STAMFORD
LAND CORPORATION LTD

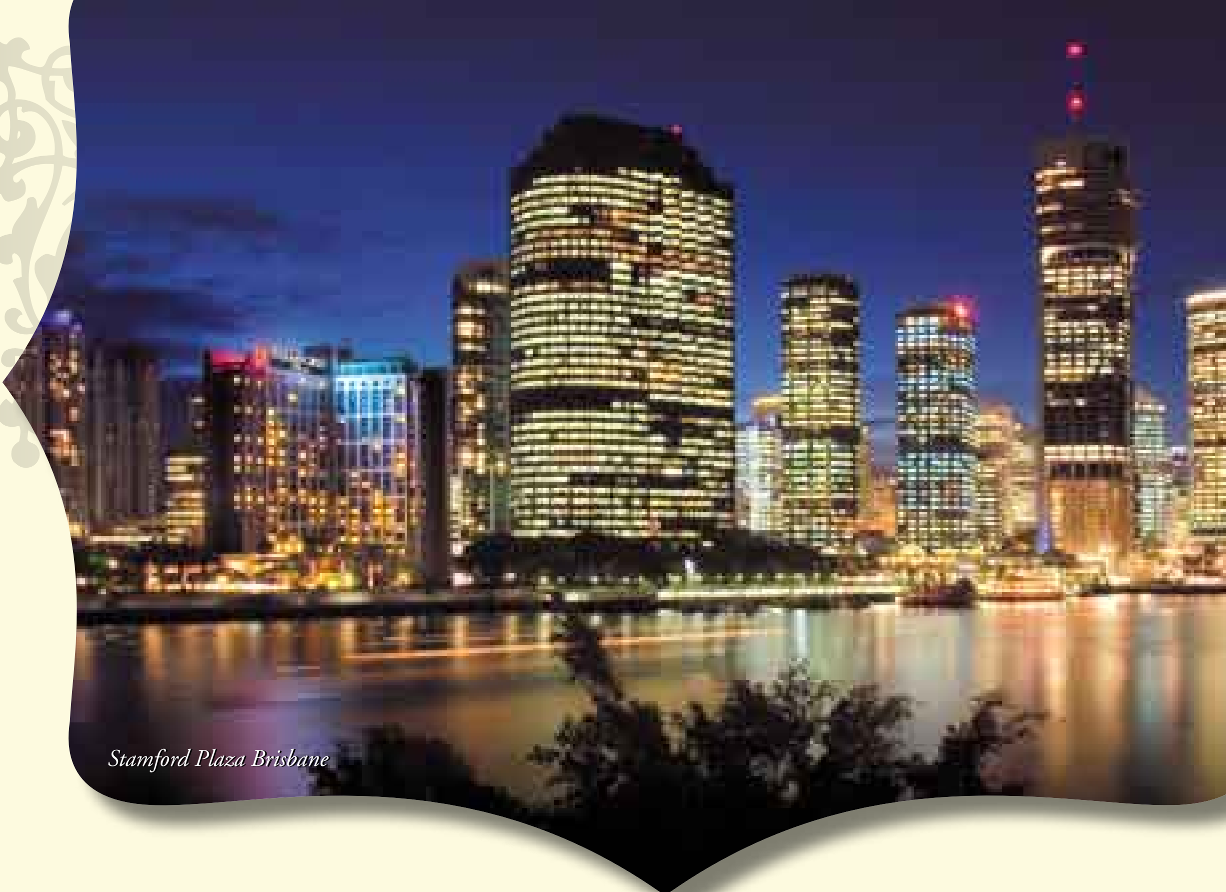
defining grandeur

ANNUAL REPORT 2007/08


Stamford Plaza Auckland

Defining elegance


The Stamford Marque Sydney



Stamford Plaza Brisbane

Contents

Chairman's Message

Defining lifestyle

Stamford Land Corporation achieved creditable results with net profits rising by 28.7% to $42.9 million from $33.4 million in the previous financial year. This is due mainly to the enhanced performance of our hotel segment that saw higher occupancy and room rates. Revenue per available room for the Group's eight hotels posted a healthy 6.7% increase.

A strong Australian economy and the continued boom in the resources sector boosted demand for hotel accommodation. Riding on this positive trend, our hotel segment's operating profits rose significantly by 41.5% to $46.8 million and revenue increased by 17% to $232.2 million.

Group revenue, however, saw a 7.3% decrease from $298.0 million to $276.1 million due to significantly reduced contributions from our property segment whereby the sale of a few remaining apartments in Stamford Marque were recognised as it was mostly sold out in FY2006/07.

Our other major property developments are still under construction and revenue from pre-sold apartments are not recognised under Australia's accounting regulations.

In view of our good performance, the Board is recommending a tax-exempt one-tier Final Dividend and Special Dividend of 1.5 cents per share and 1.0 cent per share respectively, with total payout amounting to about $21.6 million. This is on top of the Interim Dividend of 1.5 cents per share that was paid out in March this year.

THRIVING HOTEL BUSINESS

Our successful hotel business accounts for 93.4% of Group operating profits. We are the largest independent owner and operator of luxury hotels in Australasia and take great pride in the Stamford brand's hallmark of excellence. All our eight hotels offer superior locations in gateway cities, first-class facilities and outstanding service.

OW CHIO KIAT
Executive Chairman

Chairman's Message

As owner-operator of all our hotels, we are always vigilant about minimising costs without compromising on quality. We aim to deliver service that exceeds the expectations of discerning guests. Once again, our hotels received international awards and accolades. Stamford Plaza Brisbane has made it to the Luxury Travel Magazine's Gold List Awards for "Best Australian Hotel" and it was also winner of the "Best Performing Five Star Hotel Queensland" in the Horwath HTL Australia AnzphicMAXXotel Awards. Our picturesque Stamford Grand Adelaide was voted "Best Hotel Reception Venue in South Australia" in the Australian Bridal Industry Awards. Our Stamford Plaza Sydney Airport was voted "Australasia's Leading Airport Hotel" by World Travel Awards.

Stamford Plaza Auckland smoothly resumed its business after its four-month closure in the previous financial year. This is a strong testimony to the hotel's solid reputation and ability to garner customer loyalty. The hotel re-opened its guestrooms on the tenth floor last October, making a total of 283 rooms available. In June this year, Stamford Plaza Auckland was voted "New Zealand's Leading Business Hotel" in the prestigious World Travel Awards.

We will be re-launching Stamford Plaza Auckland to make an indelible impression of its iconic presence in New Zealand's largest city when The Stamford Residences constructed above it, are completed in October this year.

SIGNATURE PROPERTY DEVELOPMENTS

The Group's residential property developments uphold the Stamford hallmark of luxury living and offer a coveted address within the Central Business District.

In Sydney's renowned historic quarters, The Rocks, we are developing The Stamford Residences and The Reynell

" I have had a long association with the Stamford Plaza Auckland Hotel. In 1996, as Minister of Tourism, I opened this grand establishment. I am proud of my association with Mr C. K. Ow and Stamford Hotels and Resorts' contributions to tourism in Auckland. The Stamford Residences above the Hotel, with world class design, will be a stunning addition to the Auckland city skyline."

Hon. John Banks QSO
Mayor
Auckland City

The Stamford Residences Auckland

Terraces. It offers a unique investment opportunity as the last grand residential tower that is allowed in the precinct. The two-storey heritage Reynell Building is an integral part of this development. It is being conserved for adaptive re-use, yielding some 1,030 square metres of office and retail space.

The Stamford Residences and The Reynell Terraces have been well received, given its sought-after location at 171-193 Gloucester Street, world-class design, spacious living and superb views of scenic Sydney including the iconic Opera House and Harbour Bridge. Over 60% or 109 residential units worth a total of some A$145 million, was pre-sold as at June 2008. Income from the sales will be recognised in financial year 2011/12 when the project is completed.

In New Zealand, The Stamford Residences is slated for completion in October this year. This 10-storey prime residential development, constructed above Stamford Plaza Auckland, comprises 149 freehold units. A world-class development with stunning design, it will be a striking enhancement to the city skyline.

Residents will enjoy a signature lifestyle with Auckland's tempting array of restaurants, entertainment and retail choices at their doorstep as well as convenient access to the five-star facilities of Stamford Plaza Auckland. Yet, they will dwell in a secluded haven with their own private entrance and lobby that comes complete with "white-glove" concierge. Panoramic views from frameless glass facades make for picture perfect living.

The Stamford Residences is an excellent example of the way we maximise on the potential of our existing property. We expect it to be a profitable venture especially since there were no land cost and foundation works involved. Moreover, there are no competing developments in the vicinity.

Chairman's Message

Construction of our 14-storey prime development in Perth, yielding some 13,000 square metres of office and retail space, will begin soon. It is located at 899-915 Hay Street in the Central Business District, built on land we had acquired 11 years back which has appreciated by at least 200% since then.

We are in discussions to pre-lease the entire building as a prelude to its disposal so as to maximise the property's value. The delay in construction, caused by a hold-up in finalising the building contract, is fortuitous given that the prices and rental rates of office properties in Perth have been skyrocketing over the last few years. There is a lack of supply of office space given the shortage of skilled workers and construction equipment that are besetting the construction industry.

PROSPECTS

The Australian Government is forecasting a GDP growth of 2.75% for this budget year and 3% for the next three years. A resilient economy, tax cuts and the continued buoyancy in the resource sector would impact positively on our business. Australia's hotel industry looks set to flourish with limited new supply expected given the tight credit environment and escalating cost of construction.

With our strong Stamford brand positioning, concerted marketing efforts and better yield management, we are confident of good prospects for the current financial year. Over 75% of our hotel business is derived from domestic business travellers and we are not affected by the strengthening Australian currency that could

899-915 Hay Street Perth (Australia)
Artist's Impression

dampen tourist arrivals. We are also focusing on the more lucrative Meetings, Incentives, Conferences and Exhibitions ("MICE") segment.

Overall, we expect higher revenue from better occupancy and room rates that would offset any increase in expenses arising from higher inflation; and the rising cost of utilities and wages. Sales of The Stamford Residences would also contribute positively to our bottom-line. With a strong Singapore economy, the few companies within our trading segment are expected to improve on their performances.

APPRECIATION

I would like to take this opportunity to thank our Board members for their wise counsel and also our unswerving team of management and staff for their commitment. Last but not least, my appreciation goes to our customers and shareholders for their loyal support.

OW CHIO KIAT
Executive Chairman
26 June 2008

Board of Directors

Mr Ow Chio Kiat

Mr Ow Cheo Guan

Mr Ow is the Executive Chairman of Stamford Land Corporation Ltd ("SLC"). He is also the Executive Chairman of Singapore Shipping Corporation Limited ("SSC") and Cougar Logistics Corporation Ltd ("CLC") and a director of most of SLC's, SSC's and CLC's subsidiaries.

Mr Ow is a Fellow of the Institute of Chartered Shipbrokers and is Singapore's non-resident Ambassador to Argentina.

Mr Ow is Executive Deputy Chairman of SLC. He is also the Executive Deputy Chairman of SSC and CLC and a director of most of SLC's, SSC's and CLC's subsidiaries.

Mr Ow is a Fellow of the Institute of Chartered Shipbrokers and is the Honorary Consul of the Slovak Republic in Singapore.

Mr Wong Hung Khim

Dr Tan Chin Nam

Mr Mak Lye Mun

Mr Wong holds a Bachelor of Science (Hons) (Physics) from the University of Singapore and attended the Advanced Management Programme of Harvard Business School in 1980. He was a senior civil servant, having served as Permanent Secretary, Ministry of Community Development, Executive Director of the then Port of Singapore Authority, Deputy Chairman and Chief Executive Officer of Singapore Telecommunications Limited and Executive Chairman of Jurong Town Corporation. He was conferred the Meritorious Service Medal in 1992 by the Singapore Government and the Medal of Commendation (Gold) in 1995 by the National Trades Union Congress.

Until 31 December 2002, Mr Wong was the Group Chairman and Chief Executive Officer of Delgro Corporation Ltd and SBS Transit Ltd and many of their subsidiaries.

Mr Wong is currently a director of Medi-Flex Ltd and China Zaino International Ltd.

Dr Tan Chin Nam was appointed to the Board on 4 January 2008 and is a member of the Audit Committee and Remuneration Committee.

Dr Tan has held top leadership positions in National Computer Board, Economic Development Board, Singapore Tourism Board, National Library Board, Ministry of Manpower and Ministry of Information, Communications and the Arts. He was awarded four National Day Public Administration Medals.

Dr Tan is currently Chairman of Media Development Authority and Temasek Management Services and a director of Yeo Hiap Seng Limited, PSA International and Senior Adviser to the Salim Group.

Dr Tan obtained his degrees in Industrial Engineering and Economics from the University of Newcastle, Australia, Master of Business Administration from the University of Bradford, United Kingdom and two Honorary Doctorates.

Mr Mak Lye Mun was appointed to the Board on 20 September 2007 and is a member of the Audit Committee, Remuneration Committee and Nominating Committee.

Mr Mak is Head of Investment Banking in CIMB-GK Securities Pte. Ltd. ("CIMB-GK") since 2002. Prior to joining CIMB-GK, he was Head of Mergers & Acquisitions Advisory Department with DBS.

His other directorships include acting as Non-Executive Director of Boardroom Limited and Tat Hong Holdings Ltd respectively.

He holds a Bachelor of Civil Engineering Degree (First Class Honours) from the University of Malaya, Malaysia and a Master of Business Administration Degree from the University of Texas at Austin, USA. He is also a CFA Charterholder.

Corporate Information

BOARD OF DIRECTORS
Ow Chio Kiat *(Executive Chairman)*
Ow Cheo Guan *(Executive Deputy Chairman)*
Wong Hung Khim
Mak Lye Mun
Tan Chin Nam

EXECUTIVE COMMITTEE
Ow Chio Kiat *(Chairman)*
Ow Cheo Guan
Wong Hung Khim

AUDIT COMMITTEE
Wong Hung Khim *(Chairman)*
Mak Lye Mun
Tan Chin Nam

REMUNERATION COMMITTEE
Wong Hung Khim *(Chairman)*
Mak Lye Mun
Tan Chin Nam

NOMINATING COMMITTEE
Wong Hung Khim *(Chairman)*
Ow Chio Kiat
Mak Lye Mun

COMPANY SECRETARIES
Teo Lay Eng
Claire Nazar

REGISTERED OFFICE
200 Cantonment Road
#09-01 Southpoint
Singapore 089763

SHARE REGISTRAR
M & C Services Private Limited
138 Robinson Road #17-00
The Corporate Office
Singapore 068906

AUDITORS
RSM Chio Lim
Certified Public Accountants
18 Cross Street #08-01
Marsh & McLennan Centre
Singapore 048423
Partner-in-charge: Mr Peter Jacob
Date of Appointment: 22 August 2003

PRINCIPAL BANKERS
Australia and New Zealand Banking Group Limited
1 Raffles Place
#32-00 OUB Centre
Singapore 048616

Oversea-Chinese Banking Corporation Limited
65 Chulia Street
#10-00 OCBC Centre
Singapore 049513

United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore 048624

Corporate Structure

HOTEL OWNING AND MANAGEMENT

- Atrington Trust
- Dickensian Holdings Ltd
- Grand Hotel Unit Trust
- Goldenlines Investments Limited
- HSH (Australia) Trust
- HSH Contractors Pte Ltd
- K.R.M.F.C. Pty Ltd
- Logan Trust
- Loftus Trust
- Minteyville Lt Collins Street Pty. Ltd.
- MLCS Trust
- North Ryde Investments Limited
- Ovenard Trust
- RGA Trust
- Sir Stamford at Circular Quay Pty Ltd
- Sir Stamford Hotels & Resorts Pte Ltd
- Stamford Hotels Pty Ltd
- Stamford Hotels and Resorts Pty Limited
- Stamford Hotels & Resorts Pte. Ltd.
- Stamford Hotels (NZ) Limited
- Stamford Cairns Trust
- Stamford Gold Coast Trust
- Stamford Heritage Pty Ltd
- Stamford Mayfair Limited
- Stamford Plaza Sydney Management Pty Limited
- Stamford Raffles Pty Ltd
- Stamford Sydney Airport Pty Ltd
- SNR Trust
- Terrace Hotel (Operations) Pty Ltd
- The Grand Hotel (S.A.) Pty Ltd
- TIA Trust

