,720</u>	<u>370,157</u>
Cost					
At 1 January 2013	156	373,686	122,547	52,014	548,403
Additions	-	264	6,488	45,864	52,616
Disposals	-	-	(1,519)	-	(1,519)
Companies acquired (see Note 21)	-	-	28	-	28
Companies disposed	-	(9,968)	(1,258)	-	(11,226)
Cost adjustments	-	(245)	(2,065)	(111)	(2,421)
Reclassification	-	16,046	151	(16,197)	-
Exchange differences on consolidation	-	11,381	3,752	1,859	16,992
At 31 December 2013	<u>156</u>	<u>391,164</u>	<u>128,124</u>	<u>83,429</u>	<u>602,873</u>
Accumulated Depreciation and Impairment					
At 1 January 2013	125	158,906	100,155	-	259,186
Depreciation charge	5	7,921	7,126	-	15,052
Disposals	-	-	(1,270)	-	(1,270)
Companies disposed	-	(1,354)	(588)	-	(1,942)
Cost adjustments	-	1	(920)	-	(919)
Reclassification	-	(3)	3	-	-
Exchange differences on consolidation	-	4,349	2,575	-	6,924
At 31 December 2013	<u>130</u>	<u>169,820</u>	<u>107,081</u>	<u>-</u>	<u>277,031</u>
Net Carrying Amount	<u>26</u>	<u>221,344</u>	<u>21,043</u>	<u>83,429</u>	<u>325,842</u>

Interest capitalised during the year was \$1,124,000 (2013: \$319,000).

	Freehold Land and Building \$'000
COMPANY	
Cost	
At 1 January 2014 and 31 December 2014	<u>156</u>
Accumulated Depreciation	
At 1 January 2014	130
Depreciation charge	<u>5</u>
At 31 December 2014	<u>135</u>
Net Carrying Amount	<u>21</u>
Cost	
At 1 January 2013 and 31 December 2013	<u>156</u>
Accumulated Depreciation	
At 1 January 2013	125
Depreciation charge	<u>5</u>
At 31 December 2013	<u>130</u>
Net Carrying Amount	<u>26</u>

18. Investment Properties

	Completed Investment Properties \$'000	Investment Properties under Construction \$'000	Total \$'000
GROUP			
Valuation			
At 1 January 2014	722,483	845,726	1,568,209
Development expenditure	30	29,583	29,613
Fair value (loss)/gain	(16,096)	51,319	35,223
Disposal	(454,712)	-	(454,712)
Exchange differences on consolidation	3,402	25,389	28,791
At 31 December 2014	<u>255,107</u>	<u>952,017</u>	<u>1,207,124</u>
At 1 January 2013	542,696	758,831	1,301,527
Development expenditure	287	34,789	35,076
Fair value gain	69,848	14,060	83,908
Company acquired (see Note 21)	133,420	-	133,420
Reclassification	(3,280)	3,280	-
Reclassified to properties held for sale	(9,200)	-	(9,200)
Exchange differences on consolidation	(11,288)	34,766	23,478
At 31 December 2013	<u>722,483</u>	<u>845,726</u>	<u>1,568,209</u>

The Group's investment properties (including integral plant and machinery) are stated at Directors' valuation based on the following valuations (open market value basis) by independent firms of professional valuers as at 31 December 2014:

- (a) Colliers International Consultancy & Valuation (Singapore) Pte Ltd for properties in Singapore;
- (b) Cushman & Wakefield Valuation Advisory Services (HK) Ltd for a property in China;
- (c) Agency for Real Estate Affairs Co., Ltd for a property in Thailand;
- (d) CBRE (Vietnam) Co., Ltd for properties in Vietnam; and
- (e) KJPP Willson dan Rekan (an affiliate of Knight Frank) for properties in Indonesia.

Based on these valuations, the Group's share of fair value gain (after adjusting for deferred tax and non-controlling interests) amounted to \$13,570,000 (2013: \$53,049,000) and was taken to the profit and loss account in accordance with FRS 40.

The details of the valuation techniques and inputs used are disclosed in Note 37.

Properties amounting to \$239,230,000 (2013: \$588,400,000) in value and included in the above balances were mortgaged to the banks as securities for borrowings referred to in Note 30.

Interest capitalised during the year was \$1,285,000 (2013: \$1,067,000).

19. Amounts Owning by Associates and Joint Ventures

	GROUP	
	2014 \$'000	2013 \$'000
Amounts owing by associates and joint ventures	98,055	652,109

The amounts owing by associates and joint ventures are unsecured advances which have no fixed terms of repayment and are not expected to be repaid in the next 12 months. Interest-bearing advances of \$66,087,000 (2013: \$614,402,000) bear interest at rates ranging from 2.70% to 6.50% (2013: 1.16% to 6.50%) per annum. The amounts are to be settled in cash.

The advances are denominated in the following currencies:

	GROUP	
	2014 \$'000	2013 \$'000
Singapore dollar	54,862	619,521
United States dollar	43,193	32,588
	98,055	652,109

20. Other Non-current Assets

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Call option	109,500	109,300	-	-
Derivative financial instruments	4,048	-	4,048	-
	113,548	109,300	4,048	-

The call option granted to the Group is in connection with the disposal of its 87.51% equity interest in Ocean Properties Pte. Limited to Keppel REIT in 2011. The Group has an option to acquire the same shares exercisable at the price of \$1 upon the expiry of 99 years from 14 December 2011 under the share purchase agreement. The call option may be exercised earlier upon the occurrence of certain specified events as stipulated in the call option deed.

The fair value of the call option as at 31 December 2014 is determined by reference to the difference in valuations obtained from an independent professional valuer for the underlying investment property based on the remaining 847-year leasehold and 96-year leasehold (2013: based on the remaining 848-year leasehold and 97-year leasehold). Based on these valuations, the fair value gain of \$200,000 (2013: \$3,700,000) was taken to the profit and loss account (see Note 6).

The details of the valuation techniques and inputs used for the call option are disclosed in Note 37.

21. Subsidiaries

	COMPANY	
	2014 \$'000	2013 \$'000
Quoted shares, at cost (Market value: \$30,899,000; 2013: \$16,502,000)	49,862	49,862
Unquoted shares, at cost	1,582,777	1,590,078
	1,632,639	1,639,940
Impairment	(313,649)	(321,674)
	1,318,990	1,318,266

During the year, an allowance for impairment loss amounting to \$7,079,000 (2013: \$Nil) was made in respect of the Company's investment in certain subsidiaries to reduce the carrying value of the investments to the recoverable amounts, taking into account the financial conditions of the subsidiaries. In addition, there was a reversal of impairment of \$15,104,000 following the liquidation and intra-group ownership transfer of certain subsidiaries. In 2013, there was a reversal of \$14,784,000 following the disposal of certain subsidiaries.

The details of the significant subsidiaries are disclosed in Note 40.

Significant Restrictions

Cash and cash equivalents of \$435,514,000 held in the People's Republic of China are subject to local exchange control regulations. These regulations place restriction on the amount of currency being exported other than through dividends and capital repatriation upon liquidations.

Interest in Subsidiaries with Material Non-Controlling Interest ("NCI")

The Group has the following subsidiaries with NCI that are material to the Group.

Name of Subsidiary	Principal Place of Business	Ownership Interest held by NCI		Profit Allocated to NCI During the Financial Year		Accumulated NCI at the End of the Financial Year	
		2014	2013	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Beijing Aether Property Development Ltd ("Beijing Aether")	China	49%	49%	10,936	188	203,768	189,034
Sherwood Development Pte Ltd ("Sherwood")	Singapore	30%	30%	291	340	1,195	790
D.L. Properties Ltd ("DL Properties")	Singapore	35%	35%	35,075	26,201	33,860	71,894

Summarised Financial Information about Subsidiaries with Material NCI

Summarised financial information including goodwill on acquisition and consolidation adjustments but before inter-company eliminations of subsidiaries with material NCI are as follows:

Summarised Balance Sheet

	Beijing Aether		Sherwood		DL Properties	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Non-current assets	876,082	811,259	-	-	-	454,700
Current assets	1,077	6,745	501,790	492,942	104,129	7,410
Total assets	877,159	818,004	501,790	492,942	104,129	462,110
Non-current liabilities	126,803	118,220	491,368	487,041	-	249,094
Current liabilities	334,503	314,001	6,440	3,267	8,398	9,753
Total liabilities	461,306	432,221	497,808	490,308	8,398	258,847
Net assets	415,853	385,783	3,982	2,634	95,731	203,263

Summarised Statement of Comprehensive Income

	Beijing Aether		Sherwood		DL Properties	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Revenue	-	-	31,455	19,596	12,927	19,023
Profit after tax	22,318	383	969	1,169	99,168	74,079
Other comprehensive income	1,177	869	-	-	-	-
Total comprehensive income	23,495	1,252	969	1,169	99,168	74,079
Dividends paid to NCI	-	-	-	-	73,110	13,087

Other Summarised Information

	Beijing Aether		Sherwood		DL Properties	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Net cash flow (used in)/from operations	(1,489)	(1,222)	(1,698)	(351,728)	7,363	13,041
Proceed from disposal of an investment property	-	-	-	-	550,000	-
Acquisition of significant property, plant and equipment	7,292	20,312	-	-	-	-

21. Subsidiaries (continued)**Business Combinations in 2013****(a) Acquisition of Parksville Development Pte Ltd**

On 30 April 2013, the Group acquired the remaining 50% interest in Parksville Development Pte Ltd ("Parksville") through its wholly-owned subsidiary, Denton Investment Pte Ltd for a total consideration of \$47,498,000 (including assumption of shareholder's loan of \$2,000,000). The Group previously held a 50% interest in Parksville and had accounted for the investment as an associate. Parksville owns 34 units in a 10-storey development in Singapore known as Nassim Woods. No goodwill was recognised as the fair value of the net identifiable assets acquired was equivalent to the purchase consideration. There was also no gain/(loss) on remeasurement as the Group's previously held equity interest in Parksville was already measured at fair value.

(b) Acquisition of Shanghai Jinju Real Estate Development Co Ltd

On 18 June 2013, the Group through its subsidiary, Shanghai Hongda Property Development Co Ltd, entered into a sale and purchase agreement to acquire a 100% interest in Shanghai Jinju Real Estate Development Co Ltd ("Shanghai Jinju") for a total consideration of \$275,309,000 (including assumption of shareholder's loan of \$120,911,000). Shanghai Jinju owns a 17.5 hectares residential site in Sheshan, Songjiang District in Shanghai for the development of landed homes. The acquisition was completed in August 2013. No goodwill was recognised as the fair value of the net identifiable assets acquired was equivalent to the purchase consideration.

According to the sale and purchase agreement, the consideration would be reduced by 20% if the vendors fail to obtain the necessary approvals from the authorities. As at the acquisition date, the fair value of the contingent consideration was estimated to be \$55,062,000. During the year, the vendors fulfilled their obligations to obtain the necessary approvals from the authorities.

The net assets of the subsidiaries acquired and the net cash outflow were as follows:

	2014 \$'000	2013 \$'000
Investment properties	-	133,420
Fixed assets	-	28
Properties held for sale	-	324,952
Debtors	-	1,017
Cash and cash equivalents	-	3,043
Creditors	-	(2,660)
Amounts due to related companies	-	(2,023)
Shareholders' loans	-	(122,911)
Bank borrowings	-	(38,000)
Taxation	-	(203)
Deferred taxation	-	(51,269)
Total net identifiable assets at fair value	-	245,394
Amount previously accounted for as an associate	-	(45,498)
Net assets acquired	-	199,896
Assumption of shareholders' loans	-	122,911
Total purchase consideration	-	322,807
Less:		
Deferred payment	-	(192,717)
Contingent consideration recognised as at acquisition date	-	(55,062)
Cash and cash equivalents acquired	-	(3,043)
Net cash outflow on acquisition	-	71,985

Disposal of Subsidiaries in 2013

(a) Disposal of Montfort Development Pte Ltd

On 10 September 2013, the Group disposed of its interest in a wholly-owned subsidiary, Montfort Development Pte Ltd ("Montfort") for an aggregate consideration of \$8,941,000, giving rise to a gain of \$3,316,000 for the Group. Montfort owns 50% interest in PT Pantai Indah Tateli, an associate which owns Hotel Sedona Manado in Indonesia.

(b) Disposal of PT Mitra Sindo Sukses and PT Mitra Sindo Makmur

In November 2013, the Group disposed of its 51% interests in PT Mitra Sindo Sukses ("PTMSS") and PT Mitra Sindo Makmur ("PTMSM") to PT Modernland Realty Tbk for an aggregate consideration of \$249,003,000, giving rise to a gain of \$148,457,000 (after accounting for withholding tax) for the Group. PTMSS and PTMSM are jointly developing Jakarta Garden City, an integrated township in Jakarta, Indonesia.

The net assets of the subsidiaries disposed of and the net cash inflow were as follows:

	2014 \$'000	2013 \$'000
Investment in an associate	-	2,886
Fixed assets	-	9,284
Properties held for sale	-	123,156
Debtors	-	16,494
Cash and cash equivalents	-	30,697
Amounts due from related companies	-	2
Amounts due from an associate	-	128
Creditors	-	(58,320)
Non-controlling interests deconsolidated	-	(59,443)
Net assets disposed	-	64,884
Sales consideration	-	257,944
Less: cash and cash equivalents disposed	-	(30,697)
Net cash inflow on disposal	-	227,247

Disposal of interest in a Subsidiary without Loss of Control

On 16 April 2013, the Group disposed of its 30% interest in a wholly-owned subsidiary, Sherwood Development Pte Ltd ("Sherwood"), to Wkdeveloper Sig I Private Limited ("Wkdeveloper"), a wholly-owned subsidiary of Vanke Property (Hong Kong) Company Limited for a total consideration of \$135,513,000 (comprising share consideration of \$450,000 and assignment of shareholder's loan of \$135,063,000). Following the completion of the transaction, the Group's interest in Sherwood was reduced to 70%. There was no gain or loss arising from this disposal as the net identifiable assets disposed was equivalent to the sales consideration.

22. Associates and Joint Ventures

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Investments, at cost	1,925,249	1,843,347	88,720	88,720
Share of post-acquisition reserves	565,611	1,008,926	-	-
	2,490,860	2,852,273	88,720	88,720
Impairment	-	-	(18,621)	(18,621)
Investments in associates	2,490,860	2,852,273	70,099	70,099
Investments, at cost	241,073	37,805	-	-
Share of post-acquisition reserves	105,572	27,510	-	-
Investments in joint ventures	346,645	65,315	-	-
Total	2,837,505	2,917,588	70,099	70,099
Investments in associates and joint ventures is represented by:				
Quoted investments (Market value: \$1,737,167,000; 2013: \$1,465,900,000)	1,827,599	1,562,816	-	-
Unquoted investments	1,009,906	1,354,772	88,720	88,720
	2,837,505	2,917,588	88,720	88,720

No impairment loss was made during the year in respect of the Company's investments in associates. In 2013, an allowance for impairment loss amounting to \$281,000 was made in respect of the Company's certain associates to reduce the carrying value of the investments to the recoverable amounts, taking into account the financial conditions of the associates.

During the year, the Group through its wholly-owned subsidiary, Domenico Pte Ltd, has committed to invest approximately US\$70 million in a new residential development with a retail component in Manhattan, New York, United States. As at 31 December 2014, US\$46 million had been injected into the investment.

On 2 July 2014, the Group disposed of its 37.74% interest in Keppel Magus Development Private Limited ("Keppel Magus") for a consideration of \$6,941,000. Keppel Magus is developing Elita Garden Vista project in Kolkata, India.

On 16 December 2014, the Group through its wholly-owned subsidiary, Bayfront Development Pte Ltd, divested its one-third interest in Central Boulevard Development Pte Ltd, which owns Marina Bay Financial Centre Tower 3, to Keppel REIT. The net proceed received by the Group was \$665,924,000 (after deducting rental support of \$49,205,000), of which \$185,000,000 was in the form of consideration units, and the balance of \$480,924,000 was in cash. The Group recognised a divestment gain of \$94,553,000 from this transaction.

In 2013, the Group acquired a 42.5% interest in Equity Rainbow II Pte Ltd (which has a 80% indirect interest in Life Hub @ Jinqiao, a retail mall in Shanghai, China) for a consideration of \$157,710,000.

The details of the significant associates and joint ventures are disclosed in Note 40.

The Group's share of net results of associates and joint ventures is as follows:

	2014			2013		
	Associates \$'000	Joint Ventures \$'000	Total \$'000	Associates \$'000	Joint Ventures \$'000	Total \$'000
Share of pre-tax profit before fair value gain on investment properties	200,735	80,425	281,160	224,242	2,685	226,927
Gain/(loss) on change in interest in an associate (see Notes 6 and 7)	7,173	-	7,173	(2,443)	-	(2,443)
Share of fair value gain/(loss) on investment properties (see Note 10)	194,257	(1,283)	192,974	252,337	(499)	251,838
Share of pre-tax profit	402,165	79,142	481,307	474,136	2,186	476,322
Share of taxation (see Note 11)	(21,782)	(22,358)	(44,140)	(32,979)	(567)	(33,546)
Share of net results	380,383	56,784	437,167	441,157	1,619	442,776

The Group has equity accounted for all its associates and joint ventures. The material associates are as follows:

Name of Associate	Nature of Relationship with the Group	Principal Place of Business	Ownership Interest/ Voting Rights Held		Fair Value of Ownership Interest (If Listed)	
			2014	2013	2014 \$'000	2013 \$'000
Keppel REIT	Real estate investment trust with office portfolio	Singapore	45%	45%	1,737,167	1,465,900
Keppel Data Centres Holding Pte Ltd ("Keppel Data Centres")	Owner and operator of data centres and disaster recovery centres	Singapore	30%	30%	Not applicable	Not applicable

The other associates and joint ventures are individually immaterial to the Group. Aggregate information about the Group's investments in associates and joint ventures that are individually immaterial are as follows:

	Associates		Joint Ventures	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Profit after tax	146,057	200,235	56,784	1,619
Other comprehensive income	9,048	19,399	8,591	1,958
Total comprehensive income	155,105	219,634	65,375	3,577
Carrying amount of the investments	652,420	1,287,428	346,645	65,315

22. Associates and Joint Ventures (continued)

Summarised financial information in respect of Keppel REIT and Keppel Data Centres, based on its FRS financial statements and a reconciliation with the carrying amount of the investments in the consolidated financial statements are as follows:

Summarised Balance Sheet

	Keppel REIT		Keppel Data Centres	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Non-current assets	7,103,937	6,649,706	127,334	293,756
Current assets	225,467	125,833	128,483	43,433
Total assets	7,329,404	6,775,539	255,817	337,189
Non-current liabilities	2,491,613	2,479,370	100,000	263,105
Current liabilities	380,371	399,176	119,679	32,438
Total liabilities	2,871,984	2,878,546	219,679	295,543
Net assets	4,457,420	3,896,993	36,138	41,646
Proportion of the Group's ownership	45%	45%	30%	30%
Group's share of net assets	2,010,158	1,736,636	10,841	12,494
Other adjustments	(182,559)	(173,820)	-	(10,465)
Carrying amount of the investments	1,827,599	1,562,816	10,841	2,029

Summarised Statement of Comprehensive Income

	Keppel REIT		Keppel Data Centres	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Revenue	184,093	174,043	56,714	46,898
Profit after tax	371,902	534,928	194,470	16,965
Other comprehensive income	(11,469)	(90,092)	-	-
Total comprehensive income	360,433	444,836	194,470	16,965
Dividends received	101,975	75,698	60,000	-

The Group's share of the capital commitments of the associates and joint ventures are disclosed in Note 33.

23. Long-term Investments

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Quoted investments	42,240	52	-	-
Unquoted investments	12,271	10,937	12,264	10,931
Private property funds	136,760	112,222	-	-
	191,271	123,211	12,264	10,931

The details of the valuation techniques and inputs used are disclosed in Note 37.

24. Properties Held For Sale

	GROUP	
	2014 \$'000	2013 \$'000
(a) Properties under development:		
Land costs	4,627,070	5,047,026
Development cost incurred to date	1,083,645	1,184,785
Overhead expenditure and recognised profit	405,154	436,572
Progress billings	(411,146)	(584,646)
Allowance for foreseeable losses	(17,165)	(16,877)
	5,687,558	6,066,860
<u>Analysis of allowance for foreseeable losses:</u>		
At 1 January	(16,877)	(16,966)
Exchange differences on consolidation	(288)	89
At 31 December	(17,165)	(16,877)
(b) Completed properties held for sale	847,673	330,942
Allowance for foreseeable losses	(4,243)	(6,016)
	843,430	324,926
<u>Analysis of allowance for foreseeable losses:</u>		
At 1 January	(6,016)	(4,600)
Write-back of allowance/(allowance)	1,833	(1,383)
Exchange differences on consolidation	(60)	(33)
At 31 December	(4,243)	(6,016)
	6,530,988	6,391,786

24. Properties Held For Sale (continued)

The following table provides information about agreements that are in progress at the end of the financial year whose revenue are recognised on a percentage of completion basis:

	GROUP	
	2014 \$'000	2013 \$'000
Aggregate amount of costs incurred and recognised profit (less recognised losses) to date	2,339,055	2,746,037
Less: Progress billings	(411,146)	(584,646)
	1,927,909	2,161,391

Progress billings amounting to \$282,763,000 (2013: \$236,395,000) relating to properties under development where revenue is recognised upon completion of construction are presented as progress billings within creditors (see Note 29).

Interest capitalised during the year was \$59,199,000 (2013: \$76,391,000) at rates ranging from 0.55% to 3.30% (2013: 0.58% to 2.50%) per annum for Singapore properties and 0.05% to 8.00% (2013: 3.34% to 10.00%) per annum for overseas properties.

The allowance for foreseeable losses is estimated taking into account estimated selling prices and estimated total construction costs. The estimated selling prices are based on recent selling prices for the development project or comparable projects and the prevailing market conditions. The estimated total construction costs include contracted amounts plus estimated costs to be incurred based on historical trends. The allowance is progressively reversed for those residential units sold above their carrying amounts.

Properties amounting to \$2,327,841,000 (2013: \$2,204,790,000) in value and included in the above balances were mortgaged to the banks as securities for borrowings as referred to in Note 30.

Included in the land costs and completed properties held for sale are payments of \$658,899,000 and \$17,250,000 respectively (2013: \$773,626,000 and \$18,695,000 respectively) for certain land parcels which have been awarded by the authorities but the issuance of title deeds are in progress.

25. Stocks

	GROUP	
	2014 \$'000	2013 \$'000
Spare parts and consumable stocks	4,839	5,009

26. Debtors

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Trade debtors	249,223	183,490	-	-
Allowance for doubtful debts	(706)	(838)	-	-
	248,517	182,652	-	-
(b) Other debtors:				
Deposits paid	26,438	24,795	-	-
Interest receivable	11,079	11,795	-	-
Advances to non-controlling shareholders of certain subsidiaries	145,597	113,496	-	-
Advances to subcontractors	14,061	12,402	-	-
Derivative financial instruments	379	4,901	-	4,901
Other debtors	39,908	12,377	-	-
Other recoverable amounts	15,932	19,576	2	2
	253,394	199,342	2	4,903
Allowance for doubtful debts	(20,182)	(20,182)	-	-
	233,212	179,160	2	4,903
(c) Non-financial assets:				
Prepaid project costs and prepayments	26,968	26,831	732	6,057
	508,697	388,643	734	10,960
<u>Trade debtors that are past due but not impaired:</u>				
Past due < 3 months and not impaired	8,088	3,317	-	-
Past due 3 - 6 months and not impaired	682	888	-	-
Past due > 6 months and not impaired	13,868	18,371	-	-
	22,638	22,576	-	-
<u>Analysis of allowance for doubtful debts - Trade:</u>				
At 1 January	(838)	(457)	-	-
Write-back of allowance/(allowance)	8	(436)	-	-
Write-off against allowance	130	54	-	-
Companies disposed	-	68	-	-
Exchange differences on consolidation	(6)	(67)	-	-
At 31 December	(706)	(838)	-	-
<u>Analysis of allowance for doubtful debts - Non-trade:</u>				
At 1 January	(20,182)	(21,875)	-	-
Write-back of allowance	-	1,703	-	-
Exchange differences on consolidation	-	(10)	-	-
At 31 December	(20,182)	(20,182)	-	-

Trade and other debtors that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and/or have defaulted on payments.