PROPERTY DEVELOPMENT & INVESTMENT

- Fontelle Trust
- HSH Properties Pte Ltd
- Knoxville Trust
- Plantique Investment Pte Ltd
- SHR Kent St Trust
- Stamford Property Services Pty. Limited
- Stamford Raffles Trust

TRADING

- Singapore Wallcoverings Centre (Private) Limited
- Sterling Credit Pte Ltd
- Varimerx S.E.Asia Pte Ltd
- Voyager Travel Pte Ltd

OTHERS

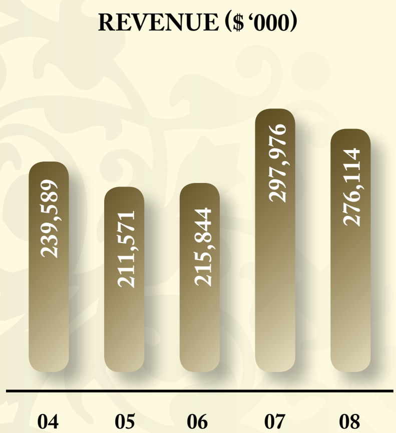
- HSH Tanker Inc.
- SLC Property Services Pte. Ltd.
- Stamford Land Management Pte Ltd
- Stamford Land (International) Pte Ltd

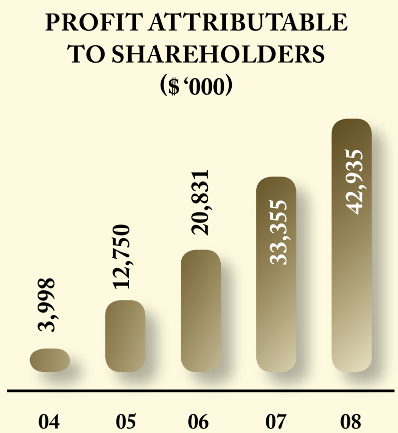
Five-Year Group Financial Summary

RESULTS OF OPERATIONS

All Figures in $'000	Restated 2004	Restated 2005	2006	2007	2008
	Group Year ended 31 March				
Revenue	**239,589***	**211,571***	**215,844**	**297,976**	**276,114**
Profit Before Exceptional Items	10,509*	12,812*	20,896	33,388	28,517
Exceptional Items	(6,144)	0	0	0	0
Profit Before Tax	4,365	12,812	20,896	33,388	28,517
Deferred Tax Credit	0	0	0	0	14,816
Income Tax Expense	(367)*	(62)	(65)	(33)	(398)
Profit Attributable to Shareholders	**3,998**	**12,750**	**20,831**	**33,355**	**42,935**
Earnings per Share (cents)	**0.5***	**1.5***	**2.4**	**3.9**	**5.0**
Dividend per Share (cents)	**1.5**	**1.5**	**3.0**	**3.0**	**4.0**

** The prior years' figures have been restated to reflect the change in accounting policies.*



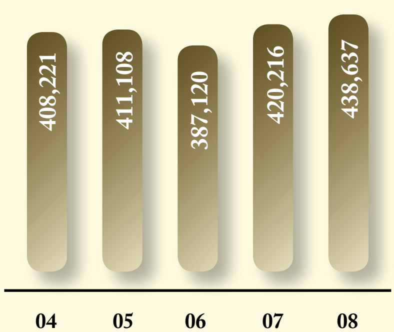


FINANCIAL POSITION

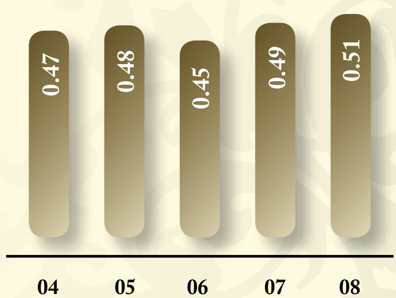
All Figures in $'000	Group As at 31 March Restated 2004	Restated 2005	2006	2007	2008
Property, Plant and Equipment	525,608	527,570	469,574	486,990	496,651
Investment Properties	4,130	0	0	14,270	14,330
Properties Under Development	53,209*	75,587*	121,569	101,262	173,183
Available-for-sale Investments	1,020	712	200	328	375
Current Assets	108,422	92,641	67,310	127,139	106,023
Current Liabilities	(35,739)	(250,221)	(80,760)	(38,241)	(168,144)
Non-Current Liabilities	(248,452)	(35,204)	(190,794)	(271,554)	(198,377)
Deferred Tax Assets	23*	23*	21	22	15,095
Deferred Tax Liabilities	0	0	0	0	(499)
Net Assets	**408,221**	**411,108**	**387,120**	**420,216**	**438,637**
Share Capital and Reserves	408,221*	411,108*	387,120	420,216	438,637
Capital Employed	**408,221**	**411,108**	**387,120**	**420,216**	**438,637**
Net Tangible Assets per Share ($)	**0.47***	**0.48***	**0.45**	**0.49**	**0.51**

** The prior years' figures have been restated to reflect the change in accounting policies.*

NET ASSETS ($ '000)



NET TANGIBLE ASSETS PER SHARE ($)



Operations Review

HOTEL OWNERSHIP & MANAGEMENT

The Group's hotel owning and management business achieved a substantial 41.5% increase in operating profit to $46.8 million due to higher occupancy and room rates. Revenue per available room ("revpar") for the Group's hotels increased by 6.7%.

Revenue saw a 17% rise to $232.2 million, accounting for 84.1% of Group revenue. The translation of the Australian and New Zealand dollar into Singapore dollar at higher exchange rates also contributed to the higher revenue.

For the first time, Stamford Plaza Brisbane made it into Luxury Travel Magazine's Gold List Awards for "Best Australian Hotel". It was also voted winner of the "Best Performing Five Star Hotel Queensland" in the Horwath HTL Australia AnzphicMAXXotel Awards. The hotel's highly successful Kabuki Japanese Restaurant clinched the "Best Entertainment Restaurant" title in the Restaurant & Catering Queensland Awards.

Stamford Plaza Brisbane's profits increased by 5.7% with revpar rising by over 6.5% and its occupancy rate was a healthy 89.1%. This good performance was mainly driven by strong demand from individual business travellers, conference and leisure segments.

General economic prosperity and especially the resource industry boom will continue to bolster demand for hotel accommodation. We expect Stamford Plaza Brisbane to do well in FY2008/09 given its excellent location in the main financial district and its sterling reputation.


Stamford Plaza Sydney Airport

Guest rooms in Stamford Plaza Brisbane will undergo soft refurbishment, re-defining luxury at an even more sophisticated level. LCD flat screen televisions and bathroom televisions are being installed in all guestrooms.

Stamford Plaza Sydney Airport saw its profits increase by about 36%. Revpar increased by 16.3% and occupancy rate by 6.3%. The hotel's better performance, in the face of strong competition from neighbouring hotels, is due to proactive marketing, enhanced yield management and excellent relationships with various airlines. The hotel was voted "Australasia's Leading Airport Hotel" by World Travel Awards ("WTA"). Hailed as "the Oscars of the Travel Industry" by the Wall Street Journal, WTA is the travel industry's most prestigious and comprehensive awards programme.

The hotel's prospects for financial year 2008/09 are expected to be good with strong positive demand and no new supply expected in the airport vicinity. Marketing efforts are directed at the Meetings, Incentives,

Defining prestige

Conferences and Exhibitions ("MICE") and corporate segments. Contracts with two major airlines have been renewed at higher rates.

Stamford Grand North Ryde maintained a stable level of profitability with slight improvements in revpar and occupancy rate despite a fall in Japanese and Korean inbound business due to the strengthening Australian currency. Located in Sydney's northwest hi-tech commercial and technology precinct, the hotel benefited from higher demand by individual business travellers.

The hotel is expected to do well in the current financial year, supported by robust corporate demand. Concerted efforts will be made to improve the domestic conference segment and leisure markets that will support the quieter weekend periods.

The stylish Stamford Grand North Ryde is Sydney's only all-suite resort style hotel, offering guests a serene getaway just 20 minutes away from the bustling Central Business District. A newly opened road tunnel and improved rail network connection to Chatswood by the end of this year will make our hotel even more accessible.

In March this year, all the hotel's suites were elegantly refurbished. Parrots Brasserie and Bar will be modernised with an upbeat ambience to appeal to the techno-savvy IT Park clientele and a Kabuki restaurant will be added to attract more diners.

Sir Stamford at Circular Quay improved on its profitability by some 9.0% with revpar increasing by 5.7%. The hotel is one of Australia's premium boutique hotels in the heart of Sydney's financial district. We expect Sir Stamford at Circular Quay to maintain its


Stamford Plaza Auckland

Operations Review

The picture perfect Stamford Grand Adelaide received the "Best Hotel Reception Venue in South Australia" accolade in the Australian Bridal Industry Awards

View from Stamford Grand Adelaide

performance, supported by corporate demand, although it will be a more challenging year with higher interest rates and oil prices affecting discretionary incomes.

Stamford Plaza Adelaide's profits increased by 9.9% and revpar rose by 8.3%. Higher room and F&B rates, improved yield management and a tight watch over operating expenses contributed to the positive bottom-line.

This five-star luxury hotel, conveniently located in the Central Business District, is well positioned to take advantage of the continued growth in hotel demand supported by the booming mining sector. Refurbishment works on Stamford Plaza Adelaide's conference and events facilities will be undertaken this year to further enhance their appeal.

Whilst Stamford Grand Adelaide's revpar strengthened by 4.7%, its occupancy rate declined by 3.4%. Profits dropped by 5.5%. A five-day air-conditioning outage during the peak Christmas and New Year Eve season adversely affected performance. Changes in the smoking legislation that took effect in November 2007 also had a negative effect on bar and gaming revenues. Concerted marketing efforts and advertising, focusing on the more lucrative MICE and catering markets, are expected to lead to better performance in financial year 2008/09.

The picture perfect Stamford Grand Adelaide received the "Best Hotel Reception Venue in South Australia" accolade in the Australian Bridal Industry Awards. This beautiful beach hotel, offering scintillating ocean views, has completed the refurbishment of its hotel rooms, making them even more elegant for a memorable stay. Renovation and extension of the Grand Bar will begin in July 2008 and is scheduled for completion this August.

Stamford Plaza Melbourne saw an increase in revpar of 11.5% and profits rose by 11.7%. The hotel's occupancy rate stabilised at close to 89%, driven by healthy demand from both domestic and international guests. The increased availability of low-cost airline traffic augured well for our business.

The hotel's outlook remains positive with little new supply expected. Planned airport and convention centre expansion in Melbourne over the next two years reflect strong business confidence. Soft refurbishment of its 100 suites will further enhance Stamford Plaza Melbourne's chic five-star appeal.

In June 2008, Stamford Plaza Auckland was voted "New Zealand's Leading Business Hotel" by the prestigious World Travel Awards ("WTA").

Stamford Plaza Auckland saw its revpar rising by 6.1%. Profits increased 21 times as it resumed operations after a four-month closure in the previous financial year due to construction of The Stamford Residences above the hotel. The hotel had reopened with 232 rooms in October 2006, after the closure. Guestrooms on the tenth floor were re-commissioned in October 2007 with total room availability adding up to 283 rooms. A new pool and gymnasium were also opened.

Given the hotel's strong reputation for service excellence, customer loyalty was evident in the hotel making a smooth comeback. When The Stamford Residences are completed in October this year, our hotel will stage a grand re-launch. We expect profits and revenues to increase substantially in the current year with improvement in occupancy level, average room rates as well as higher F&B turnover. We also look towards generating more business from the conference segment.

PROPERTY DEVELOPMENT & INVESTMENT

We had only a few remaining units of Stamford Marque that were sold, in contrast to the substantial sales recorded in the previous financial year. Hence, our property development and investment segment recorded a sharp decline in revenue by 66.8% to some $29.0 million and operating profit dropped 80.3% to $2.4 million.

Our Sydney development, The Stamford Residences & The Reynell Terraces, is the last grand residential tower permitted in the colourful and historic precinct in The Rocks. Comprising 122 tower apartments, two penthouses, five luxury terraces and select commercial and retail space, this coveted development is a unique opportunity that will not present itself again.

The Rocks is one of Australia's most renowned landmarks, a place of national historic importance that combines old-world charm with contemporary sophistication. It is a quaint village of interesting contrasts where tiny cafes are hidden along hand-carved cobblestone lanes and sophisticated global retail brands have made their homes.

The Stamford Residences & The Reynell Terraces offer an iconic lifestyle combining a sought after address in the Central Business District with world-class design, spacious luxury harbour views and exciting attractions in the vicinity.

The Reynell Terraces, Gloucester Street, Sydney

Operations Review

The development is located at 171-193 Gloucester Street, surrounded by famous heritage buildings including the Science House, winner of the inaugural Sulman Award for architecture in 1931. Nearby places of attraction include the Sydney Observatory and Museum of Contemporary Art as well as the Sydney Theatre at Walsh Bay and the Sydney Dance Company, presenting some of the world's most innovative artistic programs. Also close by is the Overseas Passenger Terminal; a waterfront hub with bars, restaurants and a berth for special visitors like QE2.

The Stamford Residences & The Reynell Terraces offer superb views of Sydney's celebrated monuments: the Opera House and Harbour Bridge. Residents can enjoy the beautiful land and harbour vistas of the North Shore, Lavender Bay, Observatory Hill, Walsh Bay and beyond the Blue Mountains. To the south, lies the welcoming green of Lang Park, the Gothic spires of St Patrick's Church and the metropolitan city lights.

Over 60% or 109 apartment units worth some A$145 million were pre-sold as at June 2008. Construction of The Stamford Residences & The Reynell Terraces began in June this year and is slated for completion in August 2011.

The unique heritage two-storey Reynell Building, which is part of the development, will be conserved for adaptive re-use, yielding some 1,030 square metres of office and retail space.

The Group's 14-storey office building development in Perth is located at 899-915 Hay Street within the Central Business District. It will yield some 13,000 square metres of prime retail and office space. The office space market in Perth is very robust, with rents rising by some 50% to 70% in 2007 and projected to increase by 12% in 2008 due to lack of supply in the light of a boom in the mining industry.

There was a delay in the construction of this development as the building company was faced with labour and equipment shortage, an endemic problem in the industry. The necessary building approvals as well as construction contract have been finalised and construction will begin shortly. We are targeting for its completion in early 2011.

In New Zealand, The Stamford Residences comprises 149 prime freehold residences including 10 sub-penthouses and six penthouses. These impressive residences, sheathed in a brilliant crystalline curtain of

The Reynell Terraces, Gloucester Street, Sydney

The Stamford Residences & The Reynell Terraces, is the last grand residential tower permitted in the colourful and historic precinct in The Rocks

The Stamford Residences Auckland

glass, are spread over ten floors rising majestically above the landmark Stamford Plaza Auckland hotel. It will be a stunning addition to the city skyline when completed in October this year.

The Stamford Residences offers a privileged lifestyle and sought after address in the prime northern Central Business District. Residents can enjoy the beat of the city with its endless choices of boutiques, galleries, dining and entertainment, all within walking distance. They can easily retreat to their homes of perfect tranquility where spacious, light-filled and well-appointed interiors make for sheer luxury living.

A quiet haven, The Stamford Residences has its own private entrance, lobby and high-speed observation lifts complete with exclusive 'white-glove' concierge as well as on-site building manager to ensure a secure and well-managed environment. There is convenient access to the hotel's five-star facilities including exciting bars and restaurants, state-of-the-art gymnasium, sauna and a lap pool.

Unique to New Zealand, The Stamford Residences' frameless glass façade's sliding panels open to intoxicating views of the endless sky and shimmering harbour with its colourful yachts and pleasure crafts. To the east, is the refreshing lush green of the Domain, Auckland's oldest park.

Two show apartments were completed in January this year. The Stamford Residences is slated for completion this October.

TRADING

Our trading segment saw an operating profit increase of 40.6% to $924,000 from $657,000 in the previous year. Riding on the strong Singapore economy, the Group's travel agency, Voyager Travel Pte Ltd, enjoyed a rewarding year. Our interior decoration companies, catering mainly to corporate customers, also achieved higher revenues and improved margins.

Hotel Portfolio

STAMFORD PLAZA
Auckland

Lower Albert Street, Auckland,
New Zealand
Phone : (64 9) 309 8888
Facsimile : (64 9) 379 6445
Email : reservations@spak.stamford.com.au

STAMFORD PLAZA
Adelaide

150, North Terrace, Adelaide,
South Australia 5000
Phone : (61 8) 8461 1111
Facsimile : (61 8) 8231 7572
Email : reservations@spa.stamford.com.au

STAMFORD PLAZA
Brisbane

Corner Edward & Margaret
Streets, Brisbane,
Queensland 4000
Phone : (61 7) 3221 1999
Facsimile : (61 7) 3221 6895
Email : reservations@spb.stamford.com.au

STAMFORD PLAZA
Melbourne

111 Little Collins Street,
Melbourne Victoria 3000
Phone : (61 3) 9659 1000
Facsimile : (61 3) 9659 0999
Email : reservations@spm.stamford.com.au

SIR STAMFORD AT
Circular Quay

93 Macquarie Street, Sydney,
New South Wales 2000
Phone : (61 2) 9252 4600
Facsimile : (61 2) 9252 4286
Email : reservations@sscq.stamford.com.au

STAMFORD GRAND
Adelaide

2 Jetty Road, Glenelg, South
Australia 5045
Phone : (61 8) 8376 1222
Facsimile : (61 8) 8376 1111
Email : reservations@sga.stamford.com.au

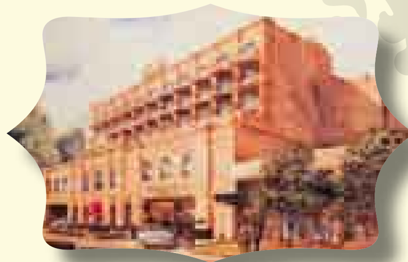
Hotel Portfolio

STAMFORD GRAND
North Ryde

Corner Epping &
Herring Roads, North Ryde,
New South Wales 2113
Phone : (61 2) 9888 1077
Facsimile : (61 2) 9805 0655
Email : reservations@snr.stamford.com.au

STAMFORD PLAZA
Sydney Airport

241 O'Riordan Street, Mascot,
New South Wales 2020
Phone : (61 2) 9317 2200
Facsimile : (61 2) 9317 3855
Email : reservations@ssa.stamford.com.au



STAMFORD PLAZA
Double Bay

33 Cross Street, Double Bay,
New South Wales 2028
Phone : (61 2) 9362 4455
Facsimile : (61 2) 9362 4744
Email : reservations@spdb.stamford.com.au

Managed by Stamford Hotels and Resorts Pty Limited

STAMFORD HOTELS & RESORTS

HOTELS	LOCATIONS	ROOMS	RATING	TENURE
Stamford Plaza Auckland	Auckland	283	5-star	Freehold
Stamford Plaza Adelaide	Adelaide	336	5-star	Freehold
Stamford Plaza Brisbane	Brisbane	252	5-star	Leasehold
Stamford Plaza Melbourne	Melbourne	283	5-star all suite	Freehold
Sir Stamford at Circular Quay	Sydney	105	5-star	Leasehold
Stamford Grand Adelaide	Adelaide	220	4 ½-star	Freehold
Stamford Grand North Ryde	Sydney	256	5-star all suite	Freehold
Stamford Plaza Sydney Airport	Sydney	315	4 ½-star	Freehold
Stamford Plaza Double Bay *	Sydney	140	5-star	Freehold

** Managed by Stamford Hotels and Resorts Pty Limited*

Harbour view of Auckland

Shareholder Calendar

Stamford Grand North Ryde

July 2008	Financial year ended 31 March 2008 (FY 2008) Annual General Meeting
	Announcement of financial year ending 31 March 2009 (FY 2009) first quarter results
August 2008	Scheduled payment of final dividend and special dividend for FY 2008
November 2008	Announcement of FY 2009 second quarter results
February 2009	Announcement of FY 2009 third quarter results
May 2009	Announcement of FY 2009 full year results

Corporate Governance Statement

Stamford Land Corporation Ltd (the "Company") is committed to complying with the principles and guidelines of the Code of Corporate Governance 2005 (the "Code"), so as to ensure greater transparency and protection of shareholders' interests. This statement outlines the main corporate governance practices that were in place or implemented during the financial year.

1. BOARD MATTERS

a. Board's conduct of its affairs

The current Board of Directors comprises five directors and their principal functions are as follows:

- Formulate corporate strategies, financial objectives and directions for the Group
- Ensure effective management leadership of the highest quality and integrity
- Provide oversight in the proper conduct of the Group's businesses
- Oversee and/or evaluate the adequacy of the internal audit, risk management, financial reporting and compliance processes
- Assume responsibility for corporate governance

The Board also deliberates and makes decisions on material acquisitions and disposal of assets, corporate restructuring, dividend payments and other returns to shareholders and on matters that may involve a conflict of interest for a substantial shareholder as a director.

All new directors are given an orientation of the Group's business and governance practice, and all directors have access to information and further training on new developments, including new laws, regulations and changing commercial risks, at the Company's expense.

To efficiently discharge its responsibilities, the Board has established several board committees, namely, the Executive Committee, Audit Committee, Remuneration Committee and Nominating Committee. These committees are given specific responsibilities and they are empowered by the Board to deal with matters within the limits of authority set out in the terms of reference of their appointment. They assist the Board operationally without the Board losing authority over major issues.

The Board currently holds about four scheduled meetings each year to review and deliberate on the key activities and business strategies of the Group, including significant acquisitions and disposals, annual budget, financial performance and to endorse the release of the quarterly and annual results. Where necessary, additional meetings may be held to address significant transactions or issues arising from the business operations of the Group.

Corporate Governance Statement

During the financial year, the Board held five meetings and the number of meetings attended by each member of the Board is as follows:

Name of Director	Number of meetings attended
Mr Ow Chio Kiat (Executive Chairman)	5
Mr Ow Cheo Guan (Executive Deputy Chairman)	4
Mr Wong Hung Khim (Independent)	5
Mr Bobby Chin Yoke Choong (Independent) (Resigned on 31 December 2007)	2
Mr Harold Foo Chee Hiang (Independent) (Resigned on 30 July 2007)	1
Mr Mak Lye Mun (Independent) (Appointed on 20 September 2007)	2
Dr Tan Chin Nam (Independent) (Appointed on 4 January 2008)	2

b. Board composition and balance

The Company believes that there should be a strong and independent element on the Board to exercise objective judgment on corporate affairs. Hence, of the five directors appointed, three are non-executive and independent. The Company also believes that the non-executive and independent directors should be selected for their diverse expertise so that they can provide a balance in views in the Board.

From the profiles of the Directors set out on pages 8 and 9 of this Annual Report, you would note that the Board members have the appropriate mix of expertise and experience in the areas of accounting, finance, business, management, industry knowledge and strategic planning.

c. Role of Executive Chairman ("Chairman") and Chief Executive Officer ("CEO")

Mr Ow Chio Kiat is the Chairman and CEO. The role of the Chairman is not separate from that of the CEO as the Board believes that there is adequate accountability and transparency as reflected in the internal controls established within the Group.

Executive Committee ("Exco")
Moreover the Board has delegated to the Exco the powers to supervise the management of the Group's business activities. The three members of the Exco are:

Mr Ow Chio Kiat	Chairman (executive)
Mr Ow Cheo Guan	Member (executive)
Mr Wong Hung Khim	Member (non-executive and independent)

Mr Ow Cheo Guan is the Deputy Chairman of the Company. The Executive Chairman and the Executive Deputy Chairman are brothers.

Corporate Governance Statement

The Exco's responsibilities include reviewing and approving investments or divestments, other than operational expenditure or disposals that are conducted within the ordinary course of business.

The Chairman is assisted by the management team in the daily operations and administration of the Group's business activities and in the effective implementation of the Group's business strategies. The key personnel in the management team are the Chief Financial Officer ("CFO") and Chief Operating Officer ("COO"). The CFO and COO are not related to the Chairman.

The Chairman also oversees the workings of the Board, ensuring that the Board is able to perform its duties and that there is a flow of information between the Board and the management. The Chairman reviews most of the board papers before they are presented to the Board. The management staff who have prepared the papers, or who may provide additional insights, are invited to present the papers or attend the board meetings.

d. Board membership

We believe that board renewal must be an on-going process to ensure good governance and maintain relevance to the changing needs of the Group's businesses.

Nominating Committee ("NC")
To achieve a formal and transparent process for the appointment of directors to the Board, the NC was set up on 1 September 2002. The NC is responsible for identifying and selecting new directors. In compliance with the new Code requirements, the Chairman of the NC is an independent director and is not associated with a substantial shareholder, and the majority of the NC members are independent. It comprises of two non-executive and independent directors and one executive director, namely:

Mr Wong Hung Khim	Chairman (non-executive and independent)
Mr Ow Chio Kiat	Member (executive)
Mr Mak Lye Mun	Member (non-executive and independent)

The NC's principal functions are as follows:

- Decide on and propose to the Board, for approval and implementation, the assessment process including determining a set of objective performance criteria for evaluating the Board's performance from year to year
- Evaluate the Board's effectiveness as a whole and the contribution of each director to the effectiveness of the Board in accordance with the assessment process and performance criteria mentioned above
- Consider, review and recommend to the Board any new Board appointments or re-appointments of executive or non-executive directors
- Determine annually whether or not a director is independent in accordance with the guidelines on independence as set out in the Code

Corporate Governance Statement

All the directors are subject to the provisions of the Company's Articles of Association whereby one-third of the directors are required to retire and subject themselves to re-election by shareholders at every annual general meeting ("AGM"), ("one-third rotation rule").

A newly appointed director will have to submit himself for re-election at the AGM immediately following his appointment and, thereafter, he is subjected to the one-third rotation rule.

e. Board performance

The fiduciary responsibilities of the Board include the following:

- Conduct itself with proper due diligence and care
- Act in good faith
- Comply with applicable laws
- Act in the best interests of the Company and its shareholders at all times

In addition, the Board is charged with key responsibilities of leading the Group and setting strategic directions.

The Company holds the belief that the Group's performance and that of the Board are directly related. The Company assesses the Board's performance through its ability to steer the Group in the right direction and the support it renders to the management during difficult times. For the purpose of evaluating directors' performance, the NC takes into consideration a number of factors including the directors' attendance, participation and contributions at the main board and board committee meetings and other Company's activities.

The NC uses its best efforts to ensure that directors appointed to the Board possess the necessary background, experience, skills and knowledge in management, business and finance, critical to the Group's business; and that each director is able to contribute his perspective, thus allowing effective decisions to be made.

The NC conducts informal reviews of the Board's performance taking into account inputs from the other Board members.

f. Access to information

The Board is provided with timely and complete information, prior to Board meetings and as and when necessary. New members are briefed on the business activities of the Group.

The Board has separate and independent access to the senior management and the Company Secretary at all times. If necessary, the Board may, in furtherance of their duties, obtain independent professional advice at the Company's expense.

Corporate Governance Statement

The Company Secretary attends all board meetings, ensures that established procedures and regulatory requirements as well as board policies are complied with and that the directors receive appropriate training as necessary.

2. REMUNERATION MATTERS

We believe in adopting a formal and transparent procedure for fixing the remuneration packages of the directors and key management so as to ensure that the level of remuneration should be appropriate to attract, retain and motivate the directors and key management needed to run the Group's business successfully.

a. Remuneration Committee ("RC")

To achieve this formal and transparent process to evaluate the remuneration packages of the directors and key management, the RC was formed. It comprises three directors, all of whom are non-executive and independent directors. The members are:

Mr Wong Hung Khim	Chairman (non-executive and independent)
Mr Mak Lye Mun *(appointed as member on 20 September 2007)*	Member (non-executive and independent)
Dr Tan Chin Nam *(appointed as member on 4 January 2008)*	Member (non-executive and independent)

The RC is responsible for the following:

- Reviewing and determining appropriate adjustments as well as approving the remuneration of the non-executive directors, executive directors and senior executives

- Administering the Company's Share Option Plan ("Option Plan"), Performance Share Plan or any other share incentive scheme implemented by the Company, and delegating the day-to-day administration of such plan or scheme to such persons as the RC deems fit

- Assuming other duties (if any) that may be assigned to a remuneration committee of a Singapore listed company under the Code, as the same may be revised from time to time by the relevant body having charge of the Code, and adopted (as revised) by the Singapore Exchange Securities Trading Limited (the "SGX")

The RC meets at least once a year. In its deliberation on issues to be considered, the RC takes into consideration the industry practices and norms for remuneration packages. The RC may obtain independent professional advice at the Company's expense.

No director is involved in any discussion relating to his own remuneration, and terms and conditions of service and the review of his performance.

All directors are paid a fixed fee and additional fees are payable to a director for appointment as a chairman or member of a particular committee. The recommendations made by the RC in relation to such fees are subject to approval by the shareholders at the AGM.

Corporate Governance Statement

In addition, all the directors except Mr Ow Chio Kiat and Mr Ow Cheo Guan are eligible to participate in the Option Plan under the rules thereof. Additional information on both plans are set out in the Directors' Report.

b. Disclosure on directors' fees and remuneration

The directors' fees and remuneration paid by the Group are as follows:

	The Group		The Company	
	2008	2007	2008	2007
	$'000	$'000	$'000	$'000
Directors' fees				
· Directors of the Company	218	208	200	190
· Other directors	24	24	-	-
Directors' remuneration				
· Directors of the Company	2,520	1,941	304	285
· Other directors	1,060	1,059	-	-
	3,822	3,232	504	475

The following table shows a breakdown (in percentage terms) of the remuneration of directors for the year ended 31 March 2008:

Remuneration band	Salary %	Bonuses %	Directors' Fees %	Others %	Total remuneration %
$2,000,000 to $2,250,000					
· Mr Ow Chio Kiat	36	61	2	1	100
Below $250,000					
· Mr Ow Cheo Guan	76	-	22	2	100
· Mr Wong Hung Khim	-	-	100	-	100
· Mr Harold Foo Chee Hiang	-	-	100	-	100
· Mr Bobby Chin Yoke Choong	-	-	100	-	100
· Mr Mak Lye Mun	-	-	100	-	100
· Dr Tan Chin Nam	-	-	100	-	100

Corporate Governance Statement

c. Key executives and remuneration policy

The Company adopts a remuneration policy for staff comprising a fixed component and a variable component. The fixed component is in the form of a base salary and allowances. The variable component is in the form of a variable bonus that is linked to the Company and each individual's performance.

In addition, employees of the Group are eligible to participate in the Option Plan and Performance Share Plan under the rules thereof. Additional information on both plans are set out in the Directors' Report.

Information on key executives:

Name and Designation	Academic/ Professional Qualifications	No. of years with the Group	Prior Working Experience
Mr Hui Kok Hong *Director* *(Stamford Hotels and Resorts)*	· Bachelor of Business (Royal Melbourne Institute of Technology)	27	Port Officer for the then Port of Singapore Authority
Mr Tay Lai Wat *Chief Financial Officer*	· BA (Accountancy) (University of Sterling) · Member of Institute of Chartered Accountants of Scotland	13	Group Financial Controller for First Capital Corporation Ltd
Mr Philip Soon Choon Huat *General Manager –Projects*	· Bachelor of Ministries · MA (Theology)	8	Director for Prima Holdings Pty Ltd and Prima Developments Pty Ltd
Mr Thomas Ong *Chief Operating Officer* *(Stamford Hotels and Resorts)*	· Certified Hotel Administrator · Member of Association of International Accountants (UK) · Advance Certificate in Business Administration (University of Hong Kong)	7	Director of Operations for Bass Hotels & Resorts
Ms Claire Nazar *General Counsel/Company Secretary*	· Bachelor of Laws (University of Leicester, UK) · Barrister-at-law (Lincoln's Inn) · Advocate and Solicitor (Singapore)	5 months	In private practice

Corporate Governance Statement

Remuneration bands of the top five employees (excluding executive directors of the Company) of the Group are:

Remuneration bands	2008	2007
$250,000 to below $500,000	3	3
Below $250,000	2	2
	5	5

There are no employees of the Group who are immediate family members of any director.