Included in trade debtors are accrued receivables on completed properties held for sale of \$139,248,000 (2013: \$115,492,000).

26. Debtors (continued)

Advances to non-controlling shareholders of certain subsidiaries have no fixed terms of repayment. Interest-bearing advance of \$16,695,000 (2013: \$3,136,000) is charged at rate of 1.73% to 4.45% (2013: 1.79% to 5.70%) per annum.

Debtors are denominated in the following currencies:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore dollar	133,518	58,079	734	10,960
United States dollar	33,995	28,901	-	-
Renminbi	149,083	135,045	-	-
Vietnamese dong	131,692	109,996	-	-
Indonesian rupiah	15,271	14,300	-	-
Indian rupee	485	992	-	-
Philippines peso	2,799	2,345	-	-
Thai baht	1,920	518	-	-
Hong Kong dollar	38,885	37,496	-	-
Others	1,049	971	-	-
	508,697	388,643	734	10,960

27. Amounts Owning by/to Holding Company and Related Parties

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Advances owing by:				
Subsidiaries	-	-	7,873,937	6,866,212
Associates and joint ventures	50,502	46,230	6,780	8,568
Current accounts owing by holding company and related companies	5,297	9,250	966	841
Dividend receivable from an associate	15,846	-	-	-
	71,645	55,480	7,881,683	6,875,621
Allowance for doubtful debts	-	-	(282,530)	(270,040)
	71,645	55,480	7,599,153	6,605,581
Advances owing to:				
Subsidiaries	-	-	1,536,615	654,179
Associates and joint ventures	25,346	3,674	-	-
Current accounts owing to holding company and related companies	1,446	4,207	-	-
	26,792	7,881	1,536,615	654,179

	COMPANY	
	2014 \$'000	2013 \$'000
<u>Analysis of allowance for doubtful debts:</u>		
At 1 January	(270,040)	(270,040)
Allowance	(12,490)	-
At 31 December	(282,530)	(270,040)

Advances owing by/to subsidiaries are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$3,776,621,000 (2013: \$3,333,377,000) to subsidiaries are charged at rates ranging from 0.10% to 3.90% (2013: 0.08% to 4.78%) per annum. During the year, an allowance for doubtful debts of \$12,490,000 (2013: \$Nil) was made in respect of the advances owing by certain subsidiaries after taking into account the financial conditions of these subsidiaries.

Advances owing by associates and joint ventures are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$1,519,000 (2013: \$Nil) are charged at 8% (2013: Nil) per annum.

Advances owing to associates and joint ventures are unsecured, have no fixed terms of repayment and are to be settled in cash. Interest-bearing advances of \$22,112,000 (2013: \$Nil) are charged at 3% (2013: Nil) per annum.

Current accounts owing by/to holding company and related companies are interest-free, unsecured, have no fixed terms of repayment and are to be settled in cash.

Amounts owing by holding company and related parties are denominated in the following currencies:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore dollar	32,040	21,778	7,162,185	6,205,057
United States dollar	11,685	4,863	336,515	310,958
Philippines peso	4,449	5,165	-	-
Vietnamese dong	23,471	23,674	-	-
Hong Kong dollar	-	-	100,453	89,566
	71,645	55,480	7,599,153	6,605,581

Amounts owing to holding company and related parties are denominated in the following currencies:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore dollar	904	4,180	1,261,913	376,072
United States dollar	872	674	274,702	278,107
Renminbi	22,112	-	-	-
Philippines peso	2,904	2,869	-	-
Hong Kong dollar	-	158	-	-
	26,792	7,881	1,536,615	654,179

28. Cash and Cash Equivalents

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Fixed deposits with banks	519,161	677,469	-	-
Bank balances and cash	214,425	204,781	225	132
Deposits with related companies	1,860,133	403,100	3,776	3,632
	2,593,719	1,285,350	4,001	3,764

Cash and cash equivalents are denominated in the following currencies:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore dollar	1,919,589	410,445	209	130
Renminbi	402,704	540,887	-	-
United States dollar	168,329	234,512	3,792	3,634
Indonesian rupiah	16,172	9,493	-	-
Vietnamese dong	34,678	42,503	-	-
Indian rupee	15,623	34,442	-	-
Saudi riyal	25,896	784	-	-
Philippines peso	4,393	4,358	-	-
Others	6,335	7,926	-	-
	2,593,719	1,285,350	4,001	3,764

Fixed deposits with banks and related companies mature in varying periods, substantially between 1 day to 3 months (2013: substantially between 1 day to 3 months) from the financial year-end.

Fixed deposits with banks bear the following weighted average effective interest rates (per annum) at the end of the financial year and range of interest rates (per annum) during the year:

	2014			2013		
	Weighted Average Effective Interest Rate %	Lowest Interest Rate %	Highest Interest Rate %	Weighted Average Effective Interest Rate %	Lowest Interest Rate %	Highest Interest Rate %
Singapore dollar	0.95	0.00	2.75	0.82	0.00	2.81
Renminbi	1.83	0.35	4.80	1.70	0.35	4.90
United States dollar	1.94	0.00	3.13	0.86	0.02	2.50
Indonesian rupiah	8.84	4.50	10.00	8.67	2.00	9.50
Vietnamese dong	3.82	0.18	9.60	6.43	0.50	10.50
Indian rupee	7.86	3.50	9.00	8.10	3.50	10.45
Saudi riyal	-	-	-	-	0.12	0.40
Philippines peso	0.71	0.53	0.88	-	0.88	2.75
Sri Lankan rupee	3.98	3.98	6.00	-	-	-
Hong Kong dollar	-	0.10	0.10	-	-	-
Thai baht	1.44	1.13	2.70	-	-	-
Australian dollar	2.60	2.60	2.60	-	-	-

Deposits with related companies bear the following weighted average effective interest rates (per annum) at the end of the financial year and range of interest rates (per annum) during the year:

	2014			2013		
	Weighted Average Effective Interest Rate %	Lowest Interest Rate %	Highest Interest Rate %	Weighted Average Effective Interest Rate %	Lowest Interest Rate %	Highest Interest Rate %
Singapore dollar	0.35	0.10	0.40	0.26	0.05	0.28
United States dollar	0.21	0.09	0.37	0.15	0.00	0.57

	GROUP	
	2014 \$'000	2013 \$'000
(a) Amounts held under project accounts, withdrawals from which are restricted to payments for expenditures incurred on projects	88,478	79,720
(b) Amounts held in escrow accounts for the acquisition of land overseas, payment of construction costs and progress billings received	23,650	6,582

29. Creditors

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Trade creditors	168,998	90,390	-	-
Loans from non-controlling shareholders of certain subsidiaries	166,830	251,704	-	-
Rental and income support payable to an associate	12,108	64,672	-	-
Accrual for staff costs and other overheads	112,301	87,777	-	-
Accrual for development costs	339,634	256,504	-	-
Accrual for business and other taxes	235,302	205,331	-	-
Retention monies	93,159	74,080	-	-
Deposits received	17,599	32,802	-	-
Interest payable	16,084	14,203	9,116	9,201
Derivative financial instruments	3,207	1,601	-	-
Deferred payment in relation to acquisition of a subsidiary	8,480	112,742	-	-
Contingent consideration in relation to acquisition of a subsidiary	-	54,796	-	-
Other payables	139,880	140,785	11,421	11,235
	1,313,582	1,387,387	20,537	20,436
Non-financial liabilities:				
Progress billings (see Note 24)	282,763	236,395	-	-
Obligations due to third parties	174,827	161,858	-	-
	457,590	398,253	-	-
	1,771,172	1,785,640	20,537	20,436

29. Creditors (continued)

The loans from the non-controlling shareholders of certain subsidiaries are unsecured and have no fixed terms of repayment. Interest-bearing loans from the non-controlling shareholders amounted to \$29,970,000 (2013: \$118,809,000) and interest is payable at rates ranging from 1.20% to 3.48% (2013: 1.90% to 6.68%) per annum.

Rental and income support payable to an associate represents the remaining top-up payments to be made by the Group to Keppel REIT for any shortfall of guaranteed rental/income amounts in respect of the disposal of the Group's interests in two joint ventures and a subsidiary to Keppel REIT.

The obligations due to third parties represent the Group's obligations under a contractual agreement with third parties entered into by a subsidiary. The obligations are to be settled by delivering property in-kind according to the agreement.

Creditors are denominated in the following currencies:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore dollar	456,554	453,141	19,676	19,379
Renminbi	1,121,569	1,046,965	98	17
United States dollar	78,524	86,345	763	1,040
Vietnamese dong	60,791	70,909	-	-
Hong Kong dollar	19,081	16,557	-	-
Indonesian rupiah	17,035	10,319	-	-
Indian rupee	8,254	8,356	-	-
Saudi riyal	3,327	85,863	-	-
Others	6,037	7,185	-	-
	1,771,172	1,785,640	20,537	20,436

30. Borrowings

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<u>Short-term borrowings</u>				
Borrowings under MTN Programme	154,994	-	154,994	-
Liability components of a convertible bond	495,649	-	495,649	-
Bank borrowings:				
Secured	111,016	185,590	-	-
Unsecured	293,882	97,615	234,851	14,645
	404,898	283,205	234,851	14,645
Unsecured loans from related company	129	70	-	-
	1,055,670	283,275	885,494	14,645
<u>Long-term borrowings</u>				
Borrowings under MTN Programmes	854,083	899,000	528,744	585,000
Liability components of a convertible bond	-	491,188	-	491,188
Bank borrowings:				
Secured	856,219	719,518	-	-
Unsecured	1,431,487	1,721,071	1,298,812	1,652,976
	2,287,706	2,440,589	1,298,812	1,652,976
Unsecured loans from related companies	5,549	38,972	-	-
	3,147,338	3,869,749	1,827,556	2,729,164
	4,203,008	4,153,024	2,713,050	2,743,809

The Company has a US\$800 million Multicurrency Medium Term Note (“US\$800 million MTN”) Programme under which it can issue notes (the “Notes”) in series or tranches and may be denominated in Singapore dollars, United States dollars or other currency deemed appropriate at the time. The short-term unsecured Notes comprise fixed rate notes of \$105,000,000 and \$50,000,000 with interest rates ranging from 2.67% to 3.51% (2013: Nil) per annum. The long-term unsecured Notes comprise fixed rate notes of \$100,000,000, \$100,000,000, \$200,000,000 and \$130,000,000 due in 2017, 2020, 2022 and 2024 respectively with interest rates ranging from 2.83% to 3.90% (2013: 2.67% to 3.90%) per annum.

The Company and its wholly-owned subsidiary, Keppel Land Financial Services Pte. Ltd. (“KLFS”) (collectively, the “Issuers”) have a US\$3 billion Multicurrency Medium Term Note (“US\$3 billion MTN”) Programme pursuant to which the Issuers may, from time to time, issue notes or perpetual securities (the “Securities”) in series or tranches and denominated in any currency agreed between the relevant issuer and the relevant dealers in relation to each issue of Securities and as specified in the applicable pricing supplement. The long-term unsecured Notes issued by KLFS, which are guaranteed by the Company, comprise fixed rate notes of US\$250,000,000 due in 2019 with interest rate at 3.259% per annum. There were no issuance of notes under the US\$3 billion MTN Programme in 2014 and 2013.

The Group’s secured bank borrowings are generally secured by:

- mortgages on the borrowing subsidiaries’ investment properties (see Note 18) and properties held for sale (see Note 24); and
- assignment of all rights, titles and benefits with respect to some of the properties mortgaged.

30. Borrowings (continued)

The secured bank borrowings are repriced within 2 days to 3 months (2013: 1 week to 12 months), and are repayable between 1 week to 5 years (2013: 2 to 5 years). The unsecured bank borrowings are repriced within 1 week to 6 months (2013: within 1 week to 6 months).

Unsecured loans from related companies have no fixed terms of repayment and are mostly not expected to be repaid over the next 12 months; and are not subjected to repricing (2013: daily, or within 9 months).

Convertible Bonds

On 29 November 2010, the Company issued a \$500,000,000 1.875%, 5-year convertible bond ("2010 Bond"). Interest is payable semi-annually. The 2010 Bond maturing 29 November 2015 is convertible at the option of bondholders to ordinary shares of the Company at the conversion price of \$6.72 per share. The 2010 Bond may be redeemed, in whole or in part, at the option of the Company at any time on or after 29 November 2013 subject to the satisfaction of certain conditions. Any bondholder may request that the Company redeems all of the 2010 Bond in the event that the Company's shares cease to be listed or admitted to trading on the Singapore Exchange Securities Trading Limited.

On 25 April 2012, \$200,000 of the 2010 Bond was converted and cancelled pursuant to the exercise of conversion rights by a bondholder. As at 31 December 2014, the aggregate principal amount of convertible bonds, after the conversion and cancellation, of \$499,800,000 has been reclassified to short-term borrowings.

The liability components of the convertible bonds are recognised on the balance sheet as follows:

	GROUP AND COMPANY			
	2014 2010 Bond \$'000	2006 Bond \$'000	2013 2010 Bond \$'000	Total \$'000
At 1 January	491,188	296,609	486,800	783,409
Interest expense (see Note 9)	13,836	7,018	13,763	20,781
Interest paid/accrued	(9,375)	(3,627)	(9,375)	(13,002)
Conversion to ordinary shares	-	(600)	-	(600)
Redemption upon maturity	-	(299,400)	-	(299,400)
At 31 December	495,649	-	491,188	491,188

Interest expense on the 2010 Bond is calculated based on the effective interest method by applying the interest rate of 2.50% (2013: 2.50%) per annum for equivalent non-convertible bonds to the liability components of the convertible bonds. Interest expense on the 2006 Bond for 2013 was calculated based on the same method at an interest rate of 4.78% per annum.

Borrowings are denominated in the following currencies:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Singapore dollar	2,848,930	2,816,451	2,126,040	2,106,188
United States dollar	1,021,848	1,017,925	580,650	622,976
Renminbi	248,694	235,912	6,360	14,645
Thai baht	40,678	39,000	-	-
Vietnamese dong	21,478	-	-	-
Indonesian rupiah	21,380	10,490	-	-
Hong Kong dollar	-	33,246	-	-
	4,203,008	4,153,024	2,713,050	2,743,809

Weighted average effective interest rates (per annum) at the end of the financial year and range of interest rates (per annum) during the year on the Group's borrowings, except for borrowings under the MTN Programmes and convertible bonds, are as follows:

	2014			2013		
	Weighted Average Effective Interest Rate %	Lowest Interest Rate %	Highest Interest Rate %	Weighted Average Effective Interest Rate %	Lowest Interest Rate %	Highest Interest Rate %
Secured bank borrowings denominated in:						
Singapore dollar	1.27	0.55	1.48	1.24	0.58	1.49
Renminbi	6.68	5.75	7.36	6.99	6.33	7.36
Indonesian rupiah	9.00	8.99	9.94	-	-	-
Unsecured bank borrowings denominated in:						
Singapore dollar	1.81	0.83	2.54	1.61	0.86	2.54
United States dollar	1.29	0.60	3.60	1.53	1.07	3.90
Thai baht	3.26	3.10	4.80	3.83	3.48	5.12
Indonesian rupiah	9.40	9.40	10.73	10.17	9.78	10.17
Renminbi	5.46	1.92	6.77	5.00	1.80	6.77
Vietnamese dong	5.31	5.30	5.75	-	-	-
Unsecured loans from related companies denominated in:						
Singapore dollar	-	1.28	1.29	1.28	1.25	1.30
United States dollar	4.20	1.24	4.20	4.20	0.83	4.20
Hong Kong dollar	-	1.00	1.00	1.00	0.71	1.39

Borrowings due after 1 year are to be repayable as follows:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
After 1 year but within 2 years	122,263	1,354,765	29,955	1,166,764
After 2 years but within 5 years	2,596,188	1,870,984	1,368,714	1,232,400
After 5 years	428,887	644,000	428,887	330,000
	3,147,338	3,869,749	1,827,556	2,729,164

Included in borrowings due after 1 year but within 2 years are unsecured loans of \$5,549,000 (2013: \$38,972,000) due to related companies by the Group.

31. Other Non-current Liabilities

	GROUP	
	2014 \$'000	2013 \$'000
Loans from non-controlling shareholders	66,181	59,112

The loans from non-controlling shareholders are unsecured and denominated in Singapore dollar of \$60,599,000 (2013: \$59,112,000) and Sri Lankan rupee of \$5,582,000 (2013: \$Nil) with interest payables at rates ranging from 2.50% to 4.50% (2013: 2.50%) per annum.

These loans are repayable as follows:

	GROUP	
	2014 \$'000	2013 \$'000
After 1 but within 2 years	5,582	-
After 2 years but within 5 years	60,599	49,896
After 5 years	-	9,216
	66,181	59,112

32. Segment Reporting

For management purposes, the Group is organised into strategic business units based on their products, services and geography. The Group has five reportable operating segments as follows:

- (a) Property trading
 - Develops residential properties and townships in Asia, primarily Singapore, China, Indonesia and Vietnam.
- (b) Property investment
 - Owns/manages office and other commercial properties in Asia, primarily Singapore, China, Indonesia and Vietnam.
- (c) Fund management
 - Involves in property investment and fund management in Asia.
- (d) Hotels and resorts
 - Involves in operation of hotels and resorts in China, Indonesia and Myanmar.
- (e) Others
 - Is the aggregate of corporate services, property services and others.

Management monitors the results of each of the above operating segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on net profit or loss.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Information regarding the Group's reportable segments is presented below.

2014	Property Trading \$'000	Property Investment \$'000	Fund Management \$'000	Hotels and Resorts \$'000	Others ⁽¹⁾ \$'000	Inter-segment Elimination \$'000	Total \$'000
Sales							
External sales	1,271,232	42,237	105,587	65,637	12,484	-	1,497,177
Inter-segment sales	2,114	655	1,425	5,183	96,253	(105,630)	-
Total	<u>1,273,346</u>	<u>42,892</u>	<u>107,012</u>	<u>70,820</u>	<u>108,737</u>	<u>(105,630)</u>	<u>1,497,177</u>
Results							
EBITDA ⁽²⁾	224,076	22,335	62,141	21,715	(29,234)	-	301,033
Depreciation charge	(8,240)	(234)	(810)	(5,926)	(2,191)	-	(17,401)
Investment income	-	2,792	-	-	299	-	3,091
Net interest (expenses)/ income	(9,483)	(2,363)	294	(4,432)	(12,702)	-	(28,686)
Share of results of associates and joint ventures	88,004	117,482	5,713	(4)	69,965	-	281,160
Gain from disposal of an associate	-	94,553	-	-	-	-	94,553
Gain from disposal of an investment property	-	91,988	-	-	-	-	91,988
Fair value gain on call option	-	200	-	-	-	-	200
Gain on change in interest in an associate	-	7,173	-	-	-	-	7,173
Pre-tax profit before fair value gain on investment properties	<u>294,357</u>	<u>333,926</u>	<u>67,338</u>	<u>11,353</u>	<u>26,137</u>	<u>-</u>	<u>733,111</u>
Fair value gain on investment properties	-	220,214	-	-	-	-	220,214
Pre-tax profit after fair value gain on investment properties	<u>294,357</u>	<u>554,140</u>	<u>67,338</u>	<u>11,353</u>	<u>26,137</u>	<u>-</u>	<u>953,325</u>
Taxation	(76,591)	(35,300)	(11,546)	(1,644)	(5,006)	-	(130,087)
Profit for the year	<u>217,766</u>	<u>518,840</u>	<u>55,792</u>	<u>9,709</u>	<u>21,131</u>	<u>-</u>	<u>823,238</u>
Non-controlling interests	(28,837)	(42,559)	-	605	39	-	(70,752)
Net profit	<u>188,929</u>	<u>476,281</u>	<u>55,792</u>	<u>10,314</u>	<u>21,170</u>	<u>-</u>	<u>752,486</u>

32. Segment Reporting (continued)

2014 (continued)	Property Trading \$'000	Property Investment \$'000	Fund Management \$'000	Hotels and Resorts \$'000	Others ⁽¹⁾ \$'000	Inter-segment Elimination \$'000	Total \$'000
Other information							
Segment assets	8,310,865	3,750,681	68,069	204,323	4,613,617	(2,420,007)	14,527,548
Segment liabilities	(3,422,243)	(489,130)	(34,038)	(311,068)	(4,546,138)	2,420,007	(6,382,610)
Net assets/(liabilities)	<u>4,888,622</u>	<u>3,261,551</u>	<u>34,031</u>	<u>(106,745)</u>	<u>67,479</u>	<u>-</u>	<u>8,144,938</u>

Investments in associates and joint ventures	538,790	2,248,698	2,764	(3,004)	50,257	-	2,837,505
Additions to non-current assets ⁽³⁾	83,560	247,221	338	41,507	1,807	-	374,433

Geographical information ⁽⁴⁾

	Singapore \$'000	China \$'000	Other Countries \$'000	Total \$'000
External sales	528,408	598,798	369,971	1,497,177
Non-current assets ⁽⁵⁾	2,538,343	1,553,536	725,781	4,817,660

Notes:

- "Others" include corporate services, property services and others.
- EBITDA refers to profit before interest, taxation, depreciation charge, amortisation charge, share of results of associates and joint ventures, divestment gains, fair value gains, and other gains.
- Additions to non-current assets comprise investments in associates and joint ventures, purchase of fixed assets and expenditure on investment properties.
- The geographical information on external sales and non-current assets is determined based on the geographical location of the properties.
- Non-current assets comprise fixed assets, investment properties, amounts owing by associates and joint ventures, investments and other non-current assets.

2013	Property Trading \$'000	Property Investment \$'000	Fund Management \$'000	Hotels and Resorts \$'000	Others ⁽¹⁾ \$'000	Inter-segment Elimination \$'000	Total \$'000
Sales							
External sales	1,229,102	47,181	94,123	67,153	23,489	-	1,461,048
Inter-segment sales	1,407	1,667	-	4,975	94,724	(102,773)	-
Total	<u>1,230,509</u>	<u>48,848</u>	<u>94,123</u>	<u>72,128</u>	<u>118,213</u>	<u>(102,773)</u>	<u>1,461,048</u>
Results							
EBITDA ⁽²⁾	192,761	25,745	52,233	22,066	(14,490)	-	278,315
Depreciation charge	(8,533)	(224)	(739)	(3,339)	(2,217)	-	(15,052)
Investment income	400	10,701	-	-	409	-	11,510
Net interest income/ (expenses)	20,612	1,727	258	(3,194)	(16,753)	-	2,650
Share of results of associates and joint ventures	110,956	103,595	4,041	(479)	8,814	-	226,927
Gains from disposal of subsidiaries	160,789	-	-	3,316	-	-	164,105
Fair value gain on call option	-	3,700	-	-	-	-	3,700
Loss on change in interest in an associate	-	(2,443)	-	-	-	-	(2,443)
Pre-tax profit/(loss) before fair value gain on investment properties	<u>476,985</u>	<u>142,801</u>	<u>55,793</u>	<u>18,370</u>	<u>(24,237)</u>	<u>-</u>	<u>669,712</u>
Fair value gain on investment properties	-	331,061	-	-	-	-	331,061
Pre-tax profit/(loss) after fair value gain on investment properties	<u>476,985</u>	<u>473,862</u>	<u>55,793</u>	<u>18,370</u>	<u>(24,237)</u>	<u>-</u>	<u>1,000,773</u>
Taxation	(64,529)	(18,650)	(9,076)	(3,250)	(1,314)	-	(96,819)
Profit/(loss) for the year	<u>412,456</u>	<u>455,212</u>	<u>46,717</u>	<u>15,120</u>	<u>(25,551)</u>	<u>-</u>	<u>903,954</u>
Non-controlling interests	7,818	(27,034)	-	1,070	84	-	(18,062)
Net profit/(loss)	<u>420,274</u>	<u>428,178</u>	<u>46,717</u>	<u>16,190</u>	<u>(25,467)</u>	<u>-</u>	<u>885,892</u>

32. Segment Reporting (continued)

2013 (continued)	Property Trading \$'000	Property Investment \$'000	Fund Management \$'000	Hotels and Resorts \$'000	Others ⁽¹⁾ \$'000	Inter-segment Elimination \$'000	Total \$'000
Other information							
Segment assets	8,659,110	4,203,994	83,379	158,944	4,185,046	(3,467,946)	13,822,527
Segment liabilities	(4,256,672)	(787,486)	(34,103)	(254,537)	(4,472,088)	3,467,946	(6,336,940)
Net assets/(liabilities)	<u>4,402,438</u>	<u>3,416,508</u>	<u>49,276</u>	<u>(95,593)</u>	<u>(287,042)</u>	<u>-</u>	<u>7,485,587</u>

Investments in associates and joint ventures	476,106	2,399,986	2,809	(3,002)	41,689	-	2,917,588
Additions to non-current assets ⁽³⁾	21,842	199,622	367	32,457	1,869	-	256,157

Geographical information⁽⁴⁾

	Singapore \$'000	China \$'000	Other Countries \$'000	Total \$'000
External sales	663,205	585,901	211,942	1,461,048
Non-current assets ⁽⁵⁾	3,692,166	1,435,448	568,645	5,696,259

Notes:

- "Others" include corporate services, property services and others.
- EBITDA refers to profit before interest, taxation, depreciation charge, amortisation charge, share of results of associates and joint ventures, divestment gains, fair value gains, and other gains/(losses).
- Additions to non-current assets comprise investments in associates and joint ventures, purchase of fixed assets and expenditure on investment properties.
- The geographical information on external sales and non-current assets is determined based on the geographical location of the properties.
- Non-current assets comprise fixed assets, investment properties, amounts owing by associates and joint ventures, investments and other non-current assets.

33. Capital and Lease Commitments

	GROUP	
	2014 \$'000	2013 \$'000
(a) Estimated development costs for properties held for sale:		
(i) Contracted for	1,391,757	1,594,679
(ii) Not contracted for	1,348,825	2,601,328
	2,740,582	4,196,007
Non-controlling interests	(208,383)	(223,873)
	2,532,199	3,972,134
(b) Estimated funding in associates for project developments	316,116	413,481
(c) Estimated funding in joint ventures for project developments	131,440	1,026
(d) Capital expenditure contracted on investment properties	312,707	331,351
Non-controlling interests	(119,404)	(121,858)
	193,303	209,493
(e) Other capital expenditure	128,210	149,164
(f) Operating lease commitments - as lessor:		

The Group has entered into leases on its properties. The future minimum rental income receivable under significant non-cancellable leases are as follows:

	GROUP	
	2014 \$'000	2013 \$'000
Within 1 year	28,851	45,016
Between 1 to 5 years	31,143	36,067
After 5 years	37,638	37,060
	97,632	118,143

Generally, the Group's non-cancellable leases are for terms of 3 to 5 years (2013: 3 years).

- (g) Operating lease commitments - as lessee:

The Group has entered into various commercial leases on certain land parcels and office premises. Minimum lease payments recognised as an expense during the year was \$12,415,000 (2013: \$11,723,000). The future minimum rental expense payable under significant non-cancellable leases are as follows:

	GROUP	
	2014 \$'000	2013 \$'000
Within 1 year	12,883	10,928
Between 1 to 5 years	15,244	19,581
After 5 years	49,291	39,053
	77,418	69,562

These leases have a tenure of substantially between 5 to 50 years (2013: 5 to 50 years).

34. Contingent Liabilities

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Unsecured guarantees given to financial institutions in connection with facilities given to:				
(a) Subsidiaries	-	-	459,770	576,478
(b) Associates and joint ventures	53,319	21,591	52,493	19,735
	53,319	21,591	512,263	596,213

The financial effects of FRS 39 relating to financial guarantee contracts issued by the Group and the Company are not material to the financial statements and are, therefore not recognised.

No material losses under these guarantees are expected.

35. Significant Related Party Transactions

- (a) In addition to the related party transactions disclosed elsewhere in the financial statements, the Group has the following significant related party transactions with the holding company and related parties:

	GROUP	
	2014 \$'000	2013 \$'000
Transactions with holding company:		
Management fees paid	10,164	7,462
Other service fees paid	165	-
Transactions with related companies:		
Interest income	1,380	603
Interest expense:		
Charged to profit and loss account	166	121
Capitalised under development cost	22	1,168
Foreign exchange transactions	130,231	165,593
Management fees paid	541	631
Rental income	80	80
Other products and service fees paid	1,956	2,701
Transactions with the Group's associates and joint ventures:		
Interest income	10,815	11,719
Interest expense capitalised under development cost	-	1,810
Rental expense	6,876	6,625
Project development and management fees received	4,001	3,575
Property management fees received	4,243	4,043
Marketing commission received	4,286	15,250
Management and support service fees received	2,558	2,982
Asset management fees received	60,073	46,869
Consideration for acquisition of land from an associate	-	49,345

- (b) Transactions entered into by the Group with the Temasek Group:

	GROUP	
	2014 \$'000	2013 \$'000
Interest expense	-	883
Rental received	-	107

- (c) Transactions entered into by the Group with the Directors of the Company:

	GROUP	
	2014 \$'000	2013 \$'000
Consideration for the sale of a unit in a Singapore residential development to an immediate family member of a Director of the Company at prevailing prices applicable to third parties	-	10,307

- (d) Other related party transactions:

	GROUP	
	2014 \$'000	2013 \$'000
(i) Subscription of 4.9% interest in an associate of the holding company	40,236	-
(ii) Consideration for the disposal of assets by an associate to an associate of the holding company (the Group's 30% share)	127,440	-

The related party transactions in (a), (b) and (d)(ii) above are entered into in the normal course of business based on terms agreed between the parties.

36. Financial Risk Management

The Group operates primarily in Singapore, China, Indonesia and Vietnam, and is exposed to a variety of financial risks pertaining to changes in interest rates, fluctuations in currency exchange rates, credit and liquidity risks. The Group's overall risk management strategy seeks to minimise the adverse effects from the unpredictability of financial markets on the Group's profit. The Group uses financial instruments such as currency forwards, interest rate swaps, interest rate caps and foreign currency borrowings to hedge certain financial risk exposures whenever it is appropriate.

Assessment of financial risks is carried out regularly by management and reported to the Board Risk Committee, which will review and guide management on the Group's risk profile, risk identification, management of significant risks, risk mitigation strategies, and risk policies.

36. Financial Risk Management (continued)

The risk management policies are summarised as follows:

(a) Interest Rate Risk

The Group's exposure to changes in interest rates is in respect of debt obligations and deposits with related companies and financial institutions.

The interest rate management policy is aimed at optimising net interest cost and reducing volatility. The Group borrows a mix of fixed and variable rate debts with varying tenors, and also uses interest rate swaps and caps to hedge against changes in interest rates on the underlying debt obligations whenever it is appropriate.

The Group enters into interest rate swap agreements to hedge the interest rate risk exposure arising from certain variable rate term loans denominated in Singapore dollar, United States dollar and Renminbi. The Group receives variable rates based on SOR, LIBOR or SHIBOR and pays fixed rates ranging from 0.85% to 4.90% (2013: 1.27% to 1.50%) on the notional amounts. The cash flows occur on a quarterly basis until the maturities of the borrowings which are due within five years. The Group classifies these interest rate swaps as cash flow hedges.

As at 31 December 2014, the Group has interest rate swap agreements with notional amount totalling \$898,140,275 (2013: \$676,800,000). The net positive fair value of interest rate swaps for the Group is \$2,743,000 (2013: \$4,901,000) comprising assets of \$4,427,000 (2013: \$4,901,000) and liabilities of \$1,684,000 (2013: \$Nil). These amounts are recognised as derivative financial instruments in Notes 20, 26 and 29.

As at 31 December 2014, the Company has interest rate swap agreements with notional amount totalling \$691,200,000 (2013: \$676,800,000). The positive value of interest rate swaps for the Company is \$4,048,000 (2013: \$4,901,000). These amounts are recognised as derivative financial instruments in Notes 20 and 26.

Sensitivity analysis for interest rate risk:

The Group's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in Singapore dollar and United States dollar. If interest rates increase/decrease by 0.5% (2013: 0.5%) with all other variables, including tax rate, being held constant, the Group's profit after taxation will be lower/higher by \$5,906,000 (2013: \$7,204,000).

(b) Foreign Currency Risk

Foreign currency risk arises when transactions are denominated in currencies other than the respective functional currencies of the various entities in the Group, and such changes will impact the Group's profit.

As at 31 December 2014, the Group has outstanding forward currency contracts of nominal amounts of US\$40 million (2013: US\$65 million) to hedge its risk in respect of management fees receivables in this currency. These forward currency contracts will be settled in 2015. The derivative liabilities on these forward contracts of \$1,523,000 (2013: \$1,601,000) are as shown in Note 29.

In addition, the Group is exposed to foreign currency movements on its net investment in foreign subsidiaries, associates and joint ventures, which generate revenue and incur costs denominated in foreign currencies; and such changes impact the results and reserves of the Group. This currency exposure is, as practicable as possible, managed through borrowings in the same currencies in which the assets are denominated.

As at 31 December 2014, the Group has borrowings of US\$696 million (2013: US\$746 million) which have been designated as hedges of the net investments in foreign operations. Exchange differences arising on translation of these borrowings are recognised in other comprehensive income, to the extent that the hedges are effective, to offset the exchange differences on translation of the net investments in the foreign operations.

The carrying amounts of significant financial assets and financial liabilities denominated in currencies other than the functional currencies of the respective entities are as follows:

	2014				2013			
	United States Dollar (USD) \$'000	Renminbi (RMB) \$'000	Indonesian Rupiah (IDR) \$'000	Vietnamese Dong (VND) \$'000	United States Dollar (USD) \$'000	Renminbi (RMB) \$'000	Indonesian Rupiah (IDR) \$'000	Vietnamese Dong (VND) \$'000
Financial Assets								
Debtors	10,167	184	842	1,328	3,615	144	100	622
Cash and cash equivalents	123,144	3,933	409	4,999	218,440	188	1,506	5,306
Long-term investments	149,024	-	-	-	123,153	-	-	-
Financial Liabilities								
Creditors	(56,860)	(161)	(1,460)	(2,052)	(63,568)	(212)	(2,017)	(2,009)
Borrowings	(971,189)	(6,360)	-	-	(1,012,964)	(14,645)	-	-

Sensitivity analysis for currency risk:

If the relevant foreign currencies change against the respective functional currencies of the Group entities by 5% (2013: 5%) with all other variables, including tax rate, being held constant, the effect arising from the net financial assets/liabilities position will be as follows:

	Profit after Taxation Increase/(Decrease)		Equity Increase/(Decrease)	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
USD against SGD				
- strengthened	563	4,125	(37,848)	(40,691)
- weakened	(563)	(4,125)	37,848	40,691
RMB against SGD				
- strengthened	198	(726)	(318)	-
- weakened	(198)	726	318	-
IDR against SGD				
- strengthened	(10)	(21)	-	-
- weakened	10	21	-	-
VND against USD				
- strengthened	214	196	-	-
- weakened	(214)	(196)	-	-

36. Financial Risk Management (continued)**(c) Credit Risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

Trade debtors comprise mainly the Group's customers who bought residential units and tenants of commercial properties.

Bank deposits are mainly deposits with banks that meet appropriate credit criteria.

The following situations may give rise to credit risk:

- (i) That the tenants of investment properties and purchasers of development properties may default on their obligations to pay the amounts owing to the Group.
 - (a) For investment properties, the Group manages credit risks arising from tenants defaulting on their rental by requiring the tenants to furnish cash deposits, and/or banker's guarantees. The Group also has a policy of regular review of debt collection and rental contracts are entered into with customers with an appropriate credit history.
 - (b) For trading properties, the Group generally has the following recourse:
 - Forfeiture of instalments paid; and
 - Re-sale of the re-possessed properties and claim against the purchasers for any shortfall from the re-sale.
- (ii) That a counterparty will default on its contractual obligations under financial instrument contracts resulting in financial loss to the Group. It is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Group. It is also the Group's policy to enter into financial instrument contracts with a diversity of prime financial institutions and creditworthy parties. Credit risks are monitored on an ongoing basis.

As at 31 December 2014 and 2013, there was no significant concentration of credit risks other than the deposits placed with related companies as disclosed in Note 28.

The maximum exposure to credit risk is the carrying amount of financial assets which are mainly trade and other debtors, amounts owing by holding company and related parties, cash and cash equivalents, amounts owing by associates and joint ventures, other non-current assets and financial guarantees.

(d) Liquidity Risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group manages the liquidity risk by maintaining sufficient cash, internally generated cash flows, and the availability of funding resources through adequate committed credit facilities. The Group also maintains a mix of short-term money market borrowings as well as the ability to tap the capital market through the MTN Programmes and convertible bonds to fund working capital requirements and capital expenditure/ investments.

The following table summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the balance sheet date based on contractual undiscounted repayment obligations, including interest payables.

	2014				2013			
	Within 1 Year \$'000	Between 1 to 5 Years \$'000	After 5 Years \$'000	Total \$'000	Within 1 Year \$'000	Between 1 to 5 Years \$'000	After 5 Years \$'000	Total \$'000
GROUP								
Financial Assets								
Other non-current assets	-	4,048	109,500	113,548	-	-	109,300	109,300
Long-term investments	-	50,947	140,324	191,271	-	65,240	57,971	123,211
Debtors (excluding non-financial assets)	481,729	-	-	481,729	361,812	-	-	361,812
Amounts owing by holding company and related parties	71,645	98,055	-	169,700	55,480	652,109	-	707,589
Cash and cash equivalents	2,593,719	-	-	2,593,719	1,285,350	-	-	1,285,350
	3,147,093	153,050	249,824	3,549,967	1,702,642	717,349	167,271	2,587,262
Financial Liabilities								
Creditors (excluding non-financial liabilities)	1,313,582	-	-	1,313,582	1,387,387	-	-	1,387,387
Amounts owing to holding company and related parties	26,792	-	-	26,792	7,881	-	-	7,881
Other non-current liabilities	251	72,846	-	73,097	1,478	55,551	9,312	66,341
Borrowings	1,153,872	2,989,903	474,519	4,618,294	377,397	3,441,118	709,564	4,528,079
	2,494,497	3,062,749	474,519	6,031,765	1,774,143	3,496,669	718,876	5,989,688
Total net undiscounted financial assets/ (liabilities)	652,596	(2,909,699)	(224,695)	(2,481,798)	(71,501)	(2,779,320)	(551,605)	(3,402,426)

36. Financial Risk Management (continued)**(d) Liquidity Risk** (continued)

	2014				2013			
	Within 1 Year \$'000	Between 1 to 5 Years \$'000	After 5 Years \$'000	Total \$'000	Within 1 Year \$'000	Between 1 to 5 Years \$'000	After 5 Years \$'000	Total \$'000
COMPANY								
Financial Assets								
Other non-current asset	-	4,048	-	4,048	-	-	-	-
Long-term investments	-	-	12,264	12,264	-	-	10,931	10,931
Debtors (excluding non-financial assets)	2	-	-	2	4,903	-	-	4,903
Amounts owing by holding company and related parties	7,599,153	-	-	7,599,153	6,605,581	-	-	6,605,581
Cash and cash equivalents	4,001	-	-	4,001	3,764	-	-	3,764
	7,603,156	4,048	12,264	7,619,468	6,614,248	-	10,931	6,625,179
Financial Liabilities								
Creditors	20,537	-	-	20,537	20,436	-	-	20,436
Amounts owing to holding company and related parties	1,536,615	-	-	1,536,615	654,179	-	-	654,179
Borrowings	947,045	1,563,822	474,519	2,985,386	73,054	2,544,248	385,864	3,003,166
	2,504,197	1,563,822	474,519	4,542,538	747,669	2,544,248	385,864	3,677,781
Total net undiscounted financial assets/ (liabilities)	5,098,959	(1,559,774)	(462,255)	3,076,930	5,866,579	(2,544,248)	(374,933)	2,947,398

The following table shows the contractual expiry by maturity of the Group's and Company's contingent liabilities. The maximum amounts that the Group and the Company could be called upon under the financial guarantee contracts, if the full guaranteed amount is claimed by the counterparty, are as disclosed in Note 34. They are allocated to the earliest period in which the guarantee could be called upon.

	2014				2013			
	Within 1 Year \$'000	Between 1 to 5 Years \$'000	After 5 Years \$'000	Total \$'000	Within 1 Year \$'000	Between 1 to 5 Years \$'000	After 5 Years \$'000	Total \$'000
GROUP								
Financial guarantees	826	52,493	-	53,319	3,213	18,378	-	21,591
COMPANY								
Financial guarantees	46,735	465,528	-	512,263	220,503	61,710	314,000	596,213

(e) Categories of Financial Assets and Financial Liabilities

The following table sets out the financial instruments as at the balance sheet date:

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial Assets				
Available-for-sale financial assets	191,271	123,211	12,264	10,931
Derivative financial instruments	113,927	114,201	4,048	4,901
Loans and receivables (including cash and cash equivalents)	3,244,769	2,349,850	7,603,156	6,609,347
Financial Liabilities				
Derivative financial instruments	3,207	1,601	-	-
Liabilities carried at amortised carrying value	5,606,356	5,605,803	4,270,202	3,418,424

(f) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on the net debt-equity ratio, which is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and cash equivalents, and total capital is calculated as equity including non-controlling interests in subsidiaries.

	GROUP		COMPANY	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Net debt	1,609,289	2,867,674	2,709,049	2,740,045
Total capital	8,144,938	7,485,587	4,737,145	4,598,475
Net debt-equity ratio (times)	0.20	0.38	0.57	0.60

37. Fair Value of Financial Assets and Liabilities**(a) Fair Value Hierarchy**

The Group classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. There are three fair value hierarchy levels, as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Unobservable inputs for the asset or liability.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

37. Fair Value of Financial Assets and Liabilities (continued)**(b) Assets and Liabilities Measured at Fair Value**

The following table shows an analysis of assets and liabilities carried at fair value by fair value hierarchy level:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
GROUP				
2014				
<u>Financial Assets</u>				
Available-for-sale financial assets				
- Quoted equity investments	42,240	-	-	42,240
- Unquoted equity investments	-	-	149,031	149,031
Derivative financial instruments				
- Call option	-	-	109,500	109,500
- Interest rate swaps	-	4,427	-	4,427
	<u>42,240</u>	<u>4,427</u>	<u>258,531</u>	<u>305,198</u>
<u>Financial Liabilities</u>				
Derivative financial instruments				
- Forward currency contracts	-	1,523	-	1,523
- Interest rate swaps	-	1,684	-	1,684
	<u>-</u>	<u>3,207</u>	<u>-</u>	<u>3,207</u>
<u>Non-financial Assets</u>				
Investment properties				
- Commercial, completed	-	-	131,607	131,607
- Commercial, under construction	-	-	952,017	952,017
- Residential, completed	-	123,500	-	123,500
	<u>-</u>	<u>123,500</u>	<u>1,083,624</u>	<u>1,207,124</u>
2013				
<u>Financial Assets</u>				
Available-for-sale financial assets				
- Quoted equity investments	52	-	-	52
- Unquoted equity investments	-	-	123,159	123,159
Derivative financial instruments				
- Call option	-	-	109,300	109,300
- Interest rate swaps	-	4,901	-	4,901
	<u>52</u>	<u>4,901</u>	<u>232,459</u>	<u>237,412</u>
<u>Financial Liabilities</u>				
Derivative financial instruments				
- Forward currency contracts	-	1,601	-	1,601
	<u>-</u>	<u>1,601</u>	<u>-</u>	<u>1,601</u>
<u>Non-financial Assets</u>				
Investment properties				
- Commercial, completed	-	-	585,573	585,573
- Commercial, under construction	-	-	845,726	845,726
- Residential, completed	-	136,910	-	136,910
	<u>-</u>	<u>136,910</u>	<u>1,431,299</u>	<u>1,568,209</u>

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
COMPANY				
2014				
Financial Assets				
Available-for-sale financial assets				
- Unquoted equity investments	-	-	12,264	12,264
Derivative financial instruments				
- Interest rate swaps	-	4,048	-	4,048
	<u>-</u>	<u>4,048</u>	<u>12,264</u>	<u>16,312</u>
2013				
Financial Assets				
Available-for-sale financial assets				
- Unquoted equity investments	-	-	10,931	10,931
Derivative financial instruments				
- Interest rate swaps	-	4,901	-	4,901
	<u>-</u>	<u>4,901</u>	<u>10,931</u>	<u>15,832</u>

There have been no transfers between Level 1, Level 2 and Level 3 during 2014 and 2013.

(c) Level 1 Fair Value Measurement

The fair value of quoted equity investments are determined directly by reference to their published market bid price at the balance sheet date.

(d) Level 2 Fair Value Measurement

Forward currency contracts and interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves.

The fair value of residential investment property is based on comparable market transactions that consider sales of similar properties that have been transacted in the open market. The most significant input into this valuation approach is selling price per square foot.

37. Fair Value of Financial Assets and Liabilities (continued)**(e) Level 3 Fair Value Measurement****(i) Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements**

The following table presents the information about fair value measurements using significant unobservable inputs:

Description	Fair Value \$'000	Valuation Techniques	Unobservable Inputs	Range
2014				
Available-for-sale financial assets				
- Unquoted equity investments	149,031	Net asset value ⁽¹⁾	Not applicable	Not applicable
Derivative financial instruments				
- Call option	109,500	Direct comparison method and investment method ⁽²⁾	Transacted price of comparable properties (psf) Capitalisation rate	\$2,200 to \$3,280 3.50% to 3.75%
Investment properties				
- Commercial, completed	131,607	Investment method and/or discounted cash flow method ⁽²⁾	Discount rate Terminal yield Capitalisation rate	9.00% to 14.99% 10.41% to 11.15% 7.00% to 11.14%
- Commercial, under construction	952,017	Direct comparison method and/or residual value method ⁽³⁾	Price of comparable land plots (psm) Gross development value (\$'million)	\$10,075 to \$11,289 \$598 to \$893
2013				
Available-for-sale financial assets				
- Unquoted equity investments	123,159	Net asset value ⁽¹⁾	Not applicable	Not applicable
Derivative financial instruments				
- Call option	109,300	Direct comparison method and investment method ⁽²⁾	Transacted price of comparable properties (psf) Capitalisation rate	\$2,750 to \$3,000 3.50% to 4.00%
Investment properties				
- Commercial, completed	585,573	Direct comparison method, investment method and/or discounted cash flow method ⁽²⁾	Discount rate Transacted price of comparable properties (psf) Terminal yield Capitalisation rate	10.70% to 14.04% \$1,850 to \$1,950 9.40% to 12.00% 4.00% to 10.50%
- Commercial, under construction	845,726	Direct comparison method and/or residual value method ⁽³⁾	Price of comparable land plots (psm) Gross development value (\$'million)	\$4,242 to \$4,566 \$567 to \$847

Notes:

1. The fair value of unquoted equity investments is determined by reference to the underlying assets value of the investee companies, which comprise mainly investment properties stated at fair value.
2. The yield adjustments are made for any difference in the nature, location or condition of the specific property.
3. In determining the fair value for commercial investment properties under construction, the valuers have considered the direct comparison method and/or residual value method to determine the fair value of the land.