3. ACCOUNTABILITY AND AUDIT

In compliance with the Code, the Audit Committee ("AC") comprising three non-executive and independent directors was set up since 1 September 2002. Out of the three members, not less than two members have accounting or related financial management expertise or experience. The members are:

Mr Wong Hung Khim	Chairman (non-executive and independent)
*Mr Mak Lye Mun	Member (non-executive and independent)
**Dr Tan Chin Nam	Member (non-executive and independent)

**appointed as member on 20 September 2007*
***appointed as member on 4 January 2008*

The AC performs the following main functions:

- Nominates the external auditors for appointment or re-appointment and reviews the level of audit fees
- Reviews the audit plans and scope of work of the internal and external auditors
- Reviews the findings of the internal and external auditors and the response from management
- Reviews the internal and external auditors' evaluation of the adequacy of the Group's system of accounting and internal controls
- Reviews any interested person transactions
- Reviews the Group's quarterly and annual results' announcements and the financial statements of the Group and of the Company as well as the auditors' report thereon before they are submitted to the Board for approval
- Reviews legal and regulatory matters that may have a material impact on the financial statements

Corporate Governance Statement

- Reports actions and minutes of the AC to the Board
- Reviews the cost effectiveness of the audit and the independence and objectivity of the external auditors

The AC is given full access to the management and receives its full cooperation. The AC has full discretion to invite any director or management staff to attend its meetings. It is empowered to investigate any matters relating to the Group's accounting, auditing, internal controls and/or financial practices that are brought to its attention. It has full access to records, resources and personnel to enable it to discharge its functions properly and effectively.

During the financial year, the AC met four times, one of which was with the external auditors to discuss and review the financial statements and compliance with established internal controls of the Group. The attendance of the AC members at these meetings is set out as follows:

Name of Director	Number of meetings attended
Mr Wong Hung Khim	4
Mr Mak Lye Mun	2
Dr Tan Chin Nam	1

The Company has a well-established compliance and internal audit department. The Internal Auditor reports to the Chairman of the AC. He plans the internal audit schedules which includes a review of the effectiveness of the Group's material internal controls in consultation with, but independent of the management. The internal audit plans are submitted to the AC for approval at the AC's meetings.

Formal procedures are in place for the internal and external auditors to report their findings and recommendations to the management and AC. The internal and external auditors also have unrestricted access to the AC. The AC also meets up with the internal and external auditors separately at least once a year without the presence of the management, in order to have free and unfiltered access to information that it may require.

There were no non-audit services provided by the external auditors during the financial year under review.

The management has in place a Whistle-Blower Policy and Procedure which provides guidelines and a procedure for the staff of the Company to report concerns or complaints regarding matters of suspected fraud, corruption, dishonest practices or other similar breaches regarding accounting, financial and audit matters, as well as alleged irregularities and violation of a general, operational or financial nature against the Company or against any applicable law. All employees may address their report to the Head of Internal Audit or the Chairman of the Audit Committee. Direct contact details of both the Head of Internal Audit and the Chairman of the Audit Committee were made available to all staff.

4. INTERNAL CONTROLS

a. Risk Assessment and Management

The Group has identified the following key risk areas:

- Operational risk
- Compliance and legal risks
- Financial risk
- Investment risk

Operational risk

The Group's operational risk is managed at each operating unit and monitored at the Group level. In the case of the Group's hotel properties, the operating risks are intense competition from other hotels, over supply of rooms, increase in operating costs, dependence on business travellers and tourists, recurring need for refurbishment of hotel properties, terrorism and their resulting effect on travel.

It is recognised that operational risk cannot be eliminated completely and the Group has to weigh the cost and benefit in managing these risks. The Group maintains sufficient insurance coverage taking into account the cost of cover and the risk profiles of the business in which it operates. The internal audit team complements the management's role by providing an independent perspective on the controls that help to mitigate any operational risks.

Compliance and legal risks

Besides Singapore, the Group has business operations and properties in Australia and New Zealand. Compliance risk arises from failure to comply with the laws or regulations and this failure may result in fines, bad publicity and suspension of operations. The operating business heads are responsible to ensure compliance with the applicable laws and regulations in their countries of operations. The Group identifies and manages legal risk through effective use of its internal and external legal advisers. The internal Legal Department assists in identifying, monitoring and providing support necessary to manage legal risks across the Group.

Financial risk

The Group's financial risk management's objectives and policies are set out in pages 65 to 69 of the Annual Report under note 4 of the Notes to the Financial Statements.

Investment risk

The Board of Directors and the Executive Committee review all major investment proposals to ensure that the approved investments will most likely meet the Group's internal rates of return.

The Board believes that the system of internal controls to safeguard the shareholders' investments and the Group's assets throughout the year is adequate.

b. Dealings in Company's Securities

The Group has complied with Rule 1207(18) of the Listing Manual of the SGX with respect to dealings in securities. The Group has adopted and implemented the SGX Best Practices Guide so that our directors and staff are expected to observe insider trading laws at all times.

5. COMMUNICATION WITH SHAREHOLDERS

The Company places great emphasis on regular, effective and fair communication with its shareholders. The announcements of the Group's results and material developments are released through SGXNET to the SGX's website in a timely manner to ensure fair disclosure of information.

All shareholders receive the annual report and the notices of the AGM and any extraordinary general meetings. The notices for such meetings are also advertised in a local newspaper and made available on SGXNET.

The Company encourages and gives the shareholders the opportunity to voice their opinions and ask questions about the Group at general meetings. The Company values the shareholders' contributions and will adopt any beneficial suggestions from them.

The chairpersons of the various board committees and the external auditors are present at the general meetings to address queries from the shareholders.

6. INTERESTED PERSON TRANSACTIONS ("IPT")

The Company has established a procedure for recording and reporting interested person transactions. Details of significant interested person transactions for the financial year ended 31 March 2008 are set out below:

Name of interested person	Aggregate value of all IPT during the financial year ended 31 March 2008 (excluding transactions below $100,000)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions below $100,000)
Subsidiaries of Singapore Shipping Corporation Limited · Rental income	$245,000	-
Subsidiaries of Cougar Logistics Corporation Limited · Rental income	$213,000	-

All the above IPT were concluded on normal commercial terms.

There were no other material contracts or loans entered into by the Company and its subsidiaries involving the interests of the chief executive officer, directors or controlling shareholders, which are either subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

Property Portfolio of the Stamford Land Group

Land and Building comprise:

Location	Title	Floor area/ No. of rooms	Description
100C Pasir Panjang Road (Singapore)	Freehold	2,740 sq. m	Land
Southpoint Building (Singapore)	99 years lease from 1985	Part of 1,490 sq. m occupied by the Group	Part of one floor of office building occupied by the Group
Stamford Grand North Ryde, Sydney (Australia)	Freehold	256	5-star all suite hotel
Stamford Plaza, Melbourne (Australia)	Freehold	283	5-star all suite hotel
Stamford Grand, Adelaide (Australia)	Freehold	220	4 ½-star hotel
Stamford Plaza, Adelaide (Australia)	Freehold	336	5-star hotel
Stamford Plaza, Auckland (New Zealand)	Freehold	283	5-star hotel
Sir Stamford at Circular Quay, Sydney (Australia)	99 years lease from 1990	105	5-star hotel
Stamford Plaza Sydney Airport, Sydney (Australia)	Freehold	315	4 ½-star hotel
Stamford Plaza, Brisbane (Australia)	65 years lease from 2000	252	5-star hotel

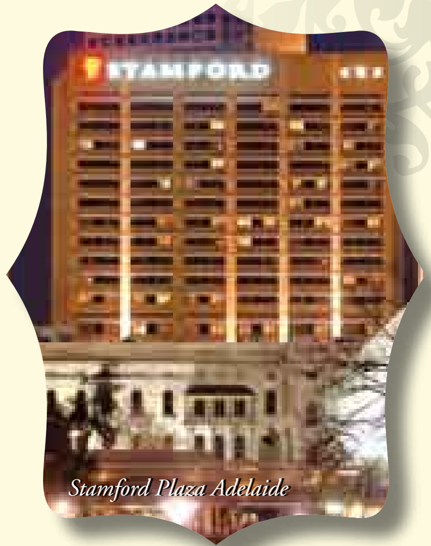
Investment properties comprise:

Location	Title	Description
Bank of NSW Building, Perth (Australia)	Freehold	2-storey commercial and retail building
Dynon's China Hall Building, Perth (Australia)	Freehold	2-storey commercial and retail building
The West Building, Perth (Australia)	Freehold	2-storey commercial and retail building
Southpoint Building (Singapore)	99 years lease from 1985	Part of one floor of office building

Properties under development comprise:

Location	Title	Stage of development/ Estimated financial year of completion	Net Built-up area	Description	% Interest
899-915 Hay Street, Perth (Australia)	Freehold	Under development/2011	13,174 sq. m	14-storey commercial building	100
171-193 Gloucester Street, Sydney (Australia)	99 years lease from 2010	Under development/2012	18,600 sq. m	Commercial and retail building, and 127 luxury units of residential apartments	100
The Stamford Residences, Auckland (New Zealand)	Freehold	Under development/2009	19,696 sq. m	149 luxury units of residential apartments	100

Defining luxury



Stamford Plaza Adelaide


Stamford Plaza Sydney Airport

Stamford Plaza Brisbane

Financial Statements

Directors' Report

The directors of the Company are pleased to present their report together with the audited financial statements of the Company and of the Group for the financial year ended 31 March 2008.

1 DIRECTORS AS AT DATE OF REPORT

The directors of the Company in office as at the date of this report are:

Ow Chio Kiat	(Executive Chairman)
Ow Cheo Guan	(Executive Deputy Chairman)
Wong Hung Khim	
Mak Lye Mun	(appointed on 20 September 2007)
Tan Chin Nam	(appointed on 4 January 2008)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares, share options and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Companies Act, Cap. 50 except as follows:

	Interest held in the name of director at		**Deemed interest of director at**	
	1 April 2007	**31 March 2008**	**1 April 2007**	**31 March 2008**
STAMFORD LAND CORPORATION LTD				
Ordinary shares				
Ow Chio Kiat	153,471,000	205,471,000	183,797,000	131,547,000
Ow Cheo Guan	3,730,000	3,730,000	26,400,000	26,400,000

By virtue of section 7 of the Companies Act, Cap. 50, Ow Chio Kiat with the above mentioned shareholding is deemed to have an interest in the Company and in all its subsidiaries.

The directors' interests as at 21 April 2008 were the same as those at the end of the year.

4 CONTRACTUAL BENEFITS OF DIRECTORS

Since the beginning of the financial year, no director of the Company has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Companies Act, Cap. 50, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in the financial statements.

There were certain transactions (shown in the financial statements under related party transactions) with corporations in which certain directors have an interest.

5 OPTIONS TO TAKE UP UNISSUED SHARES

During the financial year, no option to take up unissued shares of the Company or any corporation in the Group was granted.

6 OPTIONS EXERCISED

During the financial year, there were no unissued shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

7 UNISSUED SHARES UNDER OPTION

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

8 AUDIT COMMITTEE

The members of the audit committee at the date of this report are as follows:

Wong Hung Khim (Chairman)
Mak Lye Mun
Tan Chin Nam

The audit committee performs the functions specified by section 201B(5) of the Companies Act, Cap. 50. Among others, it performed the following functions:

- Reviewed with the independent external auditors their plan;
- Reviewed with the independent external auditors their evaluation of the Company's internal accounting control, and their report on the financial statements and the assistance given by the Company's officers to them;
- Reviewed with the internal auditors the scope and results of the internal audit procedures;
- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of SGX).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditors provide non-audit services.

The audit committee has recommended to the board of directors that the independent external auditors, RSM Chio Lim be nominated for re-appointment as independent auditors at the next annual general meeting of the Company.

9 INDEPENDENT AUDITORS

The independent auditors, RSM Chio Lim, have expressed their willingness to accept re-appointment.

10 SUBSEQUENT DEVELOPMENTS

There are no significant developments subsequent to the release of the Group's and the Company's preliminary financial statements, as announced on 29 May 2008, which would materially affect the Group's and the Company's operating and financial performance as of the date of this report.

On Behalf of the Directors

Ow Chio Kiat

Ow Cheo Guan

Singapore
19 June 2008

Directors' Statement

In the opinion of the directors, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2008, and of the changes in equity of the Company and of the Group, and of the results and cash flows of the Group for the year ended on that date and 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 Directors

Ow Chio Kiat

Ow Cheo Guan

Singapore
19 June 2008

Independent Auditors' Report To The Members Of Stamford Land Corporation Ltd

(Registration No : 197701615H)

We have audited the accompanying financial statements of Stamford Land Corporation Ltd and its subsidiaries (the Group), set out on pages 46 to 100, which comprise the balance sheets of the Group and the Company as at 31 March 2008, and the income statement, statement of changes in equity and cash flow statement of the Group, and statement of changes in equity of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards. This responsibility includes:

(a) 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 income statement and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

Independent 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 whether the financial statements are free from material misstatements.

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 and fair presentation of the financial statements 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.

Independent Auditors' Report To The Members Of Stamford Land Corporation Ltd
(Registration No : 197701615H)

Opinion

In our opinion,

(a) the consolidated financial statements of the Group and the balance sheet 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 of the Company as at 31 March 2008 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; and

(b) 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 independent auditors have been properly kept in accordance with the provisions of the Act.

RSM Chio Lim
Public Accountants and
Certified Public Accountants
Singapore

19 June 2008

Partner in charge of audit: Peter Jacob
Effective from financial year ended 31 March 2004

Consolidated Income Statement

Year ended 31 March 2008

		THE GROUP	
	Notes	2008	2007
		$'000	$'000
Revenue	6	276,114	297,976
Other Items of Income			
Interest Income	7	4,256	3,265
Dividend Income	8	228	217
Other Credits	9	326	4,597
Other Items of Expense			
Cost of Development Properties Sold		(22,164)	(71,956)
Raw Materials and Consumables Used		(38,557)	(33,219)
Staff Costs	10	(97,850)	(87,073)
Depreciation Expense	19,20	(13,366)	(13,506)
Other Expenses	11	(58,394)	(49,995)
Finance Costs	12	(19,526)	(16,837)
Other Charges	9	(2,550)	(81)
Profit Before Tax from Continuing Operations		28,517	33,388
Deferred Tax Credit	13	14,816	–
Income Tax Expense	13	(398)	(33)
Profit Attributable to Equity Holders of Parent, Net of Tax		42,935	33,355
Earnings Per Share	14		
- Basic		4.97 cents	3.86 cents
- Diluted		4.97 cents	3.86 cents
Dividends Paid Per Equity Share	15	4.5 cents	3.0 cents

The accompanying notes form an integral part of these financial statements

Balance Sheets

As at 31 March 2008

		THE GROUP		THE COMPANY	
	Notes	2008	2007	2008	2007
		$'000	$'000	$'000	$'000
ASSETS					
Non-Current Assets					
Available-for-Sale Investments	16	375	328	375	328
Investments in Subsidiaries	17	–	–	305,999	273,694
Amounts due from Subsidiaries	18	–	–	–	1,064
Property, Plant and Equipment, Total	19	496,651	486,990	–	–
Investment Properties	20	14,330	14,270	–	–
Properties under Development	21	173,183	101,262	–	–
Deferred Tax Assets	13	15,095	22	256	359
Total Non-Current Assets		699,634	602,872	306,630	275,445
Current Assets					
Amounts due from Subsidiaries	18	–	–	59	1,844
Cash and Cash Equivalents	22	71,946	70,371	1,161	4,318
Current Investments	23	7,235	11,520	–	–
Trade and Other Receivables, Current	24	16,419	13,807	32	26
Other Assets	25	1,471	1,563	–	–
Properties Held for Sale	26	6,883	27,744	–	–
Inventories at Cost	27	2,069	2,134	–	–
Total Current Assets		106,023	127,139	1,252	6,188
Total Assets		805,657	730,011	307,882	281,633

Balance Sheets
As at 31 March 2008

		THE GROUP		THE COMPANY	
	Notes	2008	2007	2008	2007
		$'000	$'000	$'000	$'000
EQUITY AND LIABILITIES					
Equity					
Share Capital	28	144,556	144,556	144,556	144,556
Retained Earnings		247,899	239,172	85,173	106,421
Other Reserves, Total		46,182	36,488	11,348	(16,365)
Total Equity		438,637	420,216	241,077	234,612
Non-Current Liabilities					
Deferred Tax Liabilities	13	499	–	5,853	733
Long-Term Borrowings	29	198,377	271,554	–	–
Amounts Due to Subsidiaries	30	–	–	58,973	13,178
Total Non-Current Liabilities		198,876	271,554	64,826	13,911
Current Liabilities					
Income Tax Payable		426	98	224	–
Current Portion of Long-Term Borrowings	29	121,947	–	–	–
Amounts Due to Subsidiaries	30	–	–	84	31,276
Short-Term Borrowings	31	1,643	5,765	–	–
Trade and Other Payables	32	44,128	32,378	1,671	1,834
Total Current Liabilities		168,144	38,241	1,979	33,110
Total Liabilities		367,020	309,795	66,805	47,021
Total Equity and Liabilities		805,657	730,011	307,882	281,633