The valuations of the call option and completed commercial investment properties are generally sensitive to changes in yield and rental rates. A significant increase/decrease in yield and rental adjustments based on management's assumptions would result in a significantly higher/lower fair value measurement.

The valuations of commercial investment properties under construction are generally sensitive to changes in construction costs and interest rates. A significant increase/decrease in estimates of construction costs and interest rates based on management's assumptions would result in a significantly lower/higher fair value measurement.

Management considers that changing one or more of the significant unobservable inputs used to other reasonably possible alternative assumptions would not result in a significant change in the estimated fair value.

(ii) Movements in Level 3 Assets Measured at Fair Value

The following table presents the reconciliation for all assets measured at fair value based on significant unobservable inputs:

	Available-for-sale Financial Assets	Derivative Financial Instruments	Investment Properties		Total \$'000
	Unquoted Equity Investments \$'000	Call Option \$'000	Commercial, Completed \$'000	Commercial, Under Construction \$'000	
GROUP					
At 1 January 2014	123,159	109,300	585,573	845,726	1,663,758
Net fair value gain recognised in other comprehensive income	9,223	-	-	-	9,223
Fair value gain/(loss) recognised in profit and loss account	-	200	(2,686)	51,319	48,833
Development expenditure	-	-	30	29,583	29,613
Additions	32,594	-	-	-	32,594
Redemption of shares	(15,946)	-	-	-	(15,946)
Disposal	-	-	(454,712)	-	(454,712)
Exchange differences on consolidation	1	-	3,402	25,389	28,792
At 31 December 2014	<u>149,031</u>	<u>109,500</u>	<u>131,607</u>	<u>952,017</u>	<u>1,342,155</u>
At 1 January 2013	142,817	105,600	539,486	758,831	1,546,734
Net fair value loss recognised in other comprehensive income	(5,863)	-	-	-	(5,863)
Fair value gain recognised in profit and loss account	-	3,700	69,568	14,060	87,328
Development expenditure	-	-	287	34,789	35,076
Reclassification	-	-	(3,280)	3,280	-
Redemption of shares	(13,772)	-	-	-	(13,772)
Reclassified to properties held for sale	-	-	(9,200)	-	(9,200)
Exchange differences on consolidation	(23)	-	(11,288)	34,766	23,455
At 31 December 2013	<u>123,159</u>	<u>109,300</u>	<u>585,573</u>	<u>845,726</u>	<u>1,663,758</u>

37. Fair Value of Financial Assets and Liabilities (continued)**(e) Level 3 Fair Value Measurement** (continued)**(ii) Movements in Level 3 Assets Measured at Fair Value** (continued)

	Available-for-sale Financial Assets Unquoted Equity Investments \$'000
COMPANY	
At 1 January 2014	10,931
Net fair value gain recognised in other comprehensive income	1,333
At 31 December 2014	<u>12,264</u>
At 1 January 2013	9,744
Net fair value gain recognised in other comprehensive income	1,187
At 31 December 2013	<u>10,931</u>

(iii) Valuation Policies and Procedures

The assessment of the fair value of unquoted equity investments is performed by the Group's finance department on a quarterly basis. The assessment of the fair value of the call option and investment properties is performed by the Group's operation teams on an annual basis.

The Group revalues its investment property portfolio on an annual basis. The fair value of investment properties is determined by external, independent professional valuers which have appropriate recognised professional qualifications and experience in the location and category of property being valued. Management reviews the appropriateness of the valuation methodologies and assumptions adopted, and the reliability of the inputs used in the valuations.

(f) Assets and Liabilities not Carried at Fair Value but for Which Fair Value is Disclosed

The carrying amounts of the following financial assets and liabilities of the Group and Company approximate their fair values due to their short-term nature: Cash and cash equivalents, trade and other debtors, trade and other creditors, amounts owing by/to holding company and related parties and short-term borrowings.

The fair values of long-term borrowings, other non-current liabilities and investment in a listed associate are as stated below. The long-term borrowings and other non-current liabilities are estimated using discounted cash flow analysis based on current rates for similar types of borrowing arrangements. The fair value of the investment in a listed associate is determined by reference to the published market bid price at the balance sheet date.

	2014			2013		
	Carrying Amount \$'000	Fair Value Level 1 \$'000	Level 3 \$'000	Carrying Amount \$'000	Fair Value Level 1 \$'000	Level 3 \$'000
GROUP						
Investment in a listed associate	1,827,599	1,737,167	-	1,562,816	1,465,900	-
Long-term borrowings	3,147,338	-	3,179,696	3,869,749	-	3,907,249
Other non-current liabilities	66,181	-	66,585	59,112	-	58,882
COMPANY						
Long-term borrowings	1,827,556	-	1,853,232	2,729,164	-	2,765,722

Amounts owing by associates and joint ventures are charged at floating interest rates and their carrying amounts approximate their fair values.

38. Events Occurring After the Reporting Period

- (a) On 2 January 2015, the Group announced that its wholly-owned subsidiary, Straits Property Management Pte Ltd, has entered into an agreement to acquire a 75% interest in Array Real Estate Pte. Ltd. ("Array") from Array Holdings Private Limited ("AHPL") for a cash consideration of \$4.5 million. The remaining 25% stake will continue to be held by AHPL. The principal activities of Array and its four wholly-owned subsidiaries, Array Consultancy Pte. Ltd., Guthrie Realty Pte. Ltd., Guthrie Construction & Retrofitting (S) Pte Ltd and Guthrie Mall Management Services Co., Ltd, are the provision of retail mall management services, project management services, retail properties marketing and leasing services.

The acquisition is not expected to have a material impact on the net tangible assets per share or earnings per share of the Group for the financial year ending 31 December 2015.

- (b) On 18 January 2015, the Group announced that it has signed a conditional agreement to secure a 4.6 hectares site for approximately IDR381.9 billion (approximately \$40.2 million) in West Jakarta, Indonesia. The Group will subsequently enter into a sales and purchase agreement for the site to develop a high-rise condominium with ancillary shop houses and shop units.

The transaction, if completed, is not expected to have a material impact on the net tangible assets per share or earnings per share of the Group for the financial year ending 31 December 2015.

- (c) On 23 January 2015, Keppel Corporation Limited ("KCL") announced that it intends to make a voluntary unconditional cash offer for all the issued ordinary shares of the Company other than those already owned, controlled or agreed to be acquired by KCL as at the date of the offer. The detail of the offer can be found in the Offer Document dated 12 February 2015 issued by KCL. As at the date of the financial statements, the transaction has not been completed.

- (d) On 9 February 2015, the Group announced that it has entered into a sales and purchase agreement with Aberdeen Property Trust to acquire a freehold nine-storey office building in the City of London at 75 King William Street for GBP91 million (approximately \$186 million).

The transaction is not expected to have any material impact on the net tangible assets per share or earnings per share of the Group for the financial year ending 31 December 2015.

- (e) On 11 February 2015, the Group announced that its wholly-owned subsidiary, Keppel Land China Limited ("Keppel Land China"), has entered into an agreement with its partner and China's leading developer, China Vanke Co., Ltd ("Vanke"), to jointly develop a 16.7 hectares prime residential site in Chengdu, China.

Keppel Land China and Vanke will respectively hold 35% and 55% stakes in a property company that owns the site, while the remaining 10% stake will continue to be held by the previous site owner. The total development cost for the project is expected to be RMB4.9 billion (approximately \$1.1 billion).

The transaction is not expected to have any material impact on the net tangible assets per share or earnings per share of the Group for the financial year ending 31 December 2015.

39. Future Changes In Accounting Policies

The Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for Annual Periods Beginning on or after
Amendments to FRS 19 <i>Defined Benefit Plans: Employee Contributions</i>	1 July 2014
Improvements to FRSs (January 2014)	
- Amendment to FRS 102 <i>Share-Based Payment</i>	1 July 2014
- Amendment to FRS 103 <i>Business Combinations</i>	1 July 2014
- Amendments to FRS 108 <i>Operating Segments</i>	1 July 2014
- Amendment to FRS 16 <i>Property, Plant and Equipment</i>	1 July 2014
- Amendment to FRS 24 <i>Related Party Disclosures</i>	1 July 2014
- Amendment to FRS 38 <i>Intangible Assets</i>	1 July 2014
Improvements to FRSs (February 2014)	
- Amendment to FRS 103 <i>Business Combinations</i>	1 July 2014
- Amendment to FRS 113 <i>Fair Value Measurement</i>	1 July 2014
- Amendment to FRS 40 <i>Investment Property</i>	1 July 2014
Amendments to FRS 27 <i>Equity Method in Separate Financial Statements</i>	1 January 2016
Amendments to FRS 16 and FRS 38 <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>	1 January 2016
Amendments to FRS 111 <i>Accounting for Acquisitions of Interests in Joint Operations</i>	1 January 2016
Amendments to FRS 110 and FRS 28 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	1 January 2016
FRS 115 <i>Revenue from Contracts with Customers</i>	1 January 2017
FRS 109 <i>Financial Instruments</i>	1 January 2018
Improvements to FRSs (November 2014)	
- Amendment to FRS 105 <i>Non-current Assets Held for Sale and Discontinued Operations</i>	1 January 2016
- Amendment to FRS 107 <i>Financial Instruments: Disclosures</i>	1 January 2016
- Amendment to FRS 19 <i>Employee Benefits</i>	1 January 2016
- Amendment to FRS 34 <i>Interim Financial Reporting</i>	1 January 2016
Amendments to FRS 1 <i>Disclosure Initiative</i>	1 January 2016
Amendments to FRS 110, FRS 111 and FRS 28 <i>Investment Entities: Applying the Consolidation Exception</i>	1 January 2016

The Group expects the adoption of the standards above will have no material impact on the financial statements in the period of initial application except for FRS 115 and FRS 109. The Group is currently determining the impact of these standards.

40. Significant Group Companies

Information relating to the significant subsidiaries consolidated in these financial statements and the significant associates and joint ventures whose results are included in the financial statements is given on pages 226 to 231.

Significant Subsidiaries, Associates, and Joint Ventures

For the financial year ended 31 December 2014

	Effective Equity Interest 2014 %	2013 %	Country of Incorporation/ Place of Business	Principal Activities
Subsidiaries				
Alpha Investment Partners Limited	100	100	Singapore	Fund management
Bayfront Development Pte Ltd*	100	100	Singapore	Investment holding
Bintan Bay Resort Pte Ltd*	90	90	Singapore	Investment holding
Castlehigh Pte Ltd	100	100	Singapore	Investment holding
Cesario Pte Ltd*	100	100	Singapore	Investment holding
Crystal Rise Investment Pte Ltd*	100	100	Singapore	Investment holding
DC REIT Holdings Pte Ltd* (formerly known as Acresvale Investment Pte Ltd)	100	100	Singapore	Investment holding
D.L. Properties Ltd	65	65	Singapore	Property investment
Da Di Investment Pte Ltd*	100	100	Singapore	Investment holding
Dattson Pte Ltd	100	100	Singapore	Investment holding
Domenico Pte Ltd	100	100	Singapore	Investment holding
Denton Investment Pte Ltd	100	100	Singapore	Investment holding
Evergro Properties Limited*	100	100	Singapore	Investment holding
Elaenia Pte Ltd			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Flemmington Investments Pte Ltd*	100	100	Singapore	Investment holding
Floraville Estate Pte Ltd*	100	100	Singapore	Investment holding
Greenfield Development Pte Ltd			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Harvestland Development Pte Ltd*	100	100	Singapore	Property development
Hillsvale Resort Pte Ltd*	100	100	Singapore	Investment holding
Hillwest Pte Ltd*	100	100	Singapore	Investment holding
Keppel REIT Investment Pte Ltd*	100	100	Singapore	Investment holding
Keppel REIT Management Limited	100	100	Singapore	Property fund management
Keppel REIT Property Management Pte Ltd	100	100	Singapore	Property management services
KeplandeHub Limited			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Keppel China Marina Holdings Pte Ltd*	100	100	Singapore	Investment holding
Keppel China Township Development Pte Ltd*			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Keppel Digihub Holdings Ltd*	100	100	Singapore	Investment, management and holding company
Keppel Land China Limited	100	100	Singapore	Investment holding
Keppel Land Financial Services Pte Ltd	100	100	Singapore	Financial services
Keppel Land International Limited			Singapore	Property services
Ordinary shares	100	100		
Preference shares	100	100		
Keppel Land (Mayfair) Pte Ltd*	100	100	Singapore	Property development

	Effective Equity Interest		Country of Incorporation/ Place of Business	Principal Activities
	2014 %	2013 %		
Subsidiaries (continued)				
Keppel Land Properties Pte Ltd			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Keppel Land Realty Pte Ltd	100	100	Singapore	Property development
Keppel Tianjin Eco-City Investments Pte Ltd*	55	55	Singapore	Investment holding
Keppel Tianjin Eco-City Holdings Pte Ltd*	55	55	Singapore	Investment holding
Kingsdale Development Pte Ltd*	86	86	Singapore	Investment holding
Kingsley Investment Pte Ltd*	100	100	Singapore	Investment holding
Le-Vision Pte Ltd	100	100	Singapore	Investment holding
Mansfield Developments Pte Ltd	100	100	Singapore	Property development
Meadowville Investment Pte Ltd			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Merryfield Investment Pte Ltd*	100	100	Singapore	Investment holding
Ocean & Capital Properties Pte Ltd*	100	100	Singapore	Property investment/ investment holding
Oceansky Pte Ltd*	100	100	Singapore	Investment holding
Oscario Pte Ltd*	100	-	Singapore	Investment holding
OIL (Asia) Pte Ltd			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Parksville Development Pte Ltd*	100	100	Singapore	Property investment
Pasir Panjang Realty Pte Ltd*	100	100	Singapore	Investment holding
Portsville Pte Ltd	100	100	Singapore	Investment holding
Saigon Centre Holdings Pte Ltd			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Keppel Land Hospitality Management Pte Ltd	100	100	Singapore	Hotel and resort management
Sherwood Development Pte Ltd	70	70	Singapore	Property development
Spring City Resort Pte Ltd*			Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Straits Properties Limited	100	100	Singapore	Property development
Straits Property Investments Pte Ltd	100	100	Singapore	Investment holding
Straits-CM Village Hotel Pte Ltd*	39	39	Singapore	Investment holding
Straits-KMP Resort Development Pte Ltd*	46	46	Singapore	Investment holding
Third Dragon Development Pte Ltd*	100	100	Singapore	Investment holding and marketing agent
Wiseland Investment Pte Ltd	100	100	Singapore	Investment holding
Willow Bay Resort Pte Ltd*	86	86	Singapore	Investment holding
Aintree Assets Limited ^(G)	100	100	British Virgin Islands/Asia	Investment holding
Alverno Investments Limited* ^(G)	-	100	British Virgin Islands/Vietnam	Investment holding
Broad Elite Investments Limited* ^(G)	100	100	British Virgin Islands/China	Investment holding

Significant Subsidiaries, Associates, and Joint Ventures

	Effective Equity Interest		Country of Incorporation/ Place of Business	Principal Activities
	2014 %	2013 %		
Subsidiaries (continued)				
Double Peak Holdings Limited ^(G)			British Virgin Islands/Singapore	Investment holding
Ordinary shares	100	100		
Preference shares	100	100		
Jency Limited* ^(G)	90	90	British Virgin Islands/Vietnam	Investment holding
Pembury Properties Limited* ^(G)	100	100	British Virgin Islands/Singapore	Investment holding
Saigon Centre Investment Limited* ^(G)	100	100	British Virgin Islands/Hong Kong	Investment holding
Success View Enterprises Limited* ^(G)	55	55	British Virgin Islands/China	Investment holding
Triumph Jubilee Limited* ^(G)	100	100	British Virgin Islands/China	Investment holding
Beijing Aether Property Development Ltd* ^(F)	51	51	China	Property investment
Beijing Kingsley Property Development Co Ltd* ^(F)	100	100	China	Property development
Changzhou Fushi Housing Development Pte Ltd* ^(F)	100	100	China	Property development
Chengdu Hillwest Development Co Ltd* ^(F)	100	100	China	Property development
Chengdu Hillstreet Development Co Ltd* ^(F)	100	100	China	Property development
Chengdu Hilltop Development Co Ltd* ^(F)	100	100	China	Property development
Chengdu Shengshi Jingwei Real Estate Co Ltd* ^(F)	100	100	China	Property development
Jiangyin Evergro Properties Co Ltd* ^(F)	99	99	China	Property development
Jiangyin Yangtze International Country Club Co Ltd* ^(F)	95	95	China	Golf club operations
Keppel Bay Property Development (Shenyang) Co Ltd* ^(F)	100	100	China	Property development
Keppel Heights (Wuxi) Property Development Co Ltd* ^(F)	100	100	China	Property development
Keppel Hong Da (Tianjin Eco-City) Property Development Co Ltd* ^(F)	55	55	China	Property development
Keppel Hong Tai (Tianjin Eco-City) Property Development Co Ltd* ^(F)	55	55	China	Property development
Keppel Hong Xiang (Tianjin Eco-City) Property Development Co Ltd* ^(F)	-	55	China	Property development
Keppel Hong Yao (Tianjin Eco-City) Property Development Co Ltd* ^(F)	-	55	China	Property development
Keppel Hong Teng (Tianjin Eco-City) Property Development Co Ltd* ^(F)	55	55	China	Property development
Keppel Hong Yuan (Tianjin Eco-City) Property Development Co Ltd* ^(F)	55	55	China	Property development
Keppel Lakefront (Nantong) Property Development Co Ltd* ^(F)	100	100	China	Property development
Keppel Lakefront (Wuxi) Property Development Co Ltd* ^(F)	100	100	China	Property development
Keppel Township Development (Shenyang) Co Ltd* ^(F)	100	100	China	Property development
Shanghai Floraville Land Co Ltd* ^(F)	99	99	China	Property development
Shanghai Hongda Property Development Co Ltd* ^(F)	99	99	China	Property development
Shanghai Hongju Trading Co Ltd* ^(F)	99	99	China	Investment holding

	Effective Equity Interest		Country of Incorporation/ Place of Business	Principal Activities
	2014 %	2013 %		
Subsidiaries (continued)				
Shanghai Ji Xiang Land Co Ltd* ^(F)	100	100	China	Property development
Shanghai Jinju Real Estate Development Co Ltd* ^(F)	99	99	China	Property development
Shanghai Maowei Investment Consulting Co Ltd* ^(F)	99	99	China	Investment holding
Shanghai Merryfield Land Co Ltd* ^(F)	99	99	China	Property development
Shanghai Minghong Property Co Ltd* ^(F)	-	99	China	Property development
Shanghai Pasir Panjang Land Co Ltd* ^(F)	99	99	China	Property development
Spring City Golf & Lake Resort Co Ltd* ^(F)	69	69	China	Golf club operations and development, and property development
Sunsea Yacht Club (Zhongshan) Co Ltd* ^(F)	80	80	China	Development of marina lifestyle cum residential properties
Tianjin Fulong Property Development Co Ltd* ^(F)	100	100	China	Property development
Tianjin Fushi Property Development Co Ltd* ^(F)	100	100	China	Property development
Tianjin Keppel Hong Hui Procurement Headquarter Co Ltd* ^(F)	100	100	China	Trading of construction materials
Tianjin Pearl Beach International Country Club Co Ltd* ^(F)	100	100	China	Golf club operations
Aether Ltd* ^(F)	51	51	Hong Kong	Investment holding
Keppel Land (Saigon Centre) Ltd* ^(F)			Hong Kong	Investment holding
Ordinary shares	100	100		
Preference shares (Class A and Class B)	67	67		
Sunseacan Investment (HK) Company Limited* ^(F)	80	80	Hong Kong	Investment holding
Keppel Puravankara Development Pvt Ltd* ^(A)	51	51	India	Property development
PT Harapan Global Niaga* ^(A)	100	-	Indonesia	Property development
PT Kepland Investama* ^(A)	100	100	Indonesia	Property investment/development
PT Keppel Land* ^(A)	100	100	Indonesia	Property services/development/investment
PT Ria Bintan* ^(E)	46	46	Indonesia	Golf course ownership and operations
PT Sentral Supel Perkasa* ^(A)	80	80	Indonesia	Property investment
PT Sentral Tunjungan Perkasa* ^(A)	80	80	Indonesia	Property development
PT Straits-CM Village* ^(E)	39	39	Indonesia	Hotel ownership and operations
Straits Greenfield Limited* ^(F)	100	100	Myanmar	Hotel ownership and operations
Wiseland Investment (Myanmar) Limited* ^(F)	100	100	Myanmar	Hotel ownership and operations
Buena Homes, Inc.* ^(B)	51	51	Philippines	Investment holding
Keppel Philippines Properties, Inc. ^(B)			Philippines	Investment holding
Ordinary shares	51	51		
Preference shares	100	100		
Keppel Al Numu Development Ltd* ^(A)	51	51	Saudi Arabia	Property development
Keppel C T Developments (Private) Limited* ^(A)	60	60	Sri Lanka	Property investment/development
Cornerstone Realty Company Limited* ^(A)	45	45	Thailand	Property development

Significant Subsidiaries, Associates, and Joint Ventures

	Effective Equity Interest		Country of Incorporation/ Place of Business	Principal Activities
	2014 %	2013 %		
Subsidiaries (continued)				
Gold Star Property Company Limited* ^(A)	45	45	Thailand	Property development
Keppel Thai Properties Public Company Limited ^(A)	45	45	Thailand	Property development/ investment
Thai-Kami Company Limited* ^(A)	45	45	Thailand	Property development
Top Property Company Limited* ^(A)	67	67	Thailand	Property development
Belwynn-Hung Phu Joint Venture Limited Liability Company* ^(A)	60	60	Vietnam	Property development
Estella Joint Venture Company Limited* ^(A)	55	55	Vietnam	Property development
International Centre Company Limited* ^(E)	43	43	Vietnam	Property investment
Keppel Land Watco IV Company Limited* ^(A)	68	68	Vietnam	Property investment/ development
Keppel Land Watco V Company Limited* ^(A)	68	68	Vietnam	Property investment/ development
Quang Ba Royal Park Joint Venture Company* ^(A)	59	59	Vietnam	Property investment
Riviera Cove Joint Venture Limited Liability Company* ^(A)	60	60	Vietnam	Property development
Riviera Point Limited Liability Company* ^(A)	75	75	Vietnam	Property development
Saigon Sports City Limited* ^(A)	90	90	Vietnam	Property development
Associates and Joint Ventures				
Asia Real Estate Fund Management Limited*	-	50	Singapore	Fund management
Central Boulevard Development Pte Ltd*	-	33	Singapore	Property development
CityOne Township Development Pte Ltd*	50	50	Singapore	Investment holding
EM Services Pte Ltd ^(E)	25	25	Singapore	Property management
Keppel REIT*	45	45	Singapore	Real estate investment trust
Keppel Bay Pte Ltd ^(C)	30	30	Singapore	Property development
Keppel Data Centres Holding Pte Ltd*	30	30	Singapore	Owner and operator of data centres and disaster recovery centres
Keppel Group Eco-City Investments Pte Ltd* ^(C)	35	35	Singapore	Investment holding
Keppel Point Pte Ltd ^(C)	30	30	Singapore	Property development/ investment
Raffles Quay Asset Management Pte Ltd*	33	33	Singapore	Property management
SAFE Enterprises Pte Ltd ^(D)	25	25	Singapore	Investment holding
Suzhou Property Development Pte Ltd* ^(D)	25	25	Singapore	Property development
Bellenden Investments Limited* ^(G)	67	67	British Virgin Islands/Vietnam	Investment holding
Davinelle Limited* ^(G)	67	67	British Virgin Islands/Vietnam	Investment holding
Substantial Enterprises Limited* ^(G)	35	35	British Virgin Islands/China	Investment holding
Cityone Development (Wuxi) Co Ltd* ^(F)	50	50	China	Property development
Equity Rainbow II Pte Ltd*	43	43	China	Property investment

	Effective Equity Interest		Country of Incorporation/ Place of Business	Principal Activities
	2014 %	2013 %		
Associates and Joint Ventures (continued)				
Keppel Magus Development Pvt Ltd* ^(F)	-	38	India	Property development
PT Pulomas Gemala Misori* ^(F)	25	25	Indonesia	Property development
PT Purimas Straits Resorts* ^(F)	25	25	Indonesia	Development of holiday resort
Renown Property Holdings (M) Sdn Bhd ^(A)	40	40	Malaysia	Property investment
Tropical Garden NV ^(F)	25	25	Netherlands Antilles	Investment holding
SM Keppel Land, Inc.* ^(B)	20	20	Philippines	Property development
Dong Nai Waterfront City LLC* ^(A)	50	50	Vietnam	Property development
South Rach Chiec LLC* ^(A)	42	42	Vietnam	Property development
Keppel Land Watco I Company Limited* ^(A)	68	68	Vietnam	Property investment/ development
Keppel Land Watco II Company Limited* ^(A)	68	68	Vietnam	Property investment/ development
Keppel Land Watco III Company Limited* ^(A)	68	68	Vietnam	Property investment/ development
MIP 59th and Third Development LLC* ^(F)	82	-	United States	Investment holding

Notes:

- The holding in the equity shown for each subsidiary, associate and joint venture is the proportion attributable to Keppel Land Limited.
- Associates are those in which the Group has significant influence, but not control, in the operating and financial policy decisions.
- Joint ventures are those in which the Group has joint control in the strategic financial and operating decisions.
- Companies indicated with an asterisk (*) are indirectly held by Keppel Land Limited.
- All the active companies operate in their respective countries of incorporation, unless otherwise specified.
- All the companies are audited by Ernst & Young LLP, Singapore except for the following:
 - Audited by member firms of Ernst & Young Global in the respective countries
 - Audited by Sycip Gorres Velayo & Co, Philippines, an associated firm of Ernst & Young
 - Audited by Deloitte & Touche LLP, Singapore
 - Audited by KPMG LLP, Singapore
 - Audited by an overseas practice of Deloitte & Touche LLP
 - Audited by other firms of auditors
 - Not required to be audited by law in the country of incorporation
- Certain companies such as Bellenden Investments Limited, Davinelle Limited, Keppel Land Watco I Company Limited, Keppel Land Watco II Company Limited, Keppel Land Watco III Company Limited and MIP 59th and Third Development LLC have been accounted for as joint ventures notwithstanding that the Group holds more than 50% equity interest in these companies on the ground that the strategic financial and operating decisions of these companies require unanimous consent by the shareholders.
- In accordance with Rule 716 of The Singapore Exchange Securities Trading Limited, the Audit Committee and Board of Directors of the Company confirm that they are satisfied that the appointment of different auditors for certain of its subsidiaries, associates and joint ventures will not compromise the standard and effectiveness of the audit of the Group.

BOARD OF DIRECTORS

Loh Chin Hua (Chairman)
 Ang Wee Gee (Chief Executive Officer)
 Lee Ai Ming
 Tan Yam Pin
 Heng Chiang Meng
 Edward Lee Kwong Foo
 Koh-Lim Wen Gin
 Yap Chee Meng
 Huang Jing
 Oon Kum Loon
 Chan Hon Chew

AUDIT COMMITTEE

Yap Chee Meng (Chairman)
 Lee Ai Ming
 Heng Chiang Meng
 Oon Kum Loon
 Chan Hon Chew

NOMINATING COMMITTEE

Edward Lee Kwong Foo (Chairman)
 Loh Chin Hua
 Yap Chee Meng

REMUNERATION COMMITTEE

Tan Yam Pin (Chairman)
 Loh Chin Hua
 Edward Lee Kwong Foo

BOARD RISK COMMITTEE

Oon Kum Loon (Chairperson)
 Lee Ai Ming
 Edward Lee Kwong Foo
 Yap Chee Meng
 Huang Jing
 Chan Hon Chew

BOARD SAFETY COMMITTEE

Tan Yam Pin (Chairman)
 Loh Chin Hua
 Ang Wee Gee
 Heng Chiang Meng
 Koh-Lim Wen Gin

JOINT COMPANY SECRETARIES

Anna Tan Jin Li
 Tok Boon Sheng

REGISTERED OFFICE

230 Victoria Street #15-05
 Bugis Junction Towers
 Singapore 188024
 Telephone: 63388111
 Facsimile: 63377168
 Website: <http://www.keppelland.com>

INDEPENDENT AUDITOR

Ernst & Young LLP
 Public Accountants and
 Chartered Accountants
 Singapore
 Audit Partner: Mak Keat Meng
 (With effect from year ended
 31 December 2012)

REGISTRAR

KCK CorpServe Pte Ltd
 333 North Bridge Road #08-00
 KH KEA Building
 Singapore 188721
 Telephone: 68372133
 Facsimile: 63390218

SHARE LISTING

The Company's shares are listed on the Singapore Exchange Securities Trading Limited.

BOARD OF DIRECTORS

Loh Chin Hua, 53

Mr Loh has been a Director of Keppel Land since July 2012. He was appointed as Chairman of Keppel Land on 1 January 2014. On the same date, he was appointed the Chief Executive Officer and Director of Keppel Corporation Limited, after having served since 1 January 2012 as its Chief Financial Officer playing a pivotal role in all its major investment initiatives and financial decisions as well as shaping the Keppel Group's business strategy.

Within the Keppel Group, Mr Loh is also the Chairman of Keppel Telecommunications & Transportation Ltd, Keppel Offshore & Marine Ltd, Keppel Infrastructure Holdings Pte Ltd and Alpha Investment Partners Limited ("Alpha"), the real estate fund management arm of Keppel Land. He is also a Director of KrisEnergy Ltd.

Mr Loh has over 25 years of experience in real estate investing and fund management spanning the USA, Europe and Asia. He joined the Keppel Group in 2002 and founded Alpha. Under his charge as Managing Director, he grew its assets under management to over \$10.5 billion today. Prior to this, he was the Managing Director at Prudential Investment Inc leading its Asian real estate fund management business and overseeing all investment and asset management for the real estate funds managed out of Asia.

He began his career with the Government of Singapore Investment Corporation, where he held key appointments in its San Francisco office and was head of the European real estate group in London before returning to Singapore to head the Asian real estate group.

Mr Loh holds a Bachelor Degree in Property Administration (Colombo Plan Scholarship) from Auckland University and a Presidential Key Executive MBA from Pepperdine University. He is also a Chartered Financial Analyst.

Ang Wee Gee, 53

Mr Ang joined Keppel Land Group in 1991, and was appointed as a Director and Chief Executive Officer of Keppel Land on 1 January 2013.

Prior to his appointment as the Chief Executive Officer of Keppel Land, Mr Ang held senior management positions in the Keppel Land Group. He was the Executive Vice Chairman of Keppel Land China Limited, a wholly-owned subsidiary of Keppel Land which was formed in 2010 to own and operate Keppel Land's businesses in China and, before that, Executive Director and Chief Executive Officer, International of Keppel Land International Limited, responsible for the Group's overseas businesses. He was also the Chairman of Keppel Philippines Properties, Inc. and Keppel Thai Properties Public Company Limited, which are listed on the Philippine Stock Exchange and The Stock Exchange of Thailand respectively. He previously held positions in business and project development for Singapore and overseas markets, and corporate planning in the Group's hospitality arm. He was also the Group's country head for Vietnam as well as the head of Keppel Land Hospitality Management Pte Ltd, the Group's hotel and serviced apartment management company.

Prior to joining Keppel Land Group, Mr Ang acquired diverse experience in the hotel, real estate and management consulting industries in the USA, Hong Kong and Singapore.

He is a Director of Keppel Land Hospitality Management Pte Ltd and a number of other subsidiaries and associates in the Keppel Land Group.

Mr Ang holds a Master of Business Administration Degree from Imperial College, University of London. He received his Bachelor of Science Degree summa cum laude from the University of Denver, USA.

**BOARD OF
DIRECTORS** (continued)**Lee Ai Ming, 60**

Mrs Lee has been a Director of Keppel Land since November 2002 and currently serves on the Audit and Board Risk Committees. She is currently a senior partner of the law firm, Rodyk & Davidson LLP. She has practised law for more than 30 years in the areas of real estate, commercial litigation and intellectual property. Mrs Lee was appointed to the board of the Agri-Veterinary Board on 1 April 2010. She is also an independent Director, the Chairperson of the Nominating Committee, and a member of the Audit Committee of HTL International Holdings Limited.

Mrs Lee serves in leadership roles on various other forums, including the Steering Committee for the IP Competency Framework constituted by the Intellectual Property Office of Singapore, the Singapore Copyright Tribunal, the Federation Internationale des Conseils en Propriété Industrielle, the Asian Patent Attorneys Association, and the International Trade Marks Association.

Mrs Lee holds a Bachelor of Laws (Honours) Degree from the University of Singapore, and is an Advocate & Solicitor of the Supreme Court of Singapore.

Tan Yam Pin, 74

Mr Tan was appointed to the Board on 1 June 2003. A Chartered Accountant by profession, he retired as the Managing Director of the Fraser and Neave Group in October 2002.

He is a Director of Great Eastern Holdings Limited and Singapore Post Limited. He has been a member of the Singapore Public Service Commission since 1990. He was a former Board Member of BlueScope Steel Limited (Australia) until November 2013.

Mr Tan was awarded the Public Service Star in 1999, and the Public Service Star (Bar) in 2010.

He holds a Bachelor of Arts (Honours) Degree in Economics from the University of Singapore, and a Master of Business Administration Degree from the University of British Columbia, Canada. He is a Fellow of the Canadian Institute of Certified Accountants, Canada.

Heng Chiang Meng, 69

Mr Heng was appointed to the Board on 1 March 2005. He holds directorships in listed companies, Macquarie International Infrastructure Fund Limited, Far East Orchard Limited, and Academies Australasia Group Ltd (which is listed on Australian Stock Exchange).

Mr Heng began his career in the financial sector in 1970 after graduating with a Bachelor of Business Administration (Honours) Degree from the University of Singapore. He held senior positions in several financial institutions including Citibank NA, the Monetary Authority of Singapore, and Overseas Union Bank Limited. His other major area of experience is in real estate, having been the Managing Director of First Capital Corporation Limited, the Executive Director in the Far East Organization Group, and the Group Managing Director of Lim Kah Ngam Limited.

He served four terms as a Member of Parliament from 1984 to 2001 during which he chaired the Government Parliamentary Committees for Communications and the Environment as well as the Ang Mo Kio-Cheng San Community Development Council, and the Cheng San Town Council.

Edward Lee Kwong Foo, 68

Mr Lee was appointed to the Board on 1 July 2006.

He was Singapore's Ambassador to Indonesia from 1994 to 1 July 2006, retiring after 36 years of service with the Foreign Service Branch of the Singapore Administrative Service.

Since his first posting to Indonesia in 1974, Mr Lee served a total of 18 years in the Singapore Embassy in Jakarta. He also served as Ambassador to the Philippines from 1990 to 1993 as well as High Commissioner to Brunei Darussalam from 1984 to 1990.

For his long-standing contributions to public service, Mr Lee was honoured with several accolades including the Public Administration Medal (Silver) in 1996, the Public Administration Medal (Gold) in 1998, the Long Service Medal in 1997, and the Meritorious Service Medal in 2006.

In 1993, Mr Lee was conferred the diplomatic rank of Datu (Grand Cross) of the Order of Sikatuna by the Philippine Government in recognition of his efforts in promoting bilateral relations between the Philippines and Singapore.

In 2007, he was conferred the highest civilian award by the Indonesian Government, the Bintang Jasa Utama (the Star of Excellent Services) for his many years of contribution towards building up stronger and closer relations between Singapore and Indonesia.

Mr Lee is a member of the National University of Singapore President's Advancement Advisory Council.

He holds a Bachelor of Arts (Honours) Degree from the University of Singapore, and a Master of Arts Degree from Cornell University.

Koh-Lim Wen Gin, 70

Mrs Koh was appointed to the Board on 20 January 2010.

Mrs Koh played a key role in shaping Singapore's cityscape through her career with the Urban Redevelopment Authority ("URA"). She was URA's Chief Planner and Deputy Chief Executive Officer between 2001 and 2008.

She was involved in a variety of high quality landmark developments which have contributed to Singapore's growth as a global city. She was also instrumental in spearheading the nation's building conservation programme covering more than 6,800 heritage buildings. The programme was awarded the prestigious Global Award for Excellence by the Urban Land Institute in 2006.

For her achievements, Mrs Koh was presented the Meritorious Service Medal in 2009, the Public Administration Medal (Gold) in 2002, and the Public Administration Medal (Silver) in 1986.

Mrs Koh has also served on several statutory boards such as the STB Hotel Licencing Board, Land Transport Authority Board, Board of Architects Singapore and Preservation of Monuments Board. She has also chaired many URA Design Advisory Panels, Committees and Design Competition Juries. She is currently a Board Member of National Parks Board, Board of Architects Singapore, Sentosa Development Corporation Board, Chairman of Sentosa Cove Resort Management Pte Ltd, URA Conservation Advisory Panel and URA Marina Bay Art Advisory Panel.

She graduated with a Bachelor of Architecture Degree from the University of Singapore.

Yap Chee Meng, 59

Mr Yap was appointed to the Board on 2 December 2013.

He was the Chief Operating Officer of KPMG International for Asia Pacific and a member of its Global Executive Team. Prior to his appointment as the regional Chief Operating Officer of KPMG International in 2010, he was a Senior Partner in KPMG Singapore, the Regional Head of Financial Services in Asia Pacific, and Country Head of Real Estates and Specialised REITs Group in Singapore.

In his career spanning 37 years of experience in the financial sector, Mr Yap has served in the committees of various professional and regulatory bodies including Singapore's Accounting & Corporate Regulatory Authority and the Institute of Certified Public Accountants of Singapore.

He currently holds directorships in several companies including SMRT Corporation Ltd, SATS Ltd, AXA Insurance Singapore Pte Ltd, The Esplanade Co Ltd and Pavilion Gas Pte Ltd.

Mr Yap is also a member of the Board of The National Research Foundation, Prime Minister's Office, Singapore.

He qualified as a UK Chartered Accountant in 1981, and is now a non-practising Fellow of the Institute of Singapore Chartered Accountants and a non-practising Fellow of the Institute of Chartered Accountants in England & Wales.

BOARD OF DIRECTORS (continued)**Huang Jing, 58**

Professor Huang was appointed to the Board on 1 January 2014.

He is a Professor and Director of Centre on Asia and Globalisation at the Lee Kuan Yew School of Public Policy ("LKYSPP"), National University of Singapore ("NUS"), and the first Lee Foundation Chair Professor of US-China Relations at NUS. He has published numerous articles and books on China's politics, development strategy and foreign policy as well as on US-China relations, the military and security issues in the Asia Pacific. Before joining the LKYSPP, he was a Senior Fellow at the John Thornton China Center at the Brookings Institution (2004 to 2008). He also taught at Harvard University (1993 to 1994), Utah State University (1994 to 2004) and Stanford University (2002 to 2003).

Professor Huang was a Residential Fellow at the Rockefeller Foundation Bellagio Centre in 2012, and is a Richard von Weizsäcker Fellow from the Robert Bosch Stiftung. He also serves as a Senior Overseas Economic Analyst for China's Xinhua News Agency.

He is also on the Board of Fujitsu-JAIMS Foundation in Japan, the Advisory Board of the Center on China and Globalization as well as the European-House Ambrosetti. In addition, he is on the Steering Committee of the NUS Research Institute in Suzhou, and is part of the Global Agenda Council at the World Economic Forum.

He received his Bachelor of Arts Degree from Sichuan University, Master of Arts Degree from Fudan University, and PhD in Political Science from Harvard University.

Oon Kum Loon, 64

Mrs Oon was appointed to the Board on 1 September 2010. She has been an independent and non-executive Director of Keppel Corporation Limited since 2004. She is also the Chairperson of its Board Risk Committee, and a member of its Audit and Remuneration Committees. Mrs Oon's other directorships include Singapore Power Limited.

Mrs Oon is a veteran banker with about 30 years of experience, and held a number of management and executive positions in DBS Group. She was the Chief Financial Officer of the DBS Group until September 2003. Prior to this appointment, Mrs Oon was Managing Director and Head of Group Risk Management, responsible for the development and implementation of a group-wide integrated risk management framework. During her career

with the bank, she was also involved with treasury and markets, corporate finance, and credit management activities.

She holds a Bachelor of Business Administration (Honours) Degree from the University of Singapore.

Chan Hon Chew, 49

Mr Chan was appointed to the Board on 1 July 2014. He is the Chief Financial Officer of Keppel Corporation Limited, appointed with effect from 1 February 2014.

Prior to joining Keppel Corporation Limited, Mr Chan was with Singapore Airlines Limited ("SIA") and served as Senior Vice President ("SVP") of Finance since June 2006. As SVP Finance, he was responsible for a diverse range of functions including investor relations, corporate accounting and reporting, treasury, risk management and insurance. He was also involved in SIA's strategic planning process and had represented SIA as a Director on the boards of various companies including Tiger Airways Holdings Limited and Virgin Atlantic Airways Limited.

Prior to SIA, Mr Chan was Assistant General Manager for Finance and Corporate Services at Wing Tai Holdings Limited, where he oversaw all financial matters as well as tax, legal and corporate secretarial functions from 1998 to 2003.

He was appointed by Singapore's Ministry of Finance to the Board of the Singapore Accountancy Commission in April 2013. He was also elected to the Council of the Institute of Singapore Chartered Accountants in July 2013.

Mr Chan's principal directorships include Keppel Offshore & Marine Ltd, Keppel Infrastructure Holdings Pte Ltd and Keppel Telecommunications & Transportation Ltd. He is also the Chairman of Keppel DC REIT Management Pte. Ltd. (the Manager of Keppel DC REIT).

He graduated with a Bachelor of Accountancy (Honours) Degree from the National University of Singapore, and is a Chartered Financial Analyst. He is a member of the Institute of Chartered Accountants Australia and the Institute of Singapore Chartered Accountants.

SENIOR MANAGEMENT

Tan Swee Yiow, 54 President, Singapore

Mr Tan joined Keppel Land Group in 1990, and is currently its President, Singapore, overseeing the Group's investment and development operation in Singapore. He is concurrently head of its hospitality management arm, Keppel Land Hospitality Management Pte Ltd.

Mr Tan is a Director of a number of subsidiaries and associates in the Group including Keppel Bay Pte Ltd, Keppel Land Hospitality Management Pte Ltd, and Raffles Quay Asset Management Pte Ltd.

In addition, he is on the Board of the Singapore Green Building Council, and a member of the World Green Building Council's Corporate Advisory Board. He also serves on the Management Council of Real Estate Developers' Association of Singapore, and the Workplace Safety Health Council (Construction and Landscape Committee).

Mr Tan holds a Bachelor of Science (First Class Honours) Degree in Estate Management from the National University of Singapore, and a Master of Business Administration Degree in Accountancy from the Nanyang Technological University.

Ng Hsueh Ling, 48 Chief Executive Officer, Keppel REIT Management Limited

Ms Ng has been the Chief Executive Officer ("CEO") and executive Director of Keppel REIT Management Limited (the Manager of Keppel REIT) since 17 August 2009. She works with the Board of the Manager to set the strategy for the REIT and make recommendations to the Trustee of Keppel REIT. Ms Ng leads the management team of the Manager to deliver stable and sustainable returns to Keppel REIT unitholders by proactively optimising and enhancing the property portfolio.

With over 25 years of experience in the real estate industry, Ms Ng has been involved in the strategic sourcing, investment, asset and portfolio management and development of assets in key Asian cities. She has also extensive fund management experience in the areas of real estate fund product creation, deal origination, distribution and structuring of real estate-based financial products.

Ms Ng previously served as the Senior Vice President (Funds Business) as well as the CEO (Korea and Japan) of Ascendas Pte Ltd. She has also held senior positions at CapitaLand Commercial Ltd and CapitaLand Financial Ltd.

Ms Ng is a Licensed Appraiser for land and buildings and is a Fellow of the Singapore Institute of Surveyors and Valuers.

Ms Ng is a Director of various subsidiaries and associates of Keppel REIT.

Ms Ng holds a Bachelor of Science Degree in Real Estate from the National University of Singapore.

**SENIOR
MANAGEMENT** (continued)**Christina Tan Hua Mui, 49**
Managing Director,
Alpha Investment Partners Limited

Ms Tan is the Managing Director of Alpha Investment Partners Limited ("Alpha"). She sits on the Investment Committee for all funds and is also a Board Member of Alpha. Ms Tan has more than 20 years of real estate and investment management experience. As a founding member, she has been actively involved in all phases of the firm's development since 2003. She is also instrumental in developing and implementing the portfolio strategy for all Alpha-managed funds. The firm is currently one of the largest pan-Asian managers with above \$10 billion in assets under management.

Ms Tan previously served as the Chief Financial Officer of GRA (Singapore) Private Limited ("GRA"), the Asian real estate fund management arm of the Prudential Insurance Company of America, managing more than US\$1 billion in real estate funds. Before GRA, Ms Tan was the Treasury Manager with Chartered Industries of Singapore, managing the group's cash positions and investments. Ms Tan started her career with Ernst & Young prior to joining the Government of Singapore Investment Corporation.

Ms Tan holds a Bachelor of Accountancy (Honours) Degree from the National University of Singapore, and is a Chartered Financial Analyst.

Ho Cheok Kong, 58
President, Keppel Land China Limited

Mr Ho first joined Keppel Land Group in 1990. He is currently the President of Keppel Land China Limited.

Prior to re-joining the Keppel Land Group in 2007, he acquired experience in the investment and development of various commercial, industrial and residential developments in Singapore and other countries in Asia. His extensive experience in China started with the investment and development of the Spring City Golf & Lake Resort in 1993.

Based in Shanghai since 2007, Mr Ho currently oversees the business operations of all the projects in various cities in China (including Shanghai, Beijing, Tianjin, Chengdu, Wuxi, Nantong, Shenyang, Kunming and Zhongshan).

Mr Ho is a Director of a number of subsidiaries and associates in the Keppel Land Group.

He has a Bachelor of Engineering (Honours) Degree from the University of Western Australia under the Colombo Plan Scholarship.