The accompanying notes form an integral part of these financial statements

Statements of Changes in Equity

Year Ended 31 March 2008

THE GROUP	Share capital $'000	Fair value adjustment reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total equity $'000
Current Year:					
Opening Balance at 31 March 2007	144,556	273	36,215	239,172	420,216
Changes in Equity					
Available-for-Sale Investments:					
Valuation Gains taken to Equity	–	47	–	–	47
Foreign Currency Translation Differences	–	–	9,647	–	9,647
Net Income and Expense Recognised Directly in Equity	–	47	9,647	–	9,694
Profit for the Year	–	–	–	42,935	42,935
Total Recognised Income and Expense for the Year	–	47	9,647	42,935	52,629
Dividends (Note 15)	–	–	–	(34,208)	(34,208)
Closing Balance at 31 March 2008	144,556	320	45,862	247,899	438,637
Previous Year:					
Opening Balance at 31 March 2006	144,556	145	15,870	226,549	387,120
Changes in Equity					
Available-for-Sale Investments:					
Valuation Gains taken to Equity	–	128	–	–	128
Foreign Currency Translation Differences	–	–	20,345	–	20,345
Net Income and Expense Recognised Directly in Equity	–	128	20,345	–	20,473
Profit for the Year	–	–	–	33,355	33,355
Total Recognised Income and Expense for the Year	–	128	20,345	33,355	53,828
Dividends (Note 15)	–	–	–	(20,732)	(20,732)
Closing Balance at 31 March 2007	144,556	273	36,215	239,172	420,216

The accompanying notes form an integral part of these financial statements

Statements of Changes in Equity

Year Ended 31 March 2008

THE COMPANY	Share capital $'000	Fair value adjustment reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total equity $'000
Current Year:					
Opening Balance at 31 March 2007	144,556	3,861	(20,226)	106,421	234,612
Changes in Equity					
Available-for-Sale Investments:					
Valuation Gains taken to Equity	–	47	–	–	47
Fair Value Adjustment Arising from FRS 39	–	26,071	–	(136)	25,935
Foreign Currency Translation Differences	–	–	3,348	–	3,348
Net Income and Expense recognised Directly in Equity	–	26,118	3,348	(136)	29,330
Profit for the Year	–	–	–	11,343	11,343
Interest Expense Transferred to Fair Value Adjustment Reserve	–	(1,753)	–	1,753	–
Total Recognised Income and Expense for the Year	–	24,365	3,348	12,960	40,673
Dividends (Note 15)	–	–	–	(34,208)	(34,208)
Closing Balance at 31 March 2008	144,556	28,226	(16,878)	85,173	241,077
Previous Year:					
Opening Balance at 31 March 2006	144,556	4,589	(26,475)	115,615	238,285
Changes in Accounting Policy FRS 39	–	294	–	–	294
Restated Balance	144,556	4,883	(26,475)	115,615	238,579
Changes in Equity					
Available-for-Sale Investments:					
Valuation Gains taken to Equity	–	128	–	–	128
Fair Value Adjustment Arising from FRS 39	–	(803)	–	–	(803)
Foreign Currency Translation Differences	–	–	6,249	–	6,249
Net Income and Expense Recognised Directly in Equity	–	(675)	6,249	–	5,574
Profit for the Year	–	–	–	11,191	11,191
Interest Expense Transferred to Fair Value Adjustment Reserve	–	(347)	–	347	–
Total Recognised Income and Expense for the Year	–	(1,022)	6,249	11,538	16,765
Dividends (Note 15)	–	–	–	(20,732)	(20,732)
Closing Balance at 31 March 2007	144,556	3,861	(20,226)	106,421	234,612

The accompanying notes form an integral part of these financial statements

Consolidated Cash Flow Statement

Year Ended 31 March 2008

	2008 $'000	2007 $'000
Cash Flows From Operating Activities		
Profit for the Year	42,935	33,355
Adjustments for:		
Deferred Tax Credit	(14,816)	–
Income Tax Expense	398	33
Depreciation Expense	13,366	13,506
Dividend Income	(228)	(217)
Foreign Exchange Losses/(Gains)	2,497	(788)
Interest Expense	19,526	16,837
Interest Income	(4,256)	(3,265)
Gain on Disposal of Property, Plant and Equipment	(7)	(36)
Operating Profit Before Working Capital Changes	59,415	59,425
Current Investments	4,285	(1,124)
Properties Held for Sale	20,861	76,216
Inventories	65	(98)
Trade and Other Receivables	(2,229)	(2,027)
Trade and Other Payables	11,431	1,682
Cash Generated from Operations	93,828	134,074
Income Tax Paid	(70)	(2)
Net Cash From Operating Activities	93,758	134,072
Cash Flows From Investing Activities		
Disposal of Property, Plant and Equipment	11	68
Purchase of Property, Plant and Equipment	(9,414)	(16,987)
Additions to Properties under Development	(68,645)	(76,065)
Interest Received	3,965	3,252
Dividends Received	228	217
Net Cash Used in Investing Activities	(73,855)	(89,515)
Cash Flows From Financing Activities		
Increase in Borrowings	33,118	24,284
Interest Paid	(19,170)	(17,358)
Dividends Paid	(34,208)	(20,732)
Net Cash Used in Financing Activities	(20,260)	(13,806)
Effect of Exchange Rate Changes in Consolidating Subsidiaries	5,472	2,587
Net increase in cash and cash equivalents	5,115	33,338
Cash and cash equivalents at beginning of year	64,606	30,323
Effect of foreign exchange rate adjustment	582	945
Cash and cash equivalents at end of year (Note A)	70,303	64,606

Consolidated Cash Flow Statement

Year Ended 31 March 2008

Notes to the consolidated cash flow statement:

A. Cash and cash equivalents comprise the following:

	2008	2007
	$'000	$'000
Bank and cash (Note 22)	71,946	70,371
Bank overdrafts (Note 31)	(1,643)	(5,765)
	70,303	64,606

Notes to the Financial Statements

31 March 2008

1 GENERAL

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the parent and the Group's entities. The Company's financial statements have been prepared on the same basis, and as permitted by the Companies Act, Cap. 50, no income statement is presented for the Company. The financial statements were approved and authorised for issue by the board of directors on 19 June 2008.

The principal activities of the Group consist of investment holding, hotel owning and management, travel agency, trading and property investment and development.

The principal activity of the Company is that of an investment holding company. It is listed on the Singapore Exchange Securities Trading Limited. Its registered office and principal place of business is at 200 Cantonment Road, #09-01 Southpoint, Singapore 089763. The Company is domiciled in Singapore.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") as issued by the Singapore Accounting Standards Council as well as all related Interpretations to FRS ("INT FRS") and the Companies Act, Cap. 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements.

Basis of Presentation

The consolidation accounting method is used for the consolidated financial statements that include the financial statements made up to the balance sheet date each year of the Company and its subsidiaries. Consolidated financial statements are the financial statements of the Group presented as those of a single economic entity. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including income, expenses and dividends, are eliminated in full on consolidation. The equity accounting method is used for associates in the Group financial statements. The proportionate consolidation accounting method is used for the joint ventures whereby the Group's share of each of the assets, liabilities, income and expense is combined on a line-by-line basis with similar items in the financial statements. The results of the investees acquired or disposed of during the financial year are accounted for from the respective dates of acquisition or up to the dates of disposal. On disposal the attributable amount of goodwill if any is included in the determination of the gain or loss on disposal.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3, where applicable.

Revenue

Revenue represents invoiced value of goods sold and services rendered, hotel and restaurant operations revenue, rental income and income from investments. The Group's revenue excludes transactions within the Group. Revenue is measured at the fair value of the consideration received or receivable, taking into account the amount of any trade discounts and volume rebates allowed by the Group.

Basis of Revenue Recognition

Income from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer and the amount of revenue and the costs of the transaction (including future costs) can be measured reliably.

Income from the sale of completed apartment units is recognised upon the settlement of contracts.

Income from the rendering of services, income from the hotel and restaurant operations is recognised when the services are rendered.

Rental income is recognised on the time-proportion basis in accordance with the terms of the rental agreement.

Dividend income from subsidiaries and other investments is recognised in the accounting period in which the dividend is declared payable.

Interest income on interest bearing instruments is recognised on the time-proportion basis.

Notes to the Financial Statements

31 March 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Employee Benefits

Certain subsidiaries operate a defined contribution provident fund scheme, in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund are held separately from those of the entity in an independently administered fund. The entity contributes an amount equal to a fixed percentage of the salary of each participating employee. Contributions are charged to the income statement in the period to which they relate. This plan is in addition to the contributions to government managed retirement benefit plans such as the Central Provident Fund in Singapore which specifies the employer's obligations which are dealt with as defined contribution retirement benefit plans. For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income Tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Tax and deferred tax are recognised in the income statement except that when they relate to items that initially bypass the income statement and are taken to equity, in which case they are similarly taken to equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each balance sheet date and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability is not recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures because (a) the company is able to control the timing of the reversal of the temporary difference; and (b) it is probable that the temporary difference will not reverse in the foreseeable future. A deferred tax amount is not recognised if it arises from goodwill for which amortisation is not deductible for tax purposes.

Notes to the Financial Statements

31 March 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Foreign Currency Transactions

The functional currency of the Company is the Singapore dollar as it reflects the economic substance of the underlying events and circumstances of the entity. Transactions in foreign currencies are recorded in Singapore dollars at the rates ruling at the dates of the transactions. At each balance sheet date, recorded monetary balances and balances measured at fair value that are denominated in foreign currencies are reported at the rates ruling at the balance sheet date and exchange differences are dealt with in the income statement, except where monetary items in substance form part of the Company's net investment in its foreign subsidiaries, exchange differences arising on such monetary items are taken to the exchange reserve account until the disposal of the investments.

Translation of Foreign Currency Financial Statements

The foreign entities determine their appropriate functional currency as it reflects the primary economic environment in which the entities operate. For inclusion in the consolidated financial statements, assets and liabilities of the foreign subsidiaries are translated at the rates of exchange approximating those ruling at the balance sheet date. The income statements are translated at the average rates of exchange for the year, and the operating net investment in the foreign entities are translated at the historical rates.

The resulting currency translation differences are taken to the currency translation reserve. On disposal of a foreign entity, the accumulated currency translation differences are recognised in the income statement as part of the profit or loss on disposal.

Borrowing Costs

All borrowing costs are recognised as an expense in the period in which they are incurred, except for borrowing costs that are directly attributable to the construction of a qualifying asset, which are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed. The interest expense is calculated using the effective interest method.

Property, Plant and Equipment

Property, plant and equipment is stated at cost less any accumulated depreciation and any accumulated impairment loss.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in the income statement.

Depreciation is charged so as to write off the cost and valuation of assets less their residual values, other than freehold land and construction-in-progress, over their estimated useful lives, using the straight-line method, as follows:

Freehold buildings	-	100 years
Leasehold land and buildings	-	terms of the leases ranging from 15 to 89 years
Renovations, furniture and fittings	-	2 to 25 years
Motor vehicles	-	5 to 7 years
Equipment and computers	-	2 to 15 years

Notes to the Financial Statements
31 March 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Property, Plant and Equipment (Cont'd)

No depreciation is provided on freehold land and construction-in-progress.

The residual value and the useful life of an item of property, plant and equipment is reviewed at least at each financial year-end and, if expectations are significantly different from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted. Fully depreciated assets still in use are retained in the financial statements.

Cost also includes acquisition cost, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent cost is recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement when they are incurred.

Investment Properties

Investment property is property owned or held under a finance lease to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. After initial recognition at cost including transaction costs the cost model is used to measure the investment property using the treatment for property, plant and equipment, that is, at cost less any accumulated depreciation and any accumulated impairment losses. An investment property that meets the criteria to be classified as held for sale is carried at the lower of carrying amount and fair value less costs to sell. For disclosure purposes, the fair values are determined periodically on a systematic basis by management at least once a year.

Properties under Development

Properties under development are stated at cost less accumulated impairment losses until construction or development is completed at which time they are transferred and accounted for as properties held for sale or investment properties.

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entities that are controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. In the Company's own separate financial statements, the investments in subsidiaries are stated at cost less any provision for impairment in value. Impairment losses recognised in income statement for a subsidiary are reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The net book values of the subsidiaries are not necessarily indicative of the amounts that would be realised in a current market exchange.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Impairment of Non-Financial Assets

The carrying amount of such assets (other than (i) intangible assets not yet available for use, (ii) goodwill and other indefinite life intangible assets) is reviewed at each reporting date for indications of impairment and where impairment is found, the asset is written down through the income statement to its estimated recoverable amount. Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use.

The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in the income statement unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation decrease. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each reporting date non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial Assets

Initial recognition and measurement:

A financial asset is recognised on the balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit and loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit and loss are expensed immediately. The transactions are recorded at the trade date.

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

#1. Financial assets at fair value through profit and loss: Assets are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading assets) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. These assets are carried at fair value by reference to the transaction price or current bid prices in an active market. All changes in fair value relating to assets at fair value through profit and loss are recognised directly in the income statement. They are classified as non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Short term investments in equity shares and bonds are classified in this category.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Assets (Cont'd)

#2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in the income statement. The trade and other receivables are classified in this category.

#3. Held-to-maturity financial assets: As at year end date there were no financial assets classified in this category.

#4. Available-for-sale financial assets: These are non-derivative financial assets that are designated as available-for-sale on initial recognition or are not classified in one of the previous categories. These assets are carried at fair value by reference to the transaction price or current bid prices in an active market. If such market prices are not reliably determinable, management establishes fair value by using valuation techniques. Changes in fair value of available-for-sale financial assets (other than those relating to foreign exchange translation differences) are recognised directly in equity in other reserves. Such reserves are recycled to the income statement when realised through disposal. Impairments below cost are recognised in the income statement. When there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is reclassified from equity to the income statement as a reclassification adjustment. If, in a subsequent period, the fair value of an equity instrument classified as available-for-sale increases and the increases can be objectively related to an event occurring after the impairment loss, it is reversed against other reserves and are not subsequently reversed through profit or loss. However for debt instruments classified as available-for-sale impairment losses recognised in profit or loss are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss. The weighted average method is used when determining the cost-basis of publicly listed equities being disposed of. For non-equity instruments classified as available for sale the reversal of impairment is recognised in income statement. They are classified as non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Long-term investments in equity shares and bonds are classified in this category.

Derecognition of financial assets:

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances and any highly liquid debt instruments purchased with an original maturity of three months or less. Cash for the cash flow statement includes cash and cash equivalents less bank overdrafts payable on demand that form an integral part of cash management and cash subject to restriction. Other financial assets and financial liabilities at fair value through profit and loss are presented within the section on operating activities as part of changes in working capital in the cash flow statement.

Derivative Financial Instruments and Hedging Activities

The Group holds derivative financial instruments to hedge its foreign currency risk exposures. The Group does not use derivative financial instruments for speculative purposes. Derivatives are recognised initially at fair value and attributable transaction costs are recognised in the income statement when incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

Economic hedges:

Hedge accounting is not applied to derivative instruments that economically hedge monetary assets and liabilities denominated in foreign currencies. Changes in the fair value of such derivatives are recognised in the income statement as part of foreign exchange gains and losses.

Financial Liabilities

Initial recognition and measurement:

A financial liability is recognised on the balance sheet when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through income statement includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through income statement are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

#1. Liabilities at fair value through profit and loss: As at year end date there were no financial liabilities classified in this category.

#2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Notes to the Financial Statements

31 March 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Financial Guarantee

A financial guarantee contract requires that the issuer makes specified payments to reimburse the holder for a loss when a specified debtor fails to make payment when due. Financial guarantee contracts are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18.