Linson Lim Soon Kooi, 53
President, Vietnam and The Philippines

Mr Lim joined Keppel Land Group in 1995, and is currently President, Vietnam and The Philippines.

His career spans across the property industry, from design consultancy and project management to investment. Prior to joining Keppel Land Group, Mr Lim worked as a consulting engineer and project manager, and managed numerous commercial, residential, hotel and tourism related projects. He has participated and presented in a number of seminars and conferences in promoting investments into Vietnam.

In 2005, Mr Lim was conferred Certificate of Merit by H.E. Phan Van Khai, then Prime Minister of Vietnam and H.E. Dao Dinh Binh, then Minister of Transport for his contribution to the joint ventures of Sedona Suites, Royal Park in Hanoi, and Saigon Centre in Ho Chi Minh City ("HCMC") respectively. In 2008, he was conferred Insignia of HCMC by H.E. Le Hoang Quan, Chairman of HCMC People's Committee for his contribution and relationship with the city.

He is concurrently the General Director of Keppel Land Vietnam, and Chairman of Keppel Philippines Properties, Inc. He is also a Director of a number of subsidiaries and associates in the Keppel Land Group.

Mr Lim holds a Bachelor of Engineering Degree from Monash University, Australia, and is member of the Institute of Engineers, Malaysia.

Sam Moon Thong, 49
President, Indonesia

Mr Sam joined Keppel Land Group in 2003, and is currently President, Indonesia, overseeing the Group's development and investments in Indonesia. His previous appointments included President, Indonesia, Malaysia and Myanmar as well as General Manager, Investment, overseeing business development and asset management activities outside China and Singapore. Mr Sam has over 20 years of experience in investing and managing real estate projects in the Asia Pacific region.

Prior to joining Keppel Land Group, Mr Sam was Vice-President, Real Estate Development and Investment at Ascendas Pte Ltd and Business Development Manager at Fraser Centrepoint Limited, overseeing business development and investment in South-East Asia, South Asia and China. He started his career with the Urban Redevelopment Authority where he held responsibilities in the Land Management and Sale of Sites Departments.

Mr Sam is a Director of a number of subsidiaries and associates in the Keppel Land Group.

He holds a Bachelor of Science (Estate Management) (Honours) Degree from the National University of Singapore, and a Master of Business Administration Degree from the University of Dubuque, Iowa, USA.

**SENIOR
MANAGEMENT** (continued)**Ng Ooi Hooi, 55**
President, Regional Investments

Mr Ng joined Keppel Land Group in 2007, and is currently President, Regional Investments, overseeing the Group's businesses in India, Middle East, Thailand, Myanmar, Malaysia, and Sri Lanka. He was previously General Manager, Regional Head (and before that, General Manager, Business Development) of Keppel Land China Limited. From 2008 to 2011, Mr Ng was deployed as Deputy Chief Executive Officer of the Sino-Singapore Tianjin Eco-City Investment and Development Co Ltd.

Prior to joining Keppel Land Group, Mr Ng served for 22 years in the Singapore Administrative Service, and held key appointments in several government ministries and statutory boards, including the Ministry of Home Affairs, Ministry of Communications and Information, Ministry of Information and the Arts, Ministry of Trade and Industry, Ministry of National Development, Ministry of Defence, Ministry of Law, Singapore Land Authority, and Ministry of Transport.

Mr Ng is a Director of a number of subsidiaries and associates in the Keppel Land Group.

Mr Ng holds a Master Degree in Public Administration from Harvard University, and a Bachelor of Economics (First Class Honours) Degree from the Australian National University.

Lim Kei Hin, 57
Chief Financial Officer

Mr Lim has been the Chief Financial Officer of Keppel Land Limited since 9 July 2007.

Prior to joining Keppel Land Group, he was with Singapore Airlines Limited, and has more than 20 years of diverse experience in different financial and general management roles in Singapore, the Philippines, Australia and the USA.

He is a Director in various subsidiaries and associates of Keppel Land, including Keppel Thai Properties Public Company Limited, Keppel Philippines Properties, Inc., Keppel REIT Management Limited, and Alpha Investment Partners Limited.

Mr Lim holds a Bachelor of Science (Economics) Degree in Accounting & Finance (Honours) from the London School of Economics & Political Science, UK.

DIRECTORS

Details of the Directors' present responsibilities and qualifications are set out on pages 233 to 236. Past principal directorships and appointments held by Directors in the last five years (from 1 January 2010 to 31 December 2014) are as follows:

Loh Chin Hua

Various fund companies under management of Alpha Investment Partners Limited
Various subsidiaries and associates of Keppel Land Limited
Various subsidiaries and associates of Keppel Corporation Limited

Ang Wee Gee

Various subsidiaries and associates of Keppel Land Limited

Lee Ai Ming

Keppel REIT Management Limited
Keppel Land China Limited

Tan Yam Pin

BlueScope Steel Limited (Australia)
Keppel Land China Limited
Leighton Asia Limited (Hong Kong)

Heng Chiang Meng

National Environment Agency
Jurong Port Pte Ltd
Keppel Land China Limited

Edward Lee Kwong Foo

Manhattan Resources Ltd
Exalt Resources Ltd (Australia)
PT Ekalumintas
Keppel Land China Limited
Lapp Strategic Investment Pte Ltd

Koh-Lim Wen Gin

Land Transport Authority Architectural Design Review Panel
Keppel Land China Limited

Yap Chee Meng

PARK Indemnity Limited
KPMG Asia Pacific Limited

Huang Jing

Nil

Oon Kum Loon

PSA International Pte Ltd
SP PowerGrid Limited
China Resources Microelectronics Limited
Aviva Ltd
Aviva Life Insurance Company Limited
Navigator Investment Services Ltd
Aircraft Capital Trust Management Pte Ltd
Keppel Land China Limited
PowerGas Limited
SP PowerAssets Limited

Chan Hon Chew

Tiger Airways Holdings Limited
Singapore Aviation & General Insurance Company (Pte) Ltd
RCMS Properties Private Limited

SENIOR MANAGEMENT

Details of senior management's present responsibilities and qualifications are set out on pages 237 to 240. Past principal directorships held by senior management in the last five years (from 1 January 2010 to 31 December 2014) are as follows:

Tan Swee Yiow

Asia No.1 Property Fund Limited
Various subsidiaries and associates of Keppel Land Limited

Ng Hsueh Ling

Raffles Quay Asset Management Pte Ltd
The National Art Gallery, Singapore

Christina Tan Hua Mui

Various fund companies under management of
Alpha Investment Partners Limited

Ho Cheok Kong

Nil

Linson Lim Soon Kooi

Various subsidiaries and associates of Keppel Land Limited

Sam Moon Thong

Various subsidiaries and associates of Keppel Land Limited

Ng Ooi Hooi

Various subsidiaries and associates of Keppel Land Limited

Lim Kei Hin

Various subsidiaries and associates of Keppel Land Limited

Calendar of Financial Events

FY 2014

Announcement of Results:

First Quarter	15 April 2014
Second Quarter	23 July 2014
Third Quarter	20 October 2014
Full Year	21 January 2015

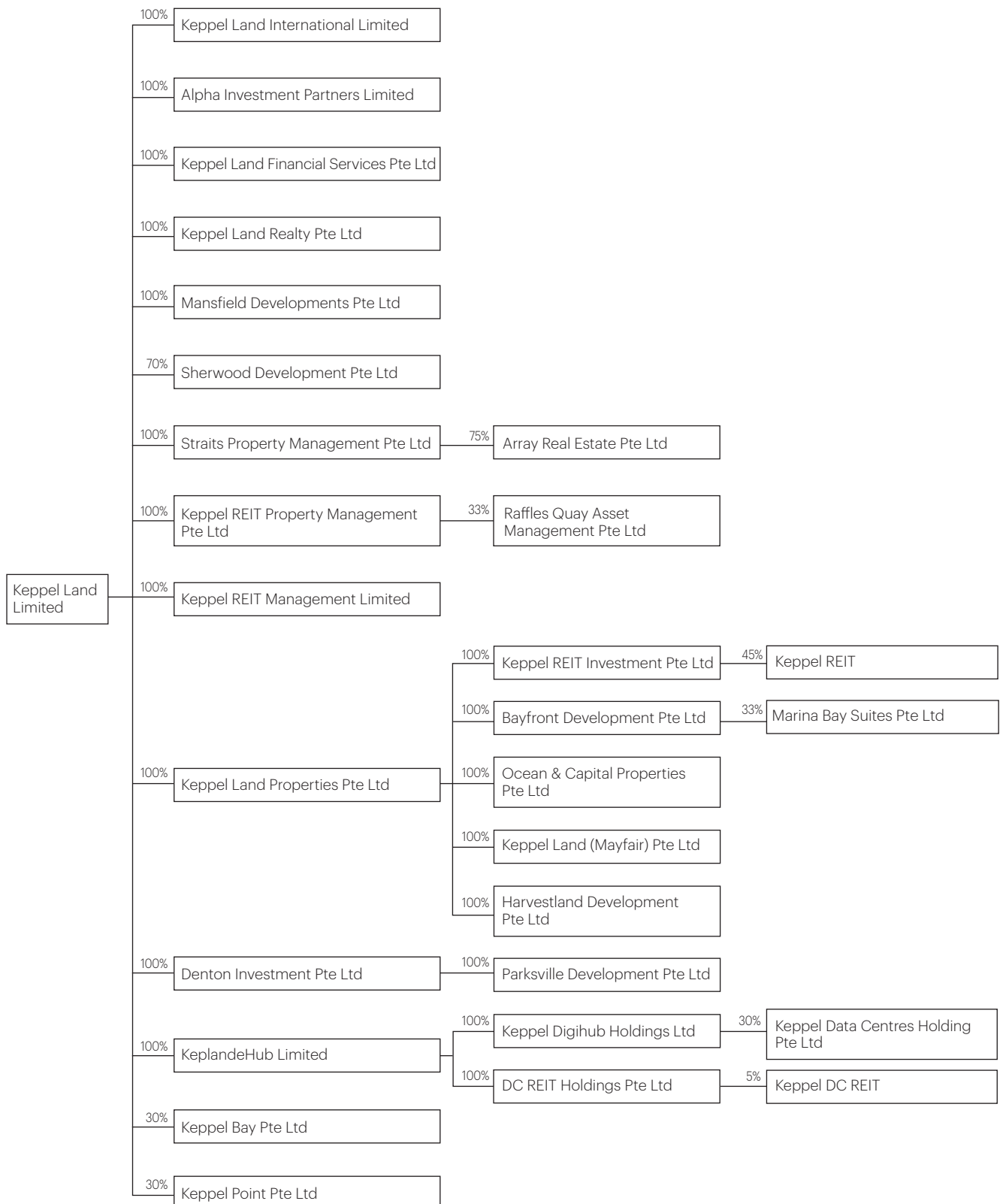
End of Financial Year 31 December 2014

Despatch of Annual Report 15 April 2015

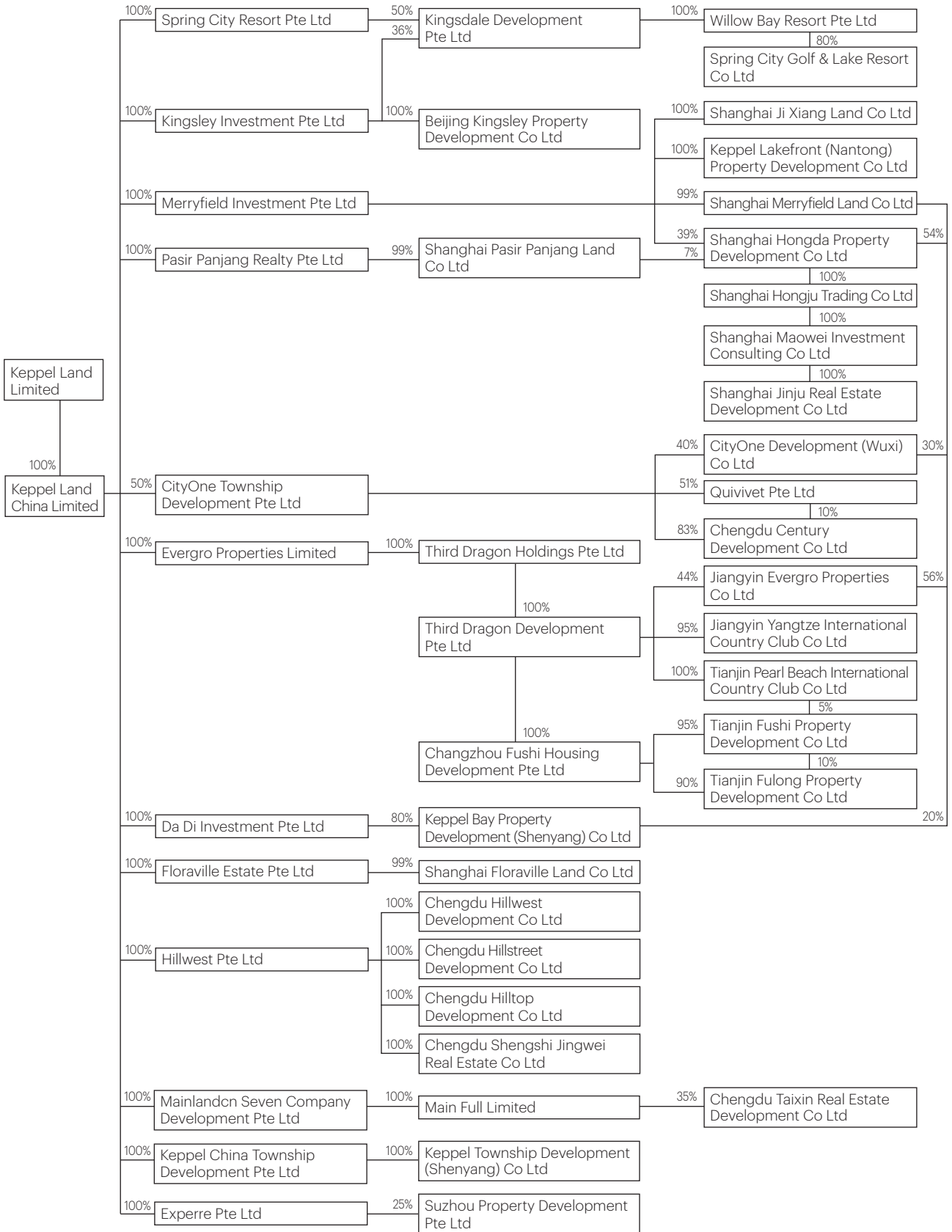
Annual General Meeting 30 April 2015

Dividend Payment Date Expected to be paid
on or about 20 May 2015

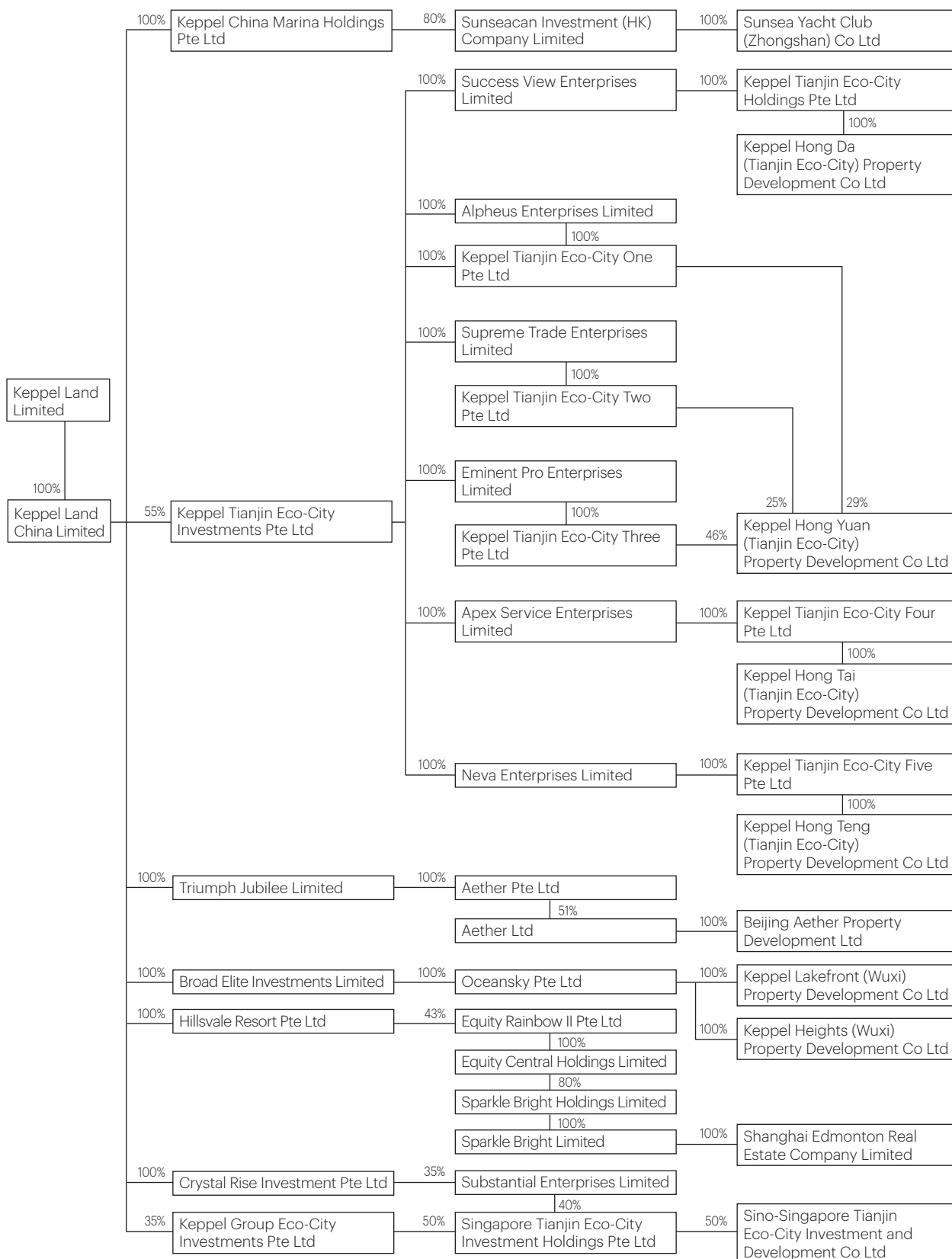
Singapore Projects



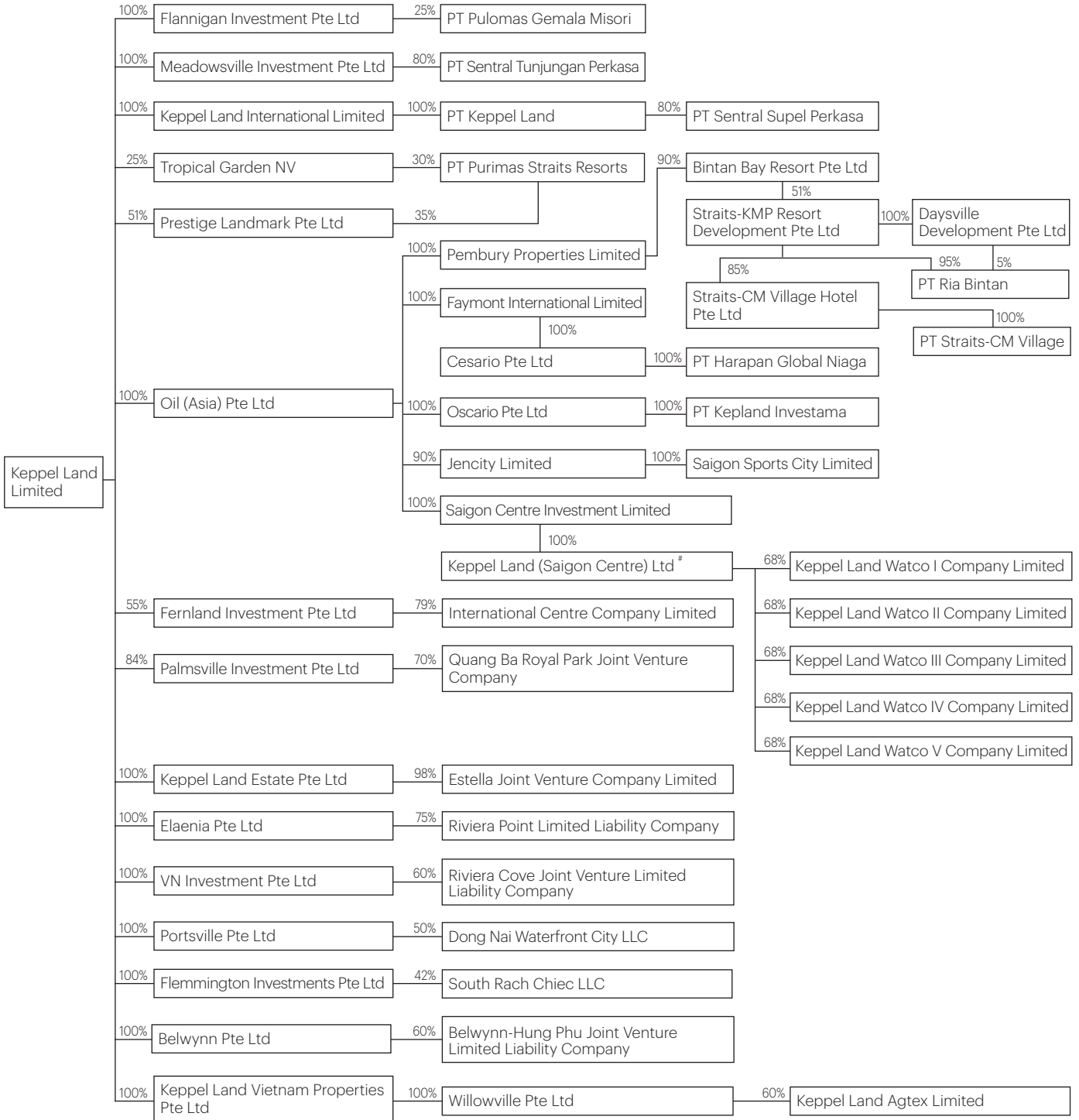
China Projects



China Projects (continued)

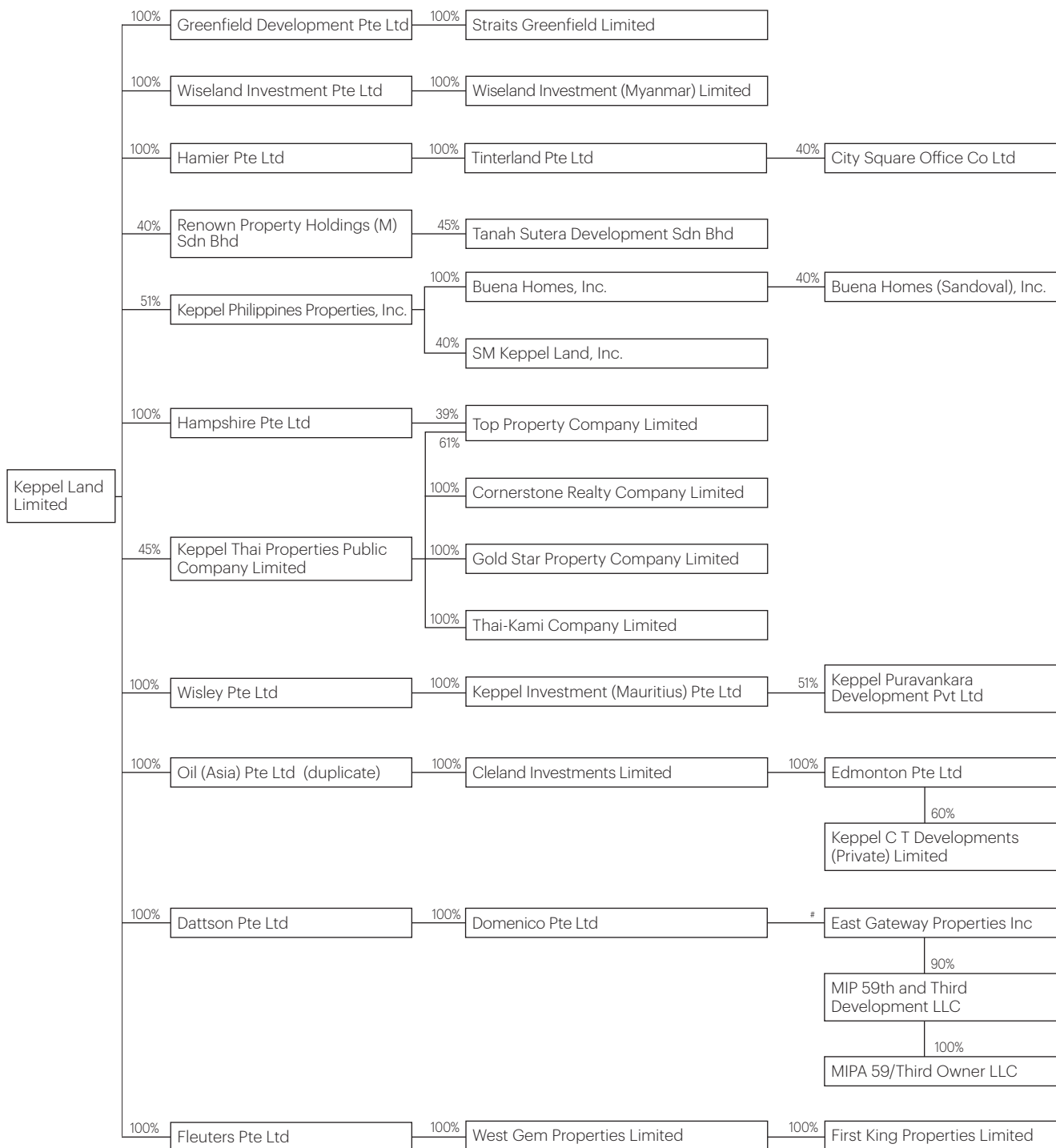


Indonesia and Vietnam Projects



* Saigon Centre Investment owns 100% direct interest in the ordinary shares and 66.6% indirect interest each in the Class A and Class B preference shares of Keppel Land (Saigon Centre) Ltd.

Other Overseas Projects



* Domenico Pte Ltd owns 100% interest in Class B shares of East Gateway Properties Inc.

Group Properties (Singapore)

Description	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm)	Year of Completion	Tenure
Completed Properties							
Keppel Bay Tower							
an 18-storey office building at HarbourFront Avenue	HarbourFront One	11.7%	17,267	41,841	36,015	2002	99-year leasehold
HarbourFront Tower One							
an 18-storey office building at HarbourFront Place	HarbourFront Two	11.7%	10,923 ^(a)	40,278	34,377	2002	99-year leasehold
HarbourFront Tower Two							
a 16-storey office building at HarbourFront Place	HarbourFront Two	11.7%	10,923 ^(a)	19,227	14,164	2003	99-year leasehold
Marina Bay Financial Centre (Phase 2)^(b)							
a 46-storey office tower with retail podium at Marina Bay	Keppel REIT	15.0%	9,710	151,776	124,674	2012	99-year leasehold
Marina Bay Financial Centre (Phase 1)^(b)							
two office towers of 33 storeys and 50 storeys with ancillary retail space at Marina Bay	Keppel REIT	15.0%	34,155	189,000	162,039	2010	99-year leasehold
Ocean Financial Centre^(b)							
a 43-storey office building at Raffles Place	Keppel REIT	45.1%	6,109	95,992	82,256	2011	999-year leasehold
Bugis Junction Towers^(b)							
a 15-storey office tower at Bugis Junction	Keppel REIT	45.1%	-	28,525	22,760	1995	99-year leasehold
One Raffles Quay^(b)							
two office towers of 50 storeys and 29 storeys at Marina Bay	Keppel REIT	15.0%	11,367	148,467	123,828	2006	99-year leasehold
Keppel Towers and Keppel Towers 2							
two office towers at Hoe Chiang Road	Mansfield Developments	100%	9,127	52,946	39,958	1991/1993	Freehold

Group Properties (Singapore) (continued)

Description	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm)	Year of Completion	Tenure
Completed Properties (continued)							
Reflections at Keppel Bay							
a 1,129-unit waterfront condominium development at Keppel Bay	Keppel Bay	30%	83,538	193,400	40,274 (retained interest)	2011	99-year leasehold
Marina Bay Suites							
a 221-unit luxury condominium development at Marina Bay	Marina Bay Suites	33.3%	5,300	43,607	5,064 (retained interest)	2013	99-year leasehold
Nassim Woods							
a 35-unit luxurious condominium development in the exclusive Nassim Road enclave	Parksville Development	100%	5,785	9,256	8,283	1998	99-year leasehold
Joo Chiat Shophouses							
conservation shophouses in Joo Chiat	Keppel Land Realty	100%	686	-	1,139	1996	Freehold
Keppel Datahub 2							
an industrial building at 27 Tampines Street 92	Keppel Data Centres Holding	30%	5,000	12,450	-	2014	30-year leasehold with option for another 30 years
Marina at Keppel Bay							
a marina development at Keppel Bay	Keppel Bay	30%	38,849 (includes foreshore area)	3,000	1,590	2007	99-year leasehold (foreshore area: 30-year leasehold)

Group Properties (Singapore) (continued)

Description	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm)	Expected Year of Completion	Tenure
Properties under Development							
The Luxurie							
a 622-unit condominium development at Compassvale Road	Keppel Land Realty	100%	17,700	53,100	-	2015	99-year leasehold
The Glades							
a 726-unit condominium development at Bedok Rise	Sherwood Development	70%	31,882	51,011	-	2017	99-year leasehold
Corals at Keppel Bay							
a 366-unit waterfront condominium development at Keppel Bay	Keppel Bay	30%	38,830	47,380	-	2018	99-year leasehold
Highline Residences							
a 500-unit condominium development at Kim Tian Road	Harvestland Development	100%	10,991	43,963	-	2018	99-year leasehold
Landbank							
Keppel Bay Plot 6							
a 86-unit waterfront condominium development at Keppel Bay	Keppel Bay	30%	43,701	21,000	-	-	99-year leasehold
HarbourFront Avenue (Plot 4)							
a 234-unit waterfront condominium development at HarbourFront Avenue	HarbourFront Three	11.7%	28,579	32,000	-	-	99-year leasehold

Group Properties (Overseas)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Year of Completion	Tenure
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Completed Properties**Australia****275 George Street^(b)**

a Grade A office building located in CBD	Brisbane	Keppel REIT	22.6%	7,074	-	41,748	2009	Freehold
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77 King Street Office Tower^(b)

a Grade A office building located in CBD	Sydney	Keppel REIT	45.1%	1,284	-	13,622	1975	Freehold
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8 Chifley Square^(b)

a premium office building located in CBD	Sydney	Keppel REIT	22.6%	1,581	-	19,350	2013	99 years lease
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8 Exhibition Street^(b)

a Grade A office building located in CBD	Melbourne	Keppel REIT	22.6%	4,329	-	44,890	2005	Freehold
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China**Life Hub @ Jinqiao**

a retail and office development in Pudong District	Shanghai	Equity Rainbow II	36.9%	59,956	114,732	79,214	2009	50 years lease
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Office Development

office units in Chang Ning District	Shanghai	Evergro Properties	100%	-	635	635	2004	50 years lease
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Jiangyin Yangtze**International****Country Club**

a golf course development	Jiangyin	Jiangyin Yangtze International Country Club	95%	957,281	-	18-hole golf course	2006	40 years/ 50 years lease
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Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Year of Completion	Tenure
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Completed Properties (continued)**Eco-City International****Country Club**

a golf course development in South Island	Tianjin	Tianjin Pearl Beach International Country Club	100%	787,405	-	18-hole golf course	2006	40 years lease
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Spring City Golf & Lake Resort

an integrated resort comprising golf courses, resort homes and resort facilities	Kunming	Spring City Golf and Lake Resort	68.8%	2,884,749	-	Two 18-hole golf courses and 482 rooms	1998	70 years lease (residential) 50 years lease (golf course)
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Serenity Villa

a 340-unit residential development within Sino-Singapore Tianjin Eco-City	Tianjin	Tianjin Fushi Property Development	100%	128,685	80,000	28 bungalows, 96 semi-detached houses and 216 apartments	2014	70 years lease
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Indonesia**Club Med Ria Bintan**

a beachfront hotel at Ria Bintan Resort	Bintan	PT Straits - CM Village	39%	200,000	34,340	302 rooms	1997	30 years lease with option for another 50 years
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Ria Bintan (Phase 1)

a golf course	Bintan	PT Ria Bintan	45.9%	1,467,000	-	27-hole golf course with a 31-room golf lodge	1998	30 years lease with option for another 50 years
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Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Year of Completion	Tenure
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Completed Properties (continued)**Nongsa Point Marina & Resort**

a waterfront resort with a marina and hotel-style chalets	Batam	PT Nongsa Point Marina	16.8%	99,567	-	192 rooms/ chalets and 65 berths	1995	30 years lease with option for another 50 years
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International Financial Centre Jakarta Tower 1^(c)

a prime office development in CBD	Jakarta	PT Kepland Investama	100%	10,428 ^(d)	33,180	27,933	1985	20 years lease with option for another 20 years
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Pasadenia Garden

a residential development within Pulomas residential district	Jakarta	PT Pulomas Gemala Misori	25%	32,586	32,490	198 strata-titled residential units	1996	30 years lease with option for another 20 years
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BG Junction

a strata-titled retail development in CBD	Surabaya	PT Sentral Supel Perkasa	80%	26,178	156,495	42,948	2006	30 years lease with option for another 20 years
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Malaysia**Taman Sutera and Sutera Utama**

a township comprising residential units, commercial space and recreational facilities in Skudai	Johor	Tanah Sutera Development	18%	1,674,592	111,812	2,661 residential units, 343 shop offices and a retail mall	2003-2014	Freehold
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Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Year of Completion	Tenure
Completed Properties (continued)								
Myanmar								
Sedona Hotel Yangon (Phase 1)								
a 5-star hotel fronting the famous Inya Lake	Yangon	Straits Greenfield	100%	32,314	53,489	334 rooms, 32 serviced apartments and 30 office suites	1997	50 years BOT with option for another two 10-year extensions
Sedona Hotel Mandalay								
an international class hotel opposite the famous ancient Mandalay Palace	Mandalay	Wiseland Investment (Myanmar)	100%	16,467	19,835	220 rooms and 27 serviced apartments	1998	50 years BOT with option for another two 10-year extensions
Philippines^(e)								
SM-KL Project (Phase 1)								
a 5-storey retail mall, The Podium, in Ortigas CBD	Mandaluyong City	SM Keppel Land Inc.	24.2%	7,068	26,767	17,775	2001	Freehold
Palmdale Heights (Phases 1 & 2)								
a residential development	Pasig City	Buena Homes (Sandoval) Inc.	30.9%	22,978	47,063	828 residential units	2004	Freehold

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Year of Completion	Tenure
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Completed Properties (continued)**Thailand⁽⁶⁾****Jewellery Centre**

a 34-storey strata-titled commercial building at Nares Road	Bangkok	Keppel Thai Properties	45.5%	5,866	42,834	12,146 (retained interest)	1993	Freehold
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United Kingdom**75 King William Street**

a 9-storey office building located in close proximity to Bank junction	London	First King Properties	100%	1,947	11,917	11,731	1989	Freehold
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Vietnam**International Centre**

an 8-storey office development at Ngo Quyen Street	Hanoi	International Centre	43%	1,450	9,064	7,113	1995	49 years lease
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Royal Park

a serviced apartment development at Quang Ba, West Lake	Hanoi	Quang Ba Royal Park Joint Venture	54.6%	28,400	34,917	155 serviced apartments and 20 villas	1998	50 years lease
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Saigon Centre (Phase 1)

a 25-storey office, retail cum serviced apartment development at Le Loi Boulevard in District 1	Ho Chi Minh City	Keppel Land Watco I	45.3%	2,730	32,499	10,443 sm (office), 3,663 sm (retail), 305 sm (post office) and 89 serviced apartments	1996	50 years lease
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Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Year of Completion	Tenure
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Completed Properties (continued)**Riviera Cove**

a gated villa development in District 9	Ho Chi Minh City	Riviera Cove Joint Venture	60%	97,000	34,711	96 villas	2012	50 years lease
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PetroVietnam Towers

a 10-storey office development	Vung Tau	Petro Tower	12.9%	6,191	17,026	12,465	1997	40 years lease
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United States**TCB Building**

a 12-storey office building in the prestigious Galleria area	Houston, Texas	Keppel Houston Group Partnership	30%	13,015	27,323	26,858	1982	Freehold
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Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development								
Australia								
Office Tower^(b)								
a Grade A office building in CBD	Perth	Keppel REIT	22.6%	2,945	-	30,786	2015	99 years lease
China								
8 Park Avenue								
a 918-unit residential development	Shanghai	Shanghai Pasir Panjang Land	99%	33,432	133,393	106 residential units (Blocks 9 and 10)	2015	70 years lease
Park Avenue Central								
an office and retail development in Park Avenue precinct	Shanghai	Shanghai Floraville Land	99%	28,488	114,000	**	2019	70 years lease
The Springdale								
a 2,596-unit residential development with commercial and SOHO facilities in Pudong District	Shanghai	Shanghai Hongda Property Development	99.4%	264,090	328,792	60 residential units (Plot 4-1)	2015 (Plot 4-1)	70 years lease (residential) 40 years lease (commercial)
Seasons Residence								
a 1,102-unit residential development in Nanxiang, Jiading District	Shanghai	Shanghai Ji Xiang Land	100%	71,621	128,918	792 residential units (Phases 2 - 4)	2015	70 years lease

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Landed Development								
a 217-unit landed development in Sheshan	Shanghai	Shanghai Jinju Real Estate Development	99.4%	175,191	83,962	112 landed homes (Phase 1)	2016 (Phase 1)	70 years lease
Park Avenue Heights								
a 1,535-unit residential development with commercial facilities in Jinjiang District	Chengdu	Chengdu Hillstreet Development	100%	50,782	200,200	960 residential units (Phases 2 & 3)	2016	70 years lease (residential) 40 years lease (commercial)
Hill Crest Villa								
a 274-unit landed development in Xinjin County	Chengdu	Chengdu Hilltop Development	100%	249,330	163,147	53 landed homes (Phase 1)	2015 (Phase 1)	70 years lease
Serenity Villa								
a 573-unit landed development in Xinjin County	Chengdu	Chengdu Shengshi Jingwei Real Estate Investment	100%	286,667	233,862	84 landed homes (Phase 1)	2015 (Phase 1)	70 years lease
Residential Development								
a 6,480-unit residential development with commercial facilities in Pi County	Chengdu	Chengdu Taixin Real Estate Development Co.	35%	167,000	-	6,480 residential units and 649 retail shops	2020	70 years lease (residential) 40 years lease (commercial)
Spring City Golf & Lake Resort								
an integrated resort comprising golf courses, resort homes and resort facilities	Kunming	Spring City Golf and Lake Resort	68.8%	2,157,361	16,819 (Hill Crest Residence Phase 2B)	97 residential units (Hill Crest Residence Phase 2B)	2016 (Hill Crest Residence Phase 2B)	70 years lease

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Central Park City								
a 5,339-unit residential township development with commercial and SOHO facilities	Wuxi	CityOne Development (Wuxi)	49.7%	352,534	671,079	1,120 residential units (Plots C2B, C2C & C2D)	2016 (Plots C2B, C2C & C2D)	70 years lease (residential) 40 years lease (commercial)
Waterfront Residence								
a 1,393-unit residential development with commercial and SOHO facilities in Binhu District	Wuxi	Keppel Lakefront (Wuxi) Property Development	100%	215,230	294,174	1,393 residential units	2019	70 years lease (residential) 40 years lease (commercial)
Mixed-use Development								
a mixed-use development with 1,132 residential units and commercial facilities in Beitang District	Wuxi	Keppel Heights (Wuxi) Property Development	100%	66,010	177,635	1,132 residential units	2018	70 years lease (residential) 40 years lease (commercial)
The Seasons (Remaining Phases)								
a 2,794-unit residential township with integrated facilities in Shenbei New District	Shenyang	Keppel Township Development (Shenyang)	100%	348,312	***	***	***	50 years lease (residential) 40 years lease (commercial)

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Township Development								
a residential township with integrated facilities in Hunnan New District	Shenyang	Keppel Bay Property Development (Shenyang)	99.8%	302,681	***	***	***	50 years lease (residential) 40 years lease (commercial)
Keppel Cove								
a 1,647-unit residential development with a mix of villas and apartments, as well as integrated marina lifestyle facilities	Zhongshan	Sunsea Yacht Club (Zhongshan)	80%	891,752	460,000	42 villas with private berths (Phase 1)	2015 (Phase 1)	70 years lease (residential) 40 years lease (commercial)
Vacant Land								
located in North Island within Sino-Singapore Tianjin Eco-City	Tianjin	Tianjin Fushi Property Development	100%	666,665	***	***	***	70 years lease (residential) 40 years lease (commercial)
Vacant Land								
located in North Island within Sino-Singapore Tianjin Eco-City	Tianjin	Tianjin Fulong Property Development	100%	1,000,000	***	***	***	70 years lease (residential) 40 years lease (commercial)
Waterfront Residence								
a 341-unit landed development within Sino-Singapore Tianjin Eco-City	Tianjin	Tianjin Fulong Property Development	100%	103,683	61,417	87 landed homes (Phase 1)	2016 (Phase 1)	70 years lease

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Development in Sino-Singapore								
Tianjin Eco-City								
a 4,354-unit residential development with office and retail space	Tianjin	Keppel Hong Da (Tianjin Eco-City) Property Development ⁽⁹⁾	55%	365,722	633,798	270 residential units (Seasons Garden Plot 11)	2016 (Seasons Garden Plot 11)	70 years lease (residential) 40 years lease (commercial)
Stamford City								
a 1,573-unit residential development with commercial and SOHO facilities	Jiangyin	Jiangyin Evergro Properties	99.4%	82,987	299,991	1,064 residential units (Phase 3)	2017 (Phase 3)	70 years lease (residential) 40 years lease (commercial)
Waterfront Residence								
a 1,199-unit residential development with a mix of villas, terrace houses, and apartments	Nantong	Keppel Lakefront (Nantong) Property Development	100%	172,215	189,437	111 residential units (Phase 1)	2015 (Phase 1)	70 years lease
Commercial Development								
an office and retail development in Chaoyang District	Beijing	Beijing Aether Property Development	51%	26,081	104,797	81,847	2017	40 years/ 50 years lease

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
India								
Elita Horizon								
a 1,419-unit residential development off Kanakapura Road	Bangalore	Keppel Puravankara Development	51%	79,927	174,751	1,419 residential units	2020	Freehold
Indonesia								
International Financial Centre Jakarta Tower 2								
a Grade A office development in Jakarta CBD	Jakarta	PT Kepland Investama	100%	10,428 ^(d)	61,300	50,200	2015	20 years lease with option for another 20 years
Vacant Land								
located in Tunjungan	Surabaya	PT Sentral Tunjungan Perkasa	80%	23,253	***	***	***	30 years lease with option for another 20 years
West Vista								
a 2,854-residential development with ancillary shop houses in West Jakarta	Jakarta	PT Harapan Global Niaga	100%	28,903	149,537	2,854	2018	30 years lease with option for another 20 years

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Pasadenia Residence								
a residential development within the Pulomas residential district	Jakarta	PT Pulomas Gemala Misori	25%	39,753	40,806	160 residential units	2016	30 years lease with option for another 20 years
Ria Bintan (Phase 2 onwards)								
an integrated resort with golf courses, a Club Med Village and resort homes	Bintan	PT Ria Bintan	45.9%	2,803,000	***	***	***	30 years lease with option for another 50 years
Vacant Land								
located in Tanah Lot	Bali	PT Purimas Straits Resort	24.5%	844,260	***	***	***	30 years lease with option for another 20 years
Malaysia								
Taman Sutera and Sutera Utama								
a township comprising residential units, commercial space and recreational facilities in Skudai	Johor	Tanah Sutera Development	18%	3,194,574 (290,848 currently under development)	-	903 residential units currently under development	2015/2016	Freehold

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Myanmar								
Sedona Hotel Yangon (Phase 2)								
a 5-star hotel fronting the famous Inya Lake	Yangon	Straits Greenfield	100%	8,202	31,568	418 rooms	2015	50 years BOT with option for another two 10-year extensions
Office Development								
within a mixed-use development in the heart of Yangon CBD and opposite the famous Bogyoke Market	Yangon	City Square Office Co.	40%	26,406 (for entire mixed-use development)	53,100	33,400	2017	50 years BOT with option for another two 10-year extensions
Netherlands								
Almere Data Centre 2								
a high specification data centre	Almere	Keppel Data Centre Almere BV	30%	9,300	12,842	11,000	2015 (Phase 1)	Freehold
Philippines^(e)								
SM-KL Project (Phase 2)								
an office-cum-retail development in Ortigas CBD	Mandaluyong City	SM Keppel Land Inc.	24.2%	12,932	156,446	34,319 (Retail) 89,279 (Office)	2016 (Retail) 2019 (Office)	Freehold

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
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Properties Under Development (continued)**Sri Lanka****The Belvedere**

a 297-unit high-rise residential development in Kotahena District

Colombo

Keppel C T Developments

60%

5,058

51,511

297 residential units

2018

Freehold

Thailand^(f)**Villa Arcadia****Srinakarin**

a 365-unit detached housing development off Srinakarin Road

Bangkok

Thai-Kami

45.5%

159,746

76,626

156 detached houses (Phase 2)

2017 (Phase 2)

Freehold

Villa Arcadia**Watcharapol**

a 270-unit detached housing development at Watcharapol Road

Bangkok

Keppel Thai Properties

45.5%

124,912

68,314

Freehold

United States**Residential****Development**

a residential-cum-retail development at Upper East Side in Manhattan

New York

MIPA 59/Third Owner

82.4%

-

13,750

**

**

Freehold

Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
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Properties Under Development (continued)**Vietnam****Saigon Centre (Phase 2)**

an office, retail cum serviced apartment development at Le Loi Boulevard in District 1	Ho Chi Minh City	Keppel Land Watco II & III	45.3%	8,354	100,250	87,500	2016 (Retail) 2017 (Retail)	50 years lease
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Saigon Centre (Phase 3)

an office, retail cum serviced apartment development at Le Loi Boulevard in District 1	Ho Chi Minh City	Keppel Land Watco IV & V	68%	8,622	103,464	90,000	**	50 years lease
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Tamarind Park

a 20-storey apartment tower with recreational facilities in District 1	Ho Chi Minh City	Keppel Land Agtex	60%	2,808	26,181	173 residential units	***	45 years lease
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Saigon Sports City

a township with about 2,600 apartments, commercial complexes and public sports facilities in District 2	Ho Chi Minh City	Saigon Sports City	90%	640,477	688,180	777 residential units (Phase 1)	2018 (Phase 1)	50 years lease
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Estella Heights

a 872-unit residential development with commercial space in An Phu Ward, District 2	Ho Chi Minh City	Estella Joint Venture	98%	25,393	160,980	872 residential units	2018	50 years lease
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Group Properties (Overseas) (continued)