Fair Value of Financial Instruments

The carrying values of current financial assets and financial liabilities including cash, accounts receivable, short-term borrowings, accounts payable approximate their fair values due to the short-term maturity of these instruments. Disclosures of fair value are not made when the carrying amount is a reasonable approximation of fair value. The fair values of non-current financial instruments may not be disclosed unless there are significant items at the end of the year and in the event the fair values are disclosed in the relevant notes. The maximum exposure to credit risk is the fair value of the financial instruments at the balance sheet date. The fair value of a financial instrument is derived from an active market. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and, for an asset to be acquired or liability held, the asking price. If there is no market, or the markets available are not active, the fair value is established by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of similar instruments and incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. As far as unquoted equity instruments are concerned, in cases where it is not possible to reliably measure the fair value, such instruments are carried at cost less accumulated allowance for impairment.

Properties Held for Sale

Properties held for sale are those which are intended for sale in the ordinary course of business. They are stated at the lower of cost and estimated net realisable value. Cost includes cost of land and other direct and related development expenditure, including interest on borrowings, incurred in developing the properties.

Inventories

Inventories represent consumables valued at the lower of cost and net realisable value, calculated on the basis of weighted average cost. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in bringing the inventories to their present location and condition. A write down on cost is made for where the cost is not recoverable or if the selling prices have declined.

Notes to the Financial Statements
31 March 2008

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Where the Company reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental costs is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders and no gain or loss is recognised in the income statement.

Provisions

A liability or provision is recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These include trade and other payables and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in the income statement in the period they occur.

Segment Reporting

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

3 CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

The critical judgements made in the process of applying the entity's accounting policies that have the most significant effect on the amounts recognised in the financial statements and 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 discussed below. These estimates and assumptions are periodically monitored to make sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Notes to the Financial Statements

31 March 2008

3 CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (CONT'D)

Allowance for doubtful accounts:
An allowance is made for doubtful accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management specifically analyses accounts receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. At the balance sheet date, the receivables are measured at fair value and their fair values might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the balance sheet date.

Net realisable value of inventories:
A review is made periodically on inventory for excess inventory, obsolescence and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. These reviews require management to estimate future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available at the balance sheet date and inherently involves estimates regarding the future expected realisable value. The benchmarks for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the balance sheet date. Possible changes in these estimates could result in revisions to the valuation of inventory. The amount at the balance sheet date was $2,069,000.

Income tax:
The entity recognises expected liabilities for tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual liability arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax provisions in the period when such determination is made.

Deferred tax estimation:
Management judgement is required in determining the provision for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognised. A deferred tax asset is recognised if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilised. Management also considers future taxable income and tax planning strategies in assessing whether deferred tax assets should be recognised in order to reflect changed circumstances as well as tax regulations. As a result, due to their inherent nature, it is likely that deferred tax calculation relates to complex fact patterns for which assessments of likelihood are judgemental and not susceptible to precise determination. The amount of deferred tax assets at the balance sheet date was $15,095,000.

Notes to the Financial Statements

31 March 2008

3 CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (CONT'D)

Useful lives of plant and equipment:
The estimates for the useful lives and related depreciation charges for plant and equipment is based on commercial and production factors which could change significantly as a result of technical innovations and competitor actions in response to severe market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete or non-strategic assets that have been abandoned or sold. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the balance affected. The carrying amount of the class of assets affected by the assumption is $29,887,000.

Impairment of property, plant and equipment:
The Group assesses annually whether property, plant and equipment have any indication of impairment in accordance with the accounting policy. If indication exists, the recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations. These calculations require the use of judgements and estimates. These estimates, judgements and assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The carrying amount of the class of assets affected by the assumption is $496,651,000.

Fair value of intercompany loans:
As at the balance sheet date, the Company has inter-company loan payables and receivables of $59,057,000 (2007: $44,454,000) and $59,000 (2007: $2,908,000) respectively, which includes those not expected to be fully settled within the next 12 months amounting to $58,973,000 (2007: $13,178,000) and Nil (2007: $1,064,000) respectively. For the purpose of accounting, the inter-company loan payables and receivables were recognised initially at fair value and measured at amortised cost thereafter. As at the date of the draw down of the inter-company loan payables and receivables, management has determined that the fair value of the inter-company loan payables and receivables to be $59,057,000 (2007: $44,454,000) and $59,000 (2007: $2,908,000) respectively. The fair value was determined based on interest rates of 5% to 6% per year, which are approximately the cost of borrowing of the Company as at that date. The difference between the fair value and the principal amount are $31,248,000 (2007: $4,073,000) and Nil (2007: $378,000) for inter-company loan payables and receivables respectively and are recognised directly in the statement of changes in equity of the Company. The expected repayment date of the loan payables are in 2018. During the year, certain inter-company loan receivables were determined as quasi-equity in nature and for these fair value adjustments recognised in prior years were reversed.

Impairment of investment in subsidiary:
When a subsidiary is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the asset affected. The carrying amount of the specific class of assets affected by the assumption is $305,999,000.

3 CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (CONT'D)

Net current liabilities position:
The Group's current liabilities exceed its current assets by $62,121,000 due to a portion of the long-term borrowings in Australia maturing in December 2008. These borrowings are expected to be refinanced upon maturity.

If the Group is unable to refinance these borrowings, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently stated in the financial statements. In addition, the Group may have to provide for further liabilities which may arise, and to reclassify non-current assets as current assets. The financial statements of the Group do not include such adjustments.

Management is confident that the Group will be able to refinance these borrowings upon their maturity.

4 FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

4A Financial Risk Management

The main purpose of the financial instruments is to raise finance for the Group's operations. The main risks arising from the Group's financial instruments are credit risk, interest risk, liquidity risk, foreign currency risk and market price risk comprising interest rate and currency risk exposures. The financial instruments comprise some cash and liquid resources, receivables, and payables, and some borrowings. Credit risk on cash balances and derivative financial instruments is limited because the counter-parties are banks with high credit ratings. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements.

The management has certain strategies for the management of financial risks. These guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The major guidelines are the following:

1. Minimise interest rate, currency, credit and market risk for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. Enter into derivatives or any other similar instruments solely for hedging purposes.
4. All financial risk management activities are carried out and monitored by senior management staff.
5. All financial risk management activities are carried out following good market practices.
6. The Group may consider investing in shares or similar instruments.

4 FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

4B Carrying Amount of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the year by FRS 39 categories:

	THE GROUP		THE COMPANY	
	2008 $'000	**2007 $'000**	**2008 $'000**	**2007 $'000**
Financial assets:				
Cash and cash equivalents	71,946	70,371	1,161	4,318
Financial assets at fair value through the income statement classified as held for trading	7,235	11,520	–	–
Loans and receivables	16,419	13,807	32	26
Amounts due from subsidiaries	–	–	59	2,908
Available-for-sale financial assets	375	328	375	328
At end of year	95,975	96,026	1,627	7,580
Financial liabilities:				
Measured at amortised cost:				
- Borrowings	321,967	277,319	–	–
- Amounts due to subsidiaries	–	–	59,057	44,454
- Trade and other payables	44,128	32,378	1,671	1,834
At end of year	366,095	309,697	60,728	46,288

(a) Foreign currency risk

The Group has exposure to changes in foreign exchange rates arising from foreign currency transactions and balances and changes in fair values. These exposures and changes in fair values from time to time are monitored and any gains and losses are included in the income statement unless otherwise stated in the notes to the financial statements.

The Group has investments in subsidiaries in Australia and New Zealand and is exposed to currency translation risk.

Information relating to the Group's balances in foreign currencies is disclosed in Notes 22, 23, 24, 29, 31 and 32 to the financial statements.

Foreign currency sensitivity

The sensitivity analysis uses 5% increase and decrease in the Singapore dollar against the relevant foreign currencies as an approximate of the sensitivity rate. Based on the sensitivity analysis performed, a 5% appreciation/depreciation in the Singapore dollar against the relevant foreign currencies is expected to increase/decrease profit before tax of the Group by $0.1 million (2007: $0.2 million).

Notes to the Financial Statements

31 March 2008

4 FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

4B Carrying Amount of Financial Assets and Liabilities (Cont'd)

(a) Foreign currency risk (Cont'd)

Management considers a 5% change in Singapore dollar against the relevant foreign currencies not to have any significant impact on the profit before tax of the Group.

Management is of the view that the above sensitivity analysis may not be representative of the inherent foreign exchange risk as year end exposures may not reflect the actual exposures and circumstances during the year.

(b) Interest rate risk

The Group obtains additional financing through bank borrowings. There is exposure to interest rate price risk for financial instruments with a fixed interest rate and to interest rate or cash flow risk for financial instruments with a floating interest rate that is reset as market rates change. The Group's policy is to obtain the most favourable interest rates available and at the same time managing its foreign currency exposure.

Surplus funds are placed with reputable banks.

The following table analyses the breakdown of the financial assets and liabilities by types of interest rate:

	THE GROUP	
	2008 **$'000**	**2007** **$'000**
Financial assets:		
Fixed rate	–	–
Floating rate	71,946	70,371
Non-interest bearing	24,029	25,655
At end of year	95,975	96,026
	2008 **$'000**	**2007** **$'000**
Financial liabilities:		
Fixed rate	–	–
Floating rate	321,967	277,319
Non-interest bearing	44,128	32,378
At end of year	366,095	309,697

Information relating to the Group's interest rates is disclosed in Notes 22, 29 and 31 to the financial statements.

Interest rate sensitivity

The sensitivity analysis uses 50 basis points increase and decrease in the interest rates. Based on the sensitivity analysis performed, a 50 basis points increase/decrease in the interest rates would decrease/increase the Group's profit before tax by $1.3 million (2007: $1.0 million).

4 FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

4B Carrying Amount of Financial Assets and Liabilities (Cont'd)

(b) Interest rate risk (Cont'd)

Management considers a 50 basis points change in interest rates not to have any significant impact on the profit before tax of the Group.

In management's opinion, the above effective interest rates are unrepresentative of the inherent interest risks as the historical exposure does not reflect the exposure in future.

(c) Liquidity risk

The Group's funding is primarily handled by corporate office on the basis of the subsidiaries' investing and operational liquidity requirements. The subsidiaries' excess liquidity is equalised internally through inter-company accounts.

The Group's liquidity reserves consist of bank deposits as well as committed and uncommitted credit facilities with major financial institutions. To a lesser extent, liquidity reserves are in some periods placed in money market instruments or bonds.

The following table sets out the expected contractual undiscounted cash flows of financial liabilities based on the earliest date on which the Group will be required to pay:

	2008		2007	
	Borrowings $'000	Trade and other payables $'000	Borrowings $'000	Trade and other payables $'000
THE GROUP				
On demand or within 1 year	123,590	44,128	5,765	32,378
Within 1 to 5 years	198,377	–	271,554	–
	321,967	44,128	277,319	32,378

	2008		2007	
	Trade and other payables $'000	Amounts due to subsidiaries $'000	Trade and other payables $'000	Amounts due to subsidiaries $'000
THE COMPANY				
On demand or within 1 year	1,671	84	1,834	31,276
More than 5 years	–	58,973	–	13,178
	1,671	59,057	1,834	44,454

Other than borrowings of $121,947,000 maturing in December 2008 which will be refinanced, it is expected that all the liabilities will be paid at their contractual maturity. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows. In addition, the financial assets are held for which there is a liquid market and that are readily available to meet liquidity needs.

4 FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS (CONT'D)

4B Carrying Amount of Financial Assets and Liabilities (Cont'd)

(d) Credit risk

The carrying amount of cash and cash equivalents, trade receivables and other receivables represent the Group's maximum exposure to credit risk in relation to financial assets. No other financial assets carry a significant exposure to credit risk.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit.

The Group has no significant concentration of credit risk, as the exposure is spread over a large number of counterparties and customers.

Information relating to the Group's credit risk exposure is disclosed in Notes 22, 23 and 24 to the financial statements.

(e) Price risk

There are arrangements to consider the investing of temporary excess liquidity in shares or similar instruments. Investments in derivatives for speculative purposes are not considered. As at end of year some shares were held either as current investments or available-for-sale investment in companies listed on the Singapore Stock Exchange. As a result, such investments are exposed to both currency risk and changes in fair value risk.

No sensitivity analysis was performed as management is of the view that the effect on profit before tax is not significant.

5 RELATED PARTY TRANSACTIONS

A related party is an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. This includes parents, subsidiaries, fellow subsidiaries and post employment benefits plans, if any.

(a) Related companies:

Intragroup transactions and balances that have been eliminated in the consolidated financial statements are not disclosed as related party transactions and balances below.

Notes to the Financial Statements

31 March 2008

5 RELATED PARTY TRANSACTIONS (CONT'D)

(b) Other related parties:

There are transactions and arrangements between the Company and related parties and the effect of these on the basis determined between the parties are reflected in these financial statements. The current related party balances are unsecured, without fixed repayment terms and interest unless stated otherwise. For non-current balances, an interest is imputed based on the cost of borrowing less the interest rate if any provided in the agreement for the balance.

Significant related party transactions:

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following: -

	THE GROUP	
	2008	**2007**
	$'000	**$'000**
Revenue, rental income and service fees from related parties	2,436	2,151

(c) Key management compensation:

	THE GROUP	
	2008	**2007**
	$'000	**$'000**
Salaries and other employee benefits	4,228	3,395

The above amounts are included under staff costs. Included in the above amounts are the following items:

	THE GROUP	
	2008	**2007**
	$'000	**$'000**
Remuneration of directors of the Company	2,520	1,941
Fees to directors of the Company	218	208

Key management personnel are executive directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The above amounts for key management compensation are all the executive directors and other key management personnel.

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Notes to the Financial Statements
31 March 2008

6 REVENUE

	THE GROUP 2008 $'000	THE GROUP 2007 $'000
Rendering of services	151,885	127,586
Sale of goods	97,955	85,228
Sale of apartments	26,274	85,162
Total	276,114	297,976

7 INTEREST INCOME

	THE GROUP 2008 $'000	THE GROUP 2007 $'000
Interest income from non-related companies	4,256	3,265

8 DIVIDEND INCOME

	THE GROUP 2008 $'000	THE GROUP 2007 $'000
Dividend income on quoted investments	228	217

Notes to the Financial Statements

31 March 2008

9 OTHER CREDITS AND (OTHER CHARGES)

	THE GROUP	
	2008 $'000	2007 $'000
Gains on disposal of current investments	319	359
(Losses)/gains on fair value of current investments	(24)	57
Gains on disposal of property, plant and equipment	7	36
Gains on disposal of investment properties held for sale	–	3,357
Foreign exchange (losses)/gains	(2,497)	788
Allowance for impairment on trade receivables	(28)	(29)
Inventories written off	(1)	(52)
Net	(2,224)	4,516
Presented in the income statement as:		
Other Credits	326	4,597
Other Charges	(2,550)	(81)
Net	(2,224)	4,516

10 STAFF COSTS

	THE GROUP	
	2008 $'000	2007 $'000
Staff costs including directors	97,850	87,073
Costs of defined contribution plans included in staff costs	6,183	5,542

Notes to the Financial Statements

31 March 2008

11 OTHER EXPENSES

Other expenses include the following:

	THE GROUP 2008 $'000	THE GROUP 2007 $'000
Auditors of the Company – non-audit fees	–	–
Other auditors – non-audit fees	58	38
Commission and reservation expenses	10,033	7,261
Repairs and maintenance	7,151	5,947
Utilities	6,760	5,717
Property taxes and rates	4,154	4,101
Advertising and promotion	4,558	3,483

12 FINANCE COSTS

	THE GROUP 2008 $'000	THE GROUP 2007 $'000
Interest expense to non-related companies	19,526	16,837

13 INCOME TAX

	THE GROUP 2008 $'000	THE GROUP 2007 $'000
Current	398	33
Deferred	(14,816)	–
Total income tax (credit)/expense	(14,418)	33

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 18% (2007: 18%) to profit before income tax as a result of the following differences:

NOTES TO THE FINANCIAL STATEMENTS
31 March 2008

13 INCOME TAX (CONT'D)

	THE GROUP	
	2008 $'000	2007 $'000
Tax rate reconciliation:		
Profit before tax	28,517	33,388
Income tax expense at statutory rate	5,133	6,010
Non-taxable items	(7,381)	(7,839)
Utilisation of deferred tax benefits previously not recognised	(7,529)	(5,875)
Deferred tax benefits arising in current year not recognised	5,568	3,520
Tax exemptions	(82)	(49)
Effect of different tax rates of overseas operations	4,597	3,517
Effect of changes in tax rates	–	804
Deferred tax benefits recognised in income statement (1)	(14,816)	–
Under/(over) provision for prior years	92	(55)
Total income tax (credit)/expense	(14,418)	33
- Effective tax rate	N.M	N.M

N.M. Not Meaningful.