Description	Location	Held by	% Owned	Site Area (sm)	Estimated Gross Floor Area (sm)	Estimated Net Lettable Area (sm) (Commercial)/ No. of Units (Residential)	Expected Year of Completion	Tenure
Properties Under Development (continued)								
Waterfront Residential Township								
a residential township with about 6,700 units and commercial space at South Rach Chiec in District 2	Ho Chi Minh City	South Rach Chiec	42%	302,093	995,000	945 residential units (Phase 1)	2018-2020 (Phase 1)	50 years lease
Riviera Point								
a 2,400-unit residential development with commercial space in District 7	Ho Chi Minh City	Riviera Point	75%	89,727	447,079	***	***	50 years lease
Casuarina Cove								
a 120-unit gated waterfront villa development in District 9	Ho Chi Minh City	Belwynn - Hung Phu Joint Venture	60%	93,368	39,807	120 villas	2018	50 years lease
Dong Nai Waterfront City								
a 11,715-unit residential township with commercial space in Long Thanh District	Dong Nai	Dong Nai Waterfront City	50%	3,667,127	5,012,380	947 residential units (Phase 1)	2018-2021 (Phase 1)	50 years lease

(a) Comprises both HarbourFront Tower One and Two

(b) Assets owned by Keppel REIT in which the Group has a 45.1% stake

(c) To be redeveloped into a Grade A office tower with estimated GFA of 82,000 sm and expected completion in 2019

(d) For entire site

(e) Assets owned by Keppel Philippines Properties in which the Group has a 51% stake

(f) Assets owned by Keppel Thai Properties in which the Group has a 45.5% stake

(g) For residential component only

** Under planning stage

*** Plans are under review in accordance to market conditions

Statistics of Shareholdings

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As at 13 March 2015

Number of issued shares (including treasury shares): 1,547,211,768
 Number of issued shares (excluding treasury shares): 1,546,881,101
 Number/percentage of treasury shares ⁽¹⁾: 330,667 (0.02%)

Class of shares: Ordinary shares

Voting rights: One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

Size of Shareholdings	Number of Shareholders	%	Number of Shares (Excluding Treasury Shares)	% ⁽¹⁾
1 - 99	506	5.53	13,027	-
100 - 1,000	2,090	22.82	1,313,487	0.08
1,001 - 10,000	5,260	57.42	21,466,043	1.39
10,001 - 1,000,000	1,289	14.07	45,804,043	2.96
1,000,001 and above	15	0.16	1,478,284,501	95.57
Total	<u>9,160</u>	<u>100.00</u>	<u>1,546,881,101</u>	<u>100.00</u>

Location of Shareholders	Number of Shareholders	%	Number of Shares (Excluding Treasury Shares)	% ⁽¹⁾
Singapore	8,490	92.68	1,542,393,700	99.71
Malaysia	453	4.95	2,517,914	0.16
Others	217	2.37	1,969,487	0.13
Total	<u>9,160</u>	<u>100.00</u>	<u>1,546,881,101</u>	<u>100.00</u>

Twenty Largest Shareholders

		Number of Shares	% ⁽¹⁾
1	Keppel Corporation Limited	1,078,137,367	69.70
2	The Central Depository (Pte) Limited	246,387,266	15.93 ⁽²⁾
3	Citibank Nominees Singapore Pte Ltd	41,708,097	2.70
4	DBS Nominees Pte Ltd	30,274,956	1.96
5	Morgan Stanley Asia (Singapore) Securities Pte Ltd	20,763,298	1.34
6	Raffles Nominees (Pte) Ltd	18,728,890	1.21
7	HSBC (Singapore) Nominees Pte Ltd	13,844,682	0.89
8	DBSN Services Pte Ltd	8,837,844	0.57
9	United Overseas Bank Nominees Pte Ltd	6,721,962	0.43
10	DB Nominees (S) Pte Ltd	3,950,359	0.26
11	Bank of Singapore Nominees Pte Ltd	2,438,293	0.16
12	Chen Chun Nan	2,150,000	0.14
13	OCBC Nominees Singapore Pte Ltd	1,649,781	0.11
14	BNP Paribas Securities Services Singapore	1,496,706	0.10
15	Heng Siew Eng	1,195,000	0.08
16	BNP Paribas Nominees Singapore Pte Ltd	846,773	0.05
17	OCBC Securities Private Ltd	838,081	0.05
18	UOB Kay Hian Pte Ltd	656,350	0.04
19	UOB Nominees (2006) Pte Ltd	644,741	0.04
20	Tan Wee Kiong Augustine	613,429	0.04
		<u>1,481,883,875</u>	<u>95.80</u>

Substantial Shareholders

		Number of Shares	% ⁽¹⁾
1	Temasek Holdings (Private) Limited (Deemed interest) ⁽³⁾	1,324,638,424	85.63 ⁽⁴⁾
2	Keppel Corporation Limited	1,324,638,424	85.63 ⁽⁴⁾

Approximately 14%⁽¹⁾ of the issued shares of Keppel Land Limited are held by the public. Accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

Notes:

- Based on 1,546,881,101 issued shares (excluding 330,667 treasury shares).
- These shares are held in the "Suspense Account" of The Central Depository (Pte) Limited ("CDP") as CDP had received valid acceptances of the voluntary unconditional cash offer ("Offer") by Keppel Corporation Limited in respect of these shares as at 13 March 2015. These shares were transferred to Keppel Corporation Limited on 19 March 2015 upon despatch of consideration for such shares to the relevant shareholders.
- Temasek Holdings (Private) Limited holds 20.91% in the share capital of Keppel Corporation Limited, and is deemed to be interested in the shares of Keppel Land Limited held by Keppel Corporation Limited.
- These include 246,387,266 shares transferred to Keppel Corporation Limited on 19 March 2015 as mentioned in Note 2 above as well as 113,791 scrip shares that were validly tendered in acceptance of the Offer and were transferred to Keppel Corporation Limited as at 19 March 2015.

Notice of Annual General Meeting

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Keppel Land Limited
(Incorporated in Singapore)
(Co. Reg. No.: 189000001G)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Raffles City Convention Centre, Atrium Ballroom, Level 4, 80 Bras Basah Road, Singapore 189560 on Thursday, 30 April 2015 at 11.00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 December 2014. **(Resolution 1)**
2. To declare a final one-tier tax exempt dividend of 14 cents per share for the year ended 31 December 2014 (2013: a final one-tier tax exempt dividend of 13 cents per share). **(Resolution 2)**
3. (a) To re-elect Mr Chan Hon Chew, who will retire pursuant to Article 100 of the Company's Articles of Association and who, being eligible, is offering himself for re-election **(Resolution 3, see Note 2)**; and
(b) To note that Mrs Lee Ai Ming and Mr Heng Chiang Meng will also be retiring at this Annual General Meeting, but will not be offering themselves for re-election.
4. To re-appoint Mr Tan Yam Pin who, being over the age of 70 years, will cease to be a Director at this Annual General Meeting, and who, being eligible, offers himself for re-appointment pursuant to Section 153(6) of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") to hold office from the date of this Annual General Meeting until the next Annual General Meeting of the Company. **(Resolution 4, see Note 2)**
5. To approve Directors' fees of \$1,246,000 for the year ended 31 December 2014 (2013: \$1,334,000). **(Resolution 5)**
6. To re-appoint Messrs Ernst & Young LLP as Auditors, and to authorise the Directors to fix their remuneration. **(Resolution 6)**

AS SPECIAL BUSINESS

7. To consider and, if thought fit, approve with or without modifications, the following resolutions which will be proposed as Ordinary Resolutions:
 - 7.1 That pursuant to Section 161 of the Companies Act and the Company's Articles of Association, authority be and is hereby given to the Directors of the Company to:
 - (1) (a) issue shares in the capital of the Company ("**Shares**"), whether by way of rights, bonus or otherwise, and including any capitalisation pursuant to the Company's Articles of Association of any sum for the time being standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution; and/or
(b) make or grant offers, agreements or options that might or would require Shares to be issued (including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares) (collectively, "**Instruments**"),

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (2) (notwithstanding that the authority so conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors of the Company while the authority was in force;

provided that:

- (i) in exercising the authority granted under this Resolution, the Company shall comply with the provisions of the Companies Act, the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST or the Listing Manual of the SGX-ST is no longer applicable to the Company) and the Articles of Association for the time being of the Company; and
- (ii) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier. (**Resolution 7**, see Note 3)
8. To transact such other business which can be transacted at the Annual General Meeting of the Company.

NOTICE IS ALSO HEREBY GIVEN that the electronic copy of the Company's Annual Report 2014 will be published on the Company's website on 15 April 2015. The Company's website address is <http://www.keppelland.com/ar2014>.

NOTICE HAD BEEN GIVEN on 5 February 2015 that the Share Transfer Books and the Register of Members of the Company will be closed from 7 May 2015 after 5.00 p.m. to 11 May 2015 (both dates inclusive) for the preparation of dividend warrants. Duly completed transfers in respect of ordinary shares in the capital of the Company ("**Shares**") received by the Company's registrar, KCK CorpServe Pte Ltd, 333 North Bridge Road #08-00, KH KEA Building, Singapore 188721 up to the close of business at 5.00 p.m. on 7 May 2015 will be registered to determine shareholders' entitlement to the proposed final dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares at 5.00 p.m. on 7 May 2015 will be entitled to the proposed final dividend.

By Order of the Board



Anna Tan
Joint Company Secretaries



Tok Boon Sheng

Singapore, 15 April 2015

Notes:

1. A Member is entitled to appoint one proxy or two proxies to attend and vote in his place. A proxy need not also be a Member of the Company. The instrument appointing a proxy must be deposited at the registered office of the Company at 230 Victoria Street #15-05, Bugis Junction Towers, Singapore 188024, not less than 48 hours before the time appointed for holding the Annual General Meeting.
2. Detailed information about these Directors can be found in the Board of Directors, and Profile of Directors and Senior Management sections of the Company's Annual Report for the year ended 31 December 2014.

Mr Chan Hon Chew will upon re-election, continue to serve as a member of the Audit and Board Risk Committees. Mr Chan is the Chief Financial Officer of Keppel Corporation Limited, appointed with effect from 1 February 2014. His principal directorships include Keppel Offshore & Marine Ltd, Keppel Infrastructure Holdings Pte Ltd and Keppel Telecommunications & Transportation Ltd. He is also the Chairman of Keppel DC REIT Management Pte. Ltd. (the Manager of Keppel DC REIT). Mr Chan is considered by the Board to be a non-independent Director.

Mr Tan Yam Pin will upon re-appointment, continue to serve as Chairman of the Remuneration and Board Safety Committees. Mr Tan is a Director of Great Eastern Holdings Limited and Singapore Post Limited. He has been a member of the Singapore Public Service Commission since 1990. He was a former Board Member of BlueScope Steel Limited (Australia) until November 2013. Mr Tan is considered by the Board to be an independent Director.

3. Ordinary Resolution 7 is to empower the Directors from the date of the Annual General Meeting until the date of the next Annual General Meeting to issue Shares and Instruments in the Company.

Personal Data Privacy:

By submitting an instrument appointing proxy or proxies, and/or representative(s) to attend, speak and vote at the annual general meeting and/or any adjournment thereof, a member (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the annual general meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), and (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure of such individual's personal data for the Purposes.

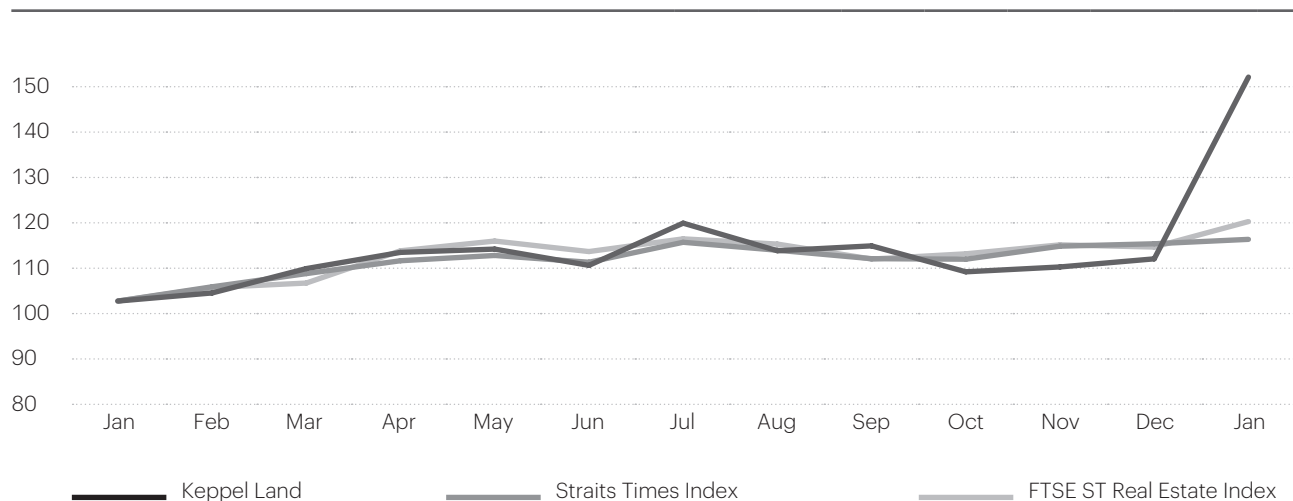
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COMPARATIVE PRICE TRENDS

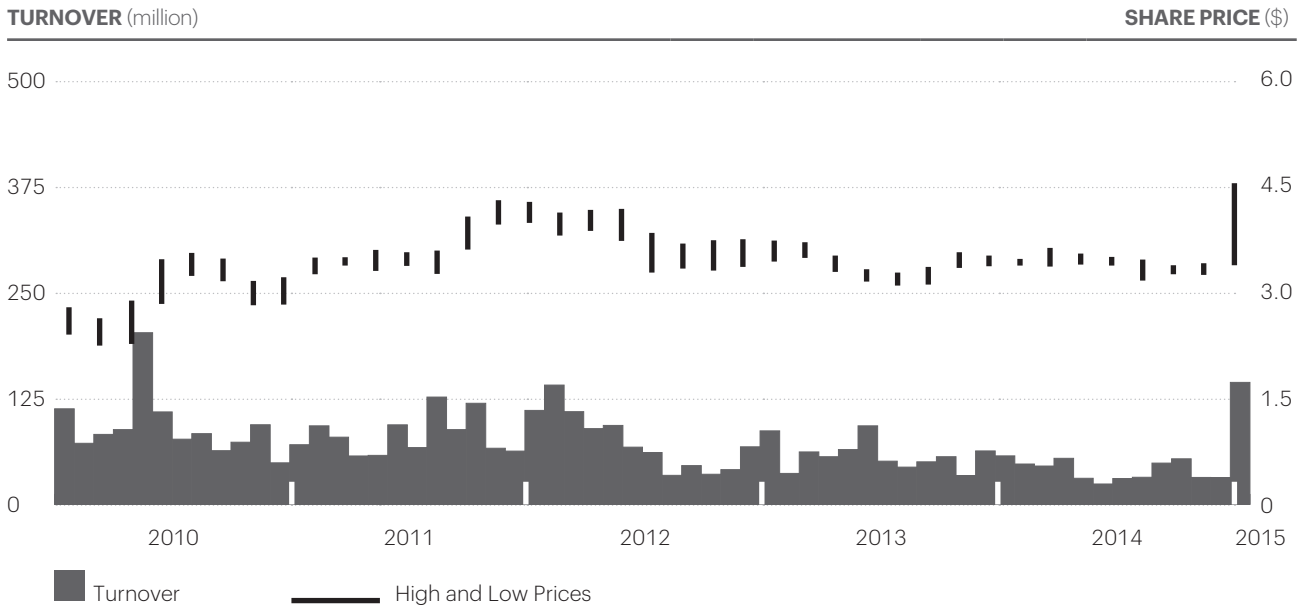
Month End	Keppel Land		Straits Times Index		FTSE ST Real Estate Index	
	Closing Price (S\$)	Normalised Values	Closing Index	Normalised Values	Closing Index	Normalised Values
Jan 2014	3.16	100.00	3,027	100.00	684	100.00
Feb 2014	3.21	101.58	3,111	102.78	702	102.63
Mar 2014	3.36	106.33	3,189	105.35	708	103.51
Apr 2014	3.46	109.49	3,265	107.86	751	109.80
May 2014	3.48	110.13	3,296	108.89	764	111.70
Jun 2014	3.38	106.96	3,256	107.57	750	109.65
Jul 2014	3.64	115.19	3,374	111.46	767	112.13
Aug 2014	3.47	109.81	3,327	109.91	760	111.11
Sep 2014	3.50	110.76	3,277	108.26	740	108.19
Oct 2014	3.34	105.70	3,274	108.16	747	109.21
Nov 2014	3.37	106.65	3,351	110.70	759	110.96
Dec 2014	3.42	108.23	3,365	111.17	756	110.53
Jan 2015	4.54	143.67	3,391	112.03	790	115.50

NORMALISED VALUES

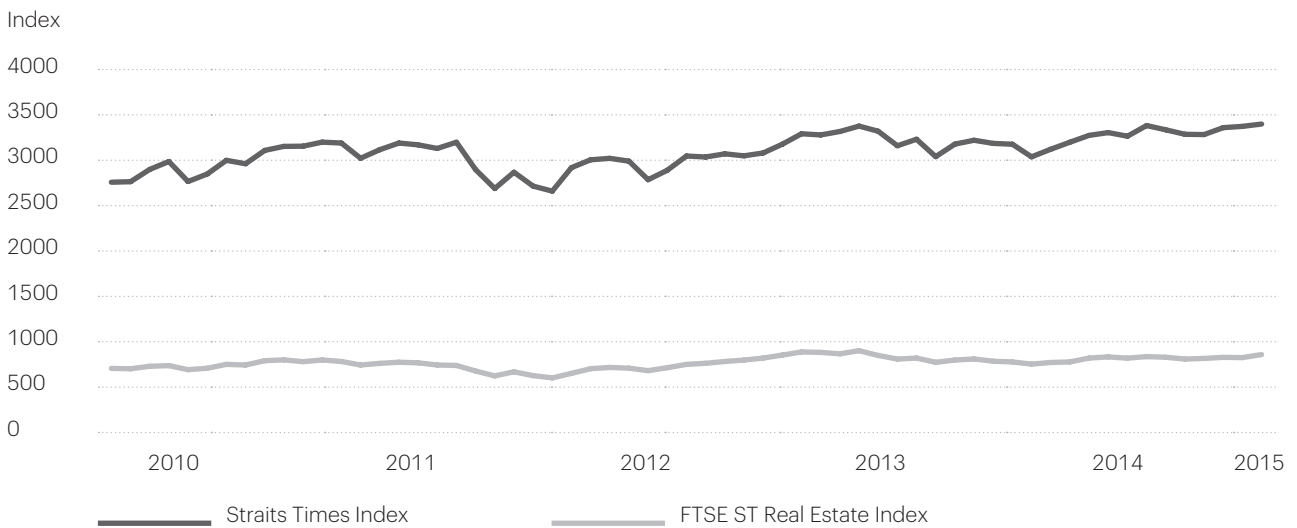


Keppel Land's share price started off at \$3.16 at end-January 2014 and closed at \$3.42 at end-December 2014. The movements in share price during the year are in tandem with the general trends for Straits Times Index and the FTSE ST Real Estate Index.

On 23 January 2015, Keppel Corporation Limited ("KCL") announced that it intends to make a voluntary unconditional cash offer for all the issued ordinary shares of Keppel Land other than those already owned, controlled or agreed to be acquired by KCL as the date of the offer. As stated in the Offer Document issued by KCL on 12 February 2015, the base offer price is \$4.38 per share and the offer price will be \$4.60 per share if KCL is entitled to exercise its right of compulsory acquisition under the Companies Act. Keppel Land's share price closed at \$4.54 at end-January 2015.



STRAITS TIMES AND FTSE ST REAL ESTATE INDICES



INVESTOR DATA

	2010	2011	2012	2013	2014
Earnings per share (cents) (Note 1)	74.3	93.8	55.5	57.3	48.7
Dividend per share (cents)	18.0	20.0	12.0	13.0	14.0
Share price (cents) (Note 2)					
Highest	505	488	408	431	364
Lowest	321	222	227	328	310
Average	394	353	336	372	340
Last done	480	222	403	334	342
Turnover (million shares)	1,119.6	992.4	907.0	705.3	493.9
Dividend yield (%) (Note 3)	4.6	5.7	3.6	3.5	4.1
Net price-earnings ratio (Notes 1 and 3)	5.3	3.8	6.1	6.5	7.0
Net asset value per share (\$)	2.95	3.74	3.99	4.52	4.95

Notes:

1. Earnings represent the Group's net profits.
2. Share prices reflect transactions recorded on the Singapore Exchange Securities Trading Limited.
3. In calculating dividend yields and net price-earnings ratios, the average share prices have been used.

Proxy Form



Keppel Land Limited
(Incorporated in Singapore)
(Co. Reg. No.: 189000001G)

IMPORTANT:

1. For investors who have used their CPF monies to buy KEPPEL LAND LIMITED shares, this report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as observers must submit their requests through their CPF Approved Nominees within the time frame specified. Any voting instructions must also be submitted to their CPF Approved Nominees within the time frame specified to enable them to vote on the CPF investor's behalf.

ANNUAL GENERAL MEETING

I/We _____ (Name) _____ (NRIC/Passport Number)
of _____ (Address)

being (a) member(s) of Keppel Land Limited (the "Company"), hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholdings	
			No. of Shares	%
and/or (delete as appropriate)				

as my/our proxy/proxies to vote on my/our behalf at the Annual General Meeting of the Company to be held on 30 April 2015 at 11.00 a.m. at Raffles City Convention Centre, Atrium Ballroom, Level 4, 80 Bras Basah Road, Singapore 189560.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her discretion.

No.	Resolution	Number of Votes For*	Number of Votes Against*
Ordinary Business			
1.	To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 December 2014		
2.	To declare a final one-tier tax exempt dividend of 14 cents per share for the year ended 31 December 2014 (2013: a final one-tier tax exempt dividend of 13 cents per share)		
3.	To re-elect Mr Chan Hon Chew as Director		
4.	To re-appoint Mr Tan Yam Pin as Director		
5.	To approve Directors' fees of \$1,246,000 for the year ended 31 December 2014 (2013: \$1,334,000)		
6.	To re-appoint Ernst & Young LLP as Auditors, and to authorise the Directors to fix their remuneration		
Special Business			
7.	To approve the authority to issue shares and convertible securities pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore		

* If you wish to exercise all your votes "For" or "Against", please indicate with a "✓" within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2015

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) or Common Seal of Member(s)

IMPORTANT: Please read the notes overleaf before completing this Proxy Form.

Notes for Proxy Form

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you only have Shares registered in your name in the Register of Members, you should insert that number of Shares. However, if you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all Shares held by you.
2. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company. Where a member appoints two proxies, he/she shall specify the proportion of his/her shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy shall be deemed as representing 100 per cent. of the shareholding and the second named proxy shall be deemed as an alternate to the first named proxy.
3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.

Fold along this line (1)

Affix
Postage
Stamp

**The Company Secretary
Keppel Land Limited
230 Victoria Street #15-05
Bugis Junction Towers
Singapore 188024**

Fold along this line (2)

4. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 230 Victoria Street #15-05, Bugis Junction Towers, Singapore 188024 not less than 48 hours before the time appointed for the Meeting.
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
6. A corporation which is a member may authorise, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
7. The Company shall be entitled to reject an instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of a member whose Shares are entered against his/her name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