(1) *The Group has recognised tax losses carried forward amounting to net deferred tax credit of $14,816,000 as it is probable that future taxable profit will be available against which the unused tax losses can be utilised.*

There are no income tax consequences of dividends to shareholders of the Company.

Movements in deferred tax assets and liabilities during the year are as follows:

	THE GROUP			
	Tax value of losses carry-forward $'000	Provisions $'000	Others $'000	Total $'000
Deferred tax assets				
At beginning of year 1 April 2006	–	–	21	21
Currency realignment	–	–	1	1
At end of year 31 March 2007	–	–	22	22
Currency realignment	–	–	2	2
Charged to income statement	13,732	1,617	(26)	15,323
Currency translation difference	(226)	(26)	–	(252)
At end of year 31 March 2008	13,506	1,591	(2)	15,095

Notes to the Financial Statements
31 March 2008

13 INCOME TAX (CONT'D)

	Accelerated tax depreciation $'000	Provisions $'000	Others $'000	Total $'000
Deferred tax liabilities				
At beginning of year 1 April 2006	–	–	–	–
Currency realignment	–	–	–	–
At end of year 31 March 2007	–	–	–	–
Charged to income statement	(367)	–	(140)	(507)
Currency translation difference	6	–	2	8
At end of year 31 March 2008	(361)	–	(138)	(499)
Net Deferred tax assets				14,596

THE COMPANY

	Tax value of losses carry-forward $'000	Fair value changes $'000	Others $'000	Total $'000
Deferred tax assets				
At beginning of year 1 April 2006	–	–	–	–
Recognised during the year	–	359	–	359
Currency realignment	–	–	–	–
At end of year 31 March 2007	–	359	–	359
Currency realignment	–	(4)	–	(4)
Charged to income statement	–	(99)	–	(99)
Currency translation difference	–	–	–	–
At end of year 31 March 2008	–	256	–	256

Notes to the Financial Statements

31 March 2008

13 INCOME TAX (CONT'D)

	Accelerated tax depreciation $'000	Fair value changes $'000	Others $'000	Total $'000
<u>Deferred tax liabilities</u>				
At beginning of year 1 April 2006	–	–	–	–
Recognised during the year	–	(733)	–	(733)
Currency realignment	–	–	–	–
At end of year 31 March 2007	–	(733)	–	(733)
			–	
Currency realignment	–	–	–	–
Recognised during the year	–	(6,358)	–	(6,358)
Reversed during the year	–	1,238	–	1,238
Currency translation difference	–	–	–	–
At end of year 31 March 2008	–	(5,853)	–	(5,853)
Net Deferred tax liabilities				(5,597)

The deferred tax balances recognised in the balance sheet are as follows:

	THE GROUP		THE COMPANY	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Deferred tax liabilities	(499)	–	(5,853)	(733)
Deferred tax assets	15,095	22	256	359
Net balance	14,596	22	(5,597)	(374)

It is impracticable to estimate the amount expected to be settled or used within one year.

At the balance sheet date, deferred tax liabilities relating to the aggregate amount of temporary differences associated with investments in subsidiaries were not recognised as the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

Notes to the Financial Statements

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13 INCOME TAX (CONT'D)

The Group has tax loss carryforwards available for offsetting against future taxable income as follows:

	THE GROUP	
	2008 $'000	2007 $'000
Amount at beginning of year	117,385	100,982
Amount from prior years	(35)	29,554
Amount in current year	18,560	13,605
Amount utilised in current year	(41,895)	(32,628)
Deferred tax assets recognised	(45,019)	–
Currency realignment	2,815	5,872
Amount at end of year	51,811	117,385
Deferred tax benefit on above unrecorded	9,326	21,129

The realisation of future income tax benefits from tax loss carryforwards is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

14 EARNINGS PER SHARE

	THE GROUP			
	2008		2007	
	Basic $'000	Diluted $'000	Basic $'000	Diluted $'000
Profit attributable to equity holders	42,935	42,935	33,355	33,355
	No. of shares ('000)		No. of shares ('000)	
Weighted average number of ordinary shares	863,833	863,833	863,833	863,833
Adjustment for potential dilutive ordinary shares	–	–	–	–
Weighted average number of ordinary shares used to compute earnings per share	863,833	863,833	863,833	863,833
Earnings per share (cents)	4.97	4.97	3.86	3.86

Basic earnings per share is based on the weighted average number of ordinary shares outstanding during each period. The diluted earnings per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each period. The ordinary share equivalents included in these calculations are ordinary shares issuable upon assumed exercise of share options which would have a dilutive effect.

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15 DIVIDENDS ON EQUITY SHARES

	THE GROUP	
	2008 $'000	2007 $'000
Final dividend paid of 2.0 cents net of income tax (2007: 2.0 cents) per share in respect of dividends approved for prior year	14,167	13,821
Special dividend paid of 1.0 cent net of income tax (2007: 1.0 cent) per share in respect of dividends approved for prior year	7,083	6,911
Interim exempt (one-tier) dividend paid of 1.5 cents (2007: Nil) per share for current year	12,958	–
Total dividends paid in the year	34,208	20,732

In respect of the current year, the directors propose that a final tax exempt (one-tier) dividend and a special dividend be paid at 1.5 cents and 1.0 cent respectively per ordinary share totalling $21,595,000 for the financial year just ended on ordinary shares of the Company. The proposed dividend is subject to approval by the shareholders at the next Annual General Meeting.

16 AVAILABLE-FOR-SALE INVESTMENTS

	THE GROUP		THE COMPANY	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Quoted equity shares	328	200	328	200
Increase in fair value through equity	47	128	47	128
Fair value at end of year	375	328	375	328

17 INVESTMENTS IN SUBSIDIARIES

	THE COMPANY	
	2008 $'000	2007 $'000
Unquoted equity shares, at cost	104,579	104,579
Amounts due from subsidiaries	167,216	143,457
Recognition of financial guarantee contracts	2,151	1,899
Reclassified from amounts due from subsidiaries (Note 18)	32,053	23,759
	305,999	273,694

Amounts reclassified from amounts due from subsidiaries are extended as quasi-equity loans to subsidiaries and have no fixed terms of repayment.

Notes to the Financial Statements

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17 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Investments in subsidiaries include investments of $100,790,000 (2007: $100,790,000) which are denominated in Australian dollars.

Name of subsidiary	Principal activities	Country of incorporation and operation	Group's effective interest 2008 %	Group's effective interest 2007 %
Hotel owning and management				
Atrington Trust	Investment holding	British Virgin Islands	100	100
Dickensian Holdings Ltd	Investment holding	British Virgin Islands	100	100
Goldenlines Investments Ltd (2)	Investment holding	British Virgin Islands	100	100
The Grand Hotel (S.A.) Pty Limited (1)	Trustee	Australia	100	100
Grand Hotel Unit Trust (1)	Hotel owning	Australia	100	100
HSH (Australia) Trust	Investment holding	British Virgin Islands	100	100
HSH Contractors Pte Ltd	Financier	Singapore	100	100
K.R.M.F.C. Pty Ltd +	Dormant	Australia	100	100
Loftus Trust	Dormant	British Virgin Islands	100	100
Logan Trust (1)	Investment holding	British Virgin Islands	100	100
Minteyville Lt Collins Street Pty Ltd (1)	Hotel owning & operations	Australia	100	100
MLCS Trust	Investment holding	British Virgin Islands	100	100
North Ryde Investments Limited	Investment holding	British Virgin Islands	100	100
Ovenard Trust	Investment holding	British Virgin Islands	100	100
RGA Trust	Investment holding	British Virgin Islands	100	100
Sir Stamford at Circular Quay Pty Ltd (1)	Hotel operator	Australia	100	100

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17 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Country of incorporation and operation	Group's effective interest 2008 %	Group's effective interest 2007 %
Sir Stamford Hotels & Resorts Pte Ltd	Hotel operations	Singapore	100	100
SNR Trust [(1)]	Investment holding	British Virgin Islands	100	100
Stamford Cairns Trust[+]	Dormant	Australia	100	100
Stamford Gold Coast Trust	Investment holding	British Virgin Islands	100	100
Stamford Heritage Pty Ltd [(1)]	Hotel operator	Australia	100	100
Stamford Hotels & Resorts Pte Ltd	Hotel operations	Singapore	100	100
Stamford Hotels (NZ) Limited [(2)]	Hotel operator	New Zealand	100	100
Stamford Hotels Pty Limited [(1)]	Hotel operator	Australia	100	100
Stamford Hotels and Resorts Pty Limited [(1)]	Hotel management	Australia	100	100
Stamford Mayfair Limited[+]	Dormant	British Virgin Islands	100	100
Stamford Plaza Sydney Management Pty Limited [(1)]	Hotel operator	Australia	100	100
Stamford Raffles Pty Ltd[+]	Dormant	Australia	100	100
Stamford Sydney Airport Pty Ltd [(1)]	Hotel operator	Australia	100	100
Terrace Hotel (Operations) Pty Ltd [(1)]	Hotel operator	Australia	100	100
TIA Trust	Investment holding	British Virgin Islands	100	100

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17 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Country of incorporation and operation	Group's effective interest 2008 %	Group's effective interest 2007 %
Property Development & Investment				
Fontelle Trust [(1)]	Investment holding	British Virgin Islands	100	100
Knoxville Trust	Investment holding & property developer	British Virgin Islands	100	100
SHR Kent Street Trust [(1)]	Investment holding & property developer	British Virgin Islands	100	100
Stamford Property Services Pty Ltd [(1)]	Property management	Australia	100	100
Stamford Raffles Trust [(1)]	Investment holding & property developer	British Virgin Islands	100	100
HSH Properties Pte Ltd	Property investment	Singapore	100	100
Plantique Investment Pte Ltd	Property investment	Singapore	100	100
Trading				
Singapore Wallcoverings Centre (Private) Limited	General importers, exporters and dealers in wallcoverings and interior decorations	Singapore	100	100
Sterling Credit Pte Ltd	Hire purchase financing	Singapore	100	100
Varimerx S.E. Asia Pte Ltd	General importers, exporters and dealers in furnishing products	Singapore	100	100
Voyager Travel Pte Ltd	Travel agency	Singapore	100	100

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17 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Principal activities	Country of incorporation and operation	Group's effective interest	
			2008 %	2007 %
Others				
HSH Tanker Inc.	Dormant	Panama	100	100
SLC Property Services Pte Ltd	Dormant	Singapore	100	100
Stamford Land Management Pte Ltd	Management and consultancy services	Singapore	100	100
Stamford Land (International) Pte Ltd	Dormant	Singapore	100	100

All subsidiaries are audited by RSM Chio Lim, Singapore, a member of RSM International except as indicated.

(1) Audited by Deloitte, New South Wales
(2) Audited by Ernst & Young, New Zealand
\+ *No audit required for these dormant companies but their unaudited financial statements are reviewed as part of the Group audit.*

Notes to the Financial Statements
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18 AMOUNTS DUE FROM SUBSIDIARIES

	THE COMPANY	
	2008 $'000	2007 $'000
Amounts due from subsidiaries	32,112	34,102
Less: Reclassified from amounts due to subsidiaries (Note 30)	–	(7,435)
Less: Reclassified to investments in subsidiaries (Note 17)	(32,053)	(23,759)
	59	2,908
At fair value:		
Advances receivable from subsidiaries (Note 3)		
Balance at beginning of year	2,908	4,519
Net amounts received during the year	28,826	29,511
Reversal of FRS 39 adjustments	378	–
Less: Reclassified from amounts due to subsidiaries (Note 30)	–	(7,435)
Less: Reclassified to investments in subsidiaries (Note 17)	(32,053)	(23,759)
Interest income recognised in income statement	–	72
Balance at end of year	59	2,908
Current portion	59	1,844
Non-current portion	–	1,064
Total receivables – Non-trade	59	2,908

Net amounts receivable of $32,053,000 (2007: $23,759,000) are extended as quasi-equity loans to subsidiaries and have no fixed terms of repayment. The management of the Company consider these receivables as quasi-equity in nature as these receivables are not expected to be received until such time the subsidiaries have the financial resources in excess of their working capital requirements, and are in a position to return the capital. As such, these receivables are stated at cost (on the same basis as cost of investments in subsidiaries).

The amounts due from/to subsidiaries are presented on a net basis when there is a right to settle on a net basis, or realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

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19 PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Freehold land	Freehold buildings	Leasehold land and buildings	Renovations, furniture and fittings	Motor vehicles	Equipment and computers	Construction -in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:								
At beginning of year 1 April 2006	76,414	290,467	131,193	41,086	830	57,340	646	597,976
Currency realignment	3,225	17,929	6,391	2,540	45	3,220	35	33,385
Additions	–	10,904	210	1,813	54	4,687	(681)	16,987
Transfer to investment properties (Note 20)	–	–	(8,423)	–	–	–	–	(8,423)
Transfer to properties under development (Note 21)	–	(6,376)	–	–	–	–	–	(6,376)
Disposals	–	–	–	(193)	–	(297)	–	(490)
At end of year 31 March 2007	79,639	312,924	129,371	45,246	929	64,950	–	633,059
Accumulated depreciation:								
At beginning of year 1 April 2006	–	36,923	11,881	26,848	659	42,691	–	119,002
Currency realignment	–	2,462	557	1,570	36	2,723	–	7,348
Transfer to investment properties (Note 20)	–	–	(1,445)	–	–	–	–	(1,445)
Transfer to properties under development (Note 21)	–	(1,281)	–	–	–	–	–	(1,281)
Depreciation for the year	–	3,563	1,815	3,197	74	4,857	–	13,506
Disposals	–	–	–	(147)	–	(314)	–	(461)
At end of year 31 March 2007	–	41,667	12,808	31,468	769	49,957	–	136,669
Provision for impairment loss:								
At beginning of year 1 April 2006 and end of year 31 March 2007	9,400	–	–	–	–	–	–	9,400
Net book value:								
At end of year 31 March 2007	70,239	271,257	116,563	13,778	160	14,993	–	486,990

Notes to the Financial Statements

31 March 2008

19 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	Freehold land	Freehold buildings	Leasehold land and buildings	Renovations, furniture and fittings	Motor vehicles	Equipment and computers	Construction -in-progress	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost:								
At beginning of year 1 April 2007	79,639	312,924	129,371	45,246	929	64,950	–	633,059
Currency realignment	1,267	8,569	3,992	1,186	27	2,009	–	17,050
Additions	–	1,481	–	4,269	40	2,643	981	9,414
Transfer from investment properties (Note 20)	–	–	104	–	–	–	–	104
Disposals	–	–	–	(483)	(37)	(125)	–	(645)
At end of year 31 March 2008	80,906	322,974	133,467	50,218	959	69,477	981	658,982
Accumulated depreciation:								
At beginning of year 1 April 2007	–	41,667	12,808	31,468	769	49,957	–	136,669
Currency realignment	–	1,019	351	740	21	1,476	–	3,607
Depreciation for the year	–	4,404	1,915	3,620	61	3,295	–	13,295
Disposals	–	–	–	(483)	(32)	(125)	–	(640)
At end of year 31 March 2008	–	47,090	15,074	35,345	819	54,603	–	152,931
Provision for impairment loss:								
At beginning of year 1 April 2007 and end of year 31 March 2008	9,400	–	–	–	–	–	–	9,400
Net book value:								
At end of year 31 March 2008	71,506	275,884	118,393	14,873	140	14,874	981	496,651

An independent valuation was performed in 2002 on a freehold property at 100C Pasir Panjang Road by DTZ Debenham Tie Leung (SEA) Pte Ltd, on an open market basis with existing use, which valued the freehold property at $18,500,000. Accordingly, an impairment loss of $9,400,000 was recognised in 2002.

Other than 100C Pasir Panjang Road, Singapore, the freehold and leasehold land and buildings with carrying value totalling approximately $447,278,000 (2007: $439,554,000) are charged by way of mortgages and fixed and floating equitable charges for short-term and long-term borrowings (Notes 29 and 31).

NOTES TO THE FINANCIAL STATEMENTS
31 March 2008

20 INVESTMENT PROPERTIES

	THE GROUP			
	Freehold land $'000	Freehold buildings $'000	Leasehold buildings $'000	Total $'000
At Cost:				
At beginning of year 1 April 2006	–	–	–	–
Transfer from properties under development (Note 21)	679	6,613	–	7,292
Reclassification from property, plant and equipment arising from early adoption of FRS40	–	–	8,423	8,423
At end of year 31 March 2007	679	6,613	8,423	15,715
Accumulated depreciation:				
At beginning of year 1 April 2006	–	–	–	–
Reclassification from property, plant and equipment arising from early adoption of FRS40	–	–	(1,445)	(1,445)
At end of year 31 March 2007	–	–	(1,445)	(1,445)
Net book value:				
At end of year 31 March 2007	679	6,613	6,978	14,270
Fair value:				
Fair value at end of year 31 March 2007	679	6,613	11,347	18,639
At Cost:				
At beginning of year 1 April 2007	679	6,613	8,423	15,715
Currency realignment	21	214	–	235
Reclassification to property, plant and equipment (Note 19)	–	–	(104)	(104)
At end of year 31 March 2008	700	6,827	8,319	15,846
Accumulated depreciation:				
At beginning of year 1 April 2007	–	–	(1,445)	(1,445)
Depreciation for the year	–	–	(71)	(71)
At end of year 31 March 2008	–	–	(1,516)	(1,516)
Net book value:				
At end of year 31 March 2008	700	6,827	6,803	14,330
Fair value:				
Fair value at end of year 31 March 2008	1,233	12,021	12,998	26,252

Notes to the Financial Statements

31 March 2008

20 INVESTMENT PROPERTIES (CONT'D)

	2008 $'000	2007 $'000
Rental and service income for investment properties	981	596
Direct operating expense (including repairs and maintenance, arising from investment properties that generated rental income during the year)	411	126
Direct operating expense (including repairs and maintenance, arising from investment properties that did not generate rental income during the year)	–	–

All the investment properties are leased out under operating leases.

The fair value of each investment property is stated on the existing use basis to reflect the actual market state and circumstances as of the balance sheet date and not as of either a past or future date. The fair values of the freehold land and buildings were based on a valuation made by management based on reference to an offer to purchase the properties made by a third party. The fair value of the leasehold building is based on a desk top valuation dated 21 May 2008 made by Chesterton International Property Consultants Pte Ltd, a firm of independent professional valuers. A gain or loss arising from a change in the fair value is not recognised in the income statement or revaluation reserves but an impairment loss is expensed.

Investment property at a carrying value of $6,803,000 (2007: $6,978,000) is mortgaged as security for the bank facilities (see Note 31).

21 PROPERTIES UNDER DEVELOPMENT

THE GROUP	Land $'000	Development expenditure $'000	Interest expense $'000	Overhead expenditure $'000	Total $'000
Cost:					
At beginning of year 1 April 2006	51,240	61,924	1,935	6,470	121,569
Currency realignment	2,804	3,388	106	354	6,652
Additions	–	68,484	3,481	4,100	76,065
	54,044	133,796	5,522	10,924	204,286
Less: Transfer to properties held for sale (Note 26)	(21,189)	(69,204)	(2,432)	(8,002)	(100,827)
Less: Transfer to Investment properties (Note 20)	(679)	(6,210)	(278)	(125)	(7,292)
Add: Transfer from property, plant and equipment (Note 19)	–	5,095	–	–	5,095
At end of year 31 March 2007	32,176	63,477	2,812	2,797	101,262
Currency realignment	1,041	2,054	91	90	3,276
Additions	–	59,948	5,787	2,910	68,645
At end of year 31 March 2008	33,217	125,479	8,690	5,797	173,183

NOTES TO THE FINANCIAL STATEMENTS

31 March 2008

21 PROPERTIES UNDER DEVELOPMENT (CONT'D)

Borrowing costs capitalised as part of properties under development amounted to $8,690,000 (2007: $5,522,000). The rate of interest used during the year was 9.34% (2007: 8.55%) per annum.

22 CASH AND CASH EQUIVALENTS

	THE GROUP		THE COMPANY	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Not restricted in use:				
Cash and bank balances	8,010	19,826	334	311
Fixed deposits	63,936	50,545	827	4,007
	71,946	70,371	1,161	4,318
Interest earning balances	69,394	69,207	827	4,007
Amount denominated in foreign currencies include:				
Australian dollars	48,641	26,361	884	48
New Zealand dollars	768	1,871	–	–
United States dollars	72	2,235	67	2,230
Japanese Yen	20	18	20	18

The rate of interest for the cash on the interest earning balances range between 0.35% and 8.67% (2007: 0.5% and 7.18%) per annum. These approximate the effective interest rate. The carrying amounts are assumed to be a reasonable approximation of the fair values.

Fixed deposits represent short-term deposits with maturity dates of less than 3 months.

Notes to the Financial Statements

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23 CURRENT INVESTMENTS

	THE GROUP	
	2008 $'000	2007 $'000
Investments held for trading:		
Fair value:		
Listed equity shares in corporations	3,423	3,393
Discount share purchase note in corporations*	814	–
Equity linked notes	–	4,024
Dual currency deposits	–	2,353
Bonds	2,998	1,750
Fair value at end of year	7,235	11,520
Amount denominated in foreign currency include:		
New Zealand dollars	–	2,353

The investments represent short-term investments which provide an opportunity for return through dividend income, interest income and trading gains. All the investments are stated at fair values. The fair values are based on quoted market prices.

*Discount share purchase note in corporations allow the Group to accumulate a pre-defined number of shares per day at a price that is below the initial spot price until when the closing price of the underlying share is at/or above a knock-out price. The note matures on 12 June 2008.

Notes to the Financial Statements

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24 TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Trade receivables				
Outside parties	12,129	12,050	–	–
Less: Allowance for impairment	(48)	(53)	–	–
	12,081	11,997	–	–
Other receivables				
Related parties (Note 5)	855	347	–	–
Deposits	62	24	–	–
Accrued interest receivable	324	33	–	–
Other receivables	3,097	1,406	32	26
	16,419	13,807	32	26
Amount denominated in foreign currencies include:				
Australian dollars	10,289	9,968	–	–
New Zealand dollars	3,522	1,707	–	–

Current receivables with a short duration are not discounted and the carrying values are assumed to approximate to fair values. Other receivables are normally with no fixed terms and therefore there is no maturity.

The average credit period generally granted to non-related party trade receivable customers is about 30 days (2007: 30 days). But some customers take a longer period to settle the amounts. The table below illustrates the trade receivables aging analysis:

	THE GROUP			
	2008		2007	
	Gross $'000	Allowance for impairment $'000	Gross $'000	Allowance for impairment $'000
Less than 30 days	9,734	–	9,682	–
31 – 60 days	1,932	–	1,985	–
61 – 90 days	302	–	268	–
More than 90 days	161	(48)	115	(53)
	12,129	(48)	12,050	(53)

Amounts greater than 30 days are considered to be past due.

Notes to the Financial Statements

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24 TRADE AND OTHER RECEIVABLES (CONT'D)

	THE GROUP	
	2008 $'000	2007 $'000
Movements in above allowance:		
Balance at beginning of year	53	50
Charged to income statement included in other charges	28	29
Currency realignment	1	2
Bad debts written off	(34)	(28)
Balance at end of year	48	53

There is no concentration of credit risk with respect to trade receivables as the Group has a large number of customers.

25 OTHER ASSETS, CURRENT

	THE GROUP	
	2008 $'000	2007 $'000
Prepayments	1,471	1,563

26 PROPERTIES HELD FOR SALE

	THE GROUP	
	2008 $'000	2007 $'000
Unsold properties at beginning of year	27,744	3,134
Additions	–	369
Currency realignment	1,303	171
Transfer from properties under development (Note 21)	–	100,827
Transfer to profit and loss	(22,164)	(76,757)
Unsold properties at end of year	6,883	27,744

Properties held for sale at 31 March 2008 comprise 3 (2007: 22) apartments in Sydney, Australia which were completed. 19 (2007: 61) units were sold during the financial year. The sales proceeds and cost of sales were $26,274,000 (2007: $85,162,000) and $22,164,000 (2007: $71,956,000) respectively.

Notes to the Financial Statements

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27 INVENTORIES

	THE GROUP	
	2008 $'000	2007 $'000
Finished goods	242	598
Consumables	1,827	1,536
	2,069	2,134

There are no inventories pledged as security for liabilities.

28 SHARE CAPITAL

	THE GROUP & THE COMPANY			
	Number of ordinary shares		$'000	
	2008	2007	2008	2007
Issued and fully paid:				
At beginning of year	863,833,482	863,833,482	144,556	144,556
At end of year	863,833,482	863,833,482	144,556	144,556

The ordinary shares of no par value carry no right to fixed income and are fully paid.

The only externally imposed capital requirement is that for the Group to maintain its listing on the Singapore Stock Exchange it has to have share capital with at least a free float of 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the year.

Capital management

The primary objective of the Group's capital management is to have a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group manages its capital to ensure entities in the Group will be able to continue as going concerns while maximising the return to shareholders through optimisation of the debt and equity balance. The Group actively reviews its capital structure and considers the cost of capital and the risks associated with each class of capital. The Group balances its overall capital structure through the payment of dividends, share buy-back, new share issues as well as the issue of new debt or the redemption of existing debt.

There were no changes in the Group's approach to capital management during the financial year.

Notes to the Financial Statements

31 March 2008

29 LONG-TERM BORROWINGS

	THE GROUP	
	2008 $'000	2007 $'000
Bank loans	320,324	271,554
Less: Current portion	(121,947)	–
Non-current portion	198,377	271,554
Non-current portion is payable as follows:		
Between 1 and 2 years	160,158	118,126
Between 2 and 5 years	38,219	153,428
	198,377	271,554

The term loans as at 31 March 2008 comprise:

(a) $121,947,000 (A$96,500,000) [2007: $118,126,000 (A$96,500,000)] and $112,581,000 (NZ$103,100,000) [2007: $70,321,000 (NZ$65,000,000)] term loans are secured by legal mortgages on certain properties of subsidiaries. The A$ loan repayable in financial year 2009 will be refinanced upon maturity. During the financial year, the Group drew down an additional NZ$38,100,000 loan to finance the development of The Stamford Residences in Auckland. This term loan is repayable in financial year 2011. Interest is pegged to market rates ranging from 6.65% to 9.78% (2007: 5.95% to 8.70%) per annum.

(b) $85,796,000 (A$67,892,000) [2007: $83,107,000 (A$67,892,000)] term loan is secured by legal mortgages on certain properties. The loan was refinanced in financial year 2006 and is repayable in financial year 2011. Interest is pegged to market rates ranging from 7.26% to 8.31% (2007: 6.51% to 7.28%) per annum.

Notes to the Financial Statements

31 March 2008

30 AMOUNTS DUE TO SUBSIDIARIES

	THE COMPANY	
	2008 $'000	2007 $'000
Amounts due to subsidiaries	59,057	44,454
At fair value:		
Loans payable to subsidiaries (Note 3)		
Balance at beginning of year	44,454	16,749
Net amounts advanced during the year	43,043	34,309
FRS 39 adjustments	(31,248)	–
Less: Reclassified to amounts due from subsidiaries (Note 18)	–	(7,435)
Interest expense recognised in income statement	2,808	831
Balance at end of year	59,057	44,454
Current portion	84	31,276
Non-current portion	58,973	13,178
Total payables – Non-trade	59,057	44,454

31 SHORT-TERM BORROWINGS

The short-term borrowings, which are denominated in United States dollars, relate to bank overdrafts which are secured by legal mortgages on certain properties of the subsidiaries.

The interest rate for the bank overdrafts ranged between 4.18% and 6.77% (2007: 5.86% to 6.44%) per annum.

Notes to the Financial Statements

31 March 2008

32 TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Trade payables				
Outside parties	6,484	4,585	–	–
Other payables				
Related parties (Note 5)	120	126	5	7
Accrued loan interest payable	1,482	1,126	–	–
Accrued liabilities	27,439	17,634	245	200
Other payables	8,603	8,907	1,421	1,627
	44,128	32,378	1,671	1,834
Amount denominated in foreign currencies include:				
Australian dollars	13,857	10,922	–	–
New Zealand dollars	723	587	–	–

The other payables are with short-term durations. The carrying amounts are assumed to be a recoverable approximation of fair values.

NOTES TO THE FINANCIAL STATEMENTS

31 March 2008

33 BUSINESS AND GEOGRAPHICAL SEGMENTAL INFORMATION

For management purposes, the Group operates primarily in hotel owning and management, property development and investment, and trading business segments.

The Group's activities are based in Singapore, Australia and New Zealand.

	Hotel Owning & Management $'000	Property Development & Investment $'000	Trading $'000	Eliminations $'000	Consolidated $'000
2008					
REVENUE					
External sales	232,203	28,955	14,815	–	275,973
Inter-segment sales	–	520	82	(602)	–
	232,203	29,475	14,897	(602)	275,973
Unallocated corporate revenue					141
Total revenue					276,114
RESULTS					
Segment results	46,840	2,395	924	–	50,159
Unallocated corporate expenses					(4,376)
Profit from operations					45,783
Interest income					4,256
Dividend income					228
Finance costs					(19,526)
Other credits/(charges)					(2,224)
Profit before tax					28,517
Deferred tax credit					14,816
Income tax expense					(398)
Profit after tax					42,935

Notes to the Financial Statements

31 March 2008

33 BUSINESS AND GEOGRAPHICAL SEGMENTAL INFORMATION(CONT'D)

	Hotel Owning & Management $'000	Property Development & Investment $'000	Trading $'000	Others $'000	Consolidated $'000
2008					
OTHER INFORMATION					
Capital additions	9,323	14	14	63	9,414
Depreciation	13,027	170	17	152	13,366
ASSETS					
Segment assets	495,223	219,062	3,851	–	718,136
Unallocated corporate assets					87,521
Total					805,657
LIABILITIES					
Segment liabilities	38,467	1,580	689	–	40,736
Unallocated corporate liabilities					326,284
Total					367,020

	Hotel Owning & Management $'000	Property Development & Investment $'000	Trading $'000	Eliminations $'000	Consolidated $'000
2007					
REVENUE					
External sales	198,519	87,101	12,084	–	297,704
Inter-segment sales	–	394	116	(510)	–
	198,519	87,495	12,200	(510)	297,704
Unallocated corporate revenue					272
Total revenue					297,976
RESULTS					
Segment results	33,098	12,185	657	–	45,940
Unallocated corporate expenses					(3,713)
Profit from operations					42,227
Interest income					3,265
Dividend income					217
Finance costs					(16,837)
Other credits/(charges)					4,516
Profit before tax					33,388
Income tax expense					(33)
Profit after tax					33,355

Notes to the Financial Statements

31 March 2008

33 BUSINESS AND GEOGRAPHICAL SEGMENTAL INFORMATION(CONT'D)

	Hotel Owning & Management $'000	Property Development & Investment $'000	Trading $'000	Others $'000	Consolidated $'000
2007					
OTHER INFORMATION					
Capital additions	16,843	20	48	76	16,987
Depreciation	13,176	168	11	151	13,506
ASSETS					
Segment assets	483,938	179,549	3,127	–	666,614
Unallocated corporate assets					63,397
Total					730,011
LIABILITIES					
Segment liabilities	24,525	2,572	1,113	–	28,210
Unallocated corporate liabilities					281,585
Total					309,795

GEOGRAPHICAL SEGMENTS

The following table provides an analysis of the Group's sales by geographical market, irrespective of the origin of the goods/services:

	Sales revenue by geographical market	
	2008 $'000	2007 $'000
Singapore	15,554	13,014
Australia	242,386	275,321
New Zealand	18,174	9,641
	276,114	297,976

The following is an analysis of the carrying amount of segment assets and capital additions analysed by the geographical areas in which the assets are located:

33 BUSINESS AND GEOGRAPHICAL SEGMENTAL INFORMATION(CONT'D)

	Carrying amount of segment assets		Capital additions	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Singapore	121,511	97,219	77	125
Australia	486,489	500,808	7,744	5,066
New Zealand	197,657	131,984	1,593	11,796
Total	805,657	730,011	9,414	16,987

34 CONTINGENT LIABILITIES

	THE GROUP		THE COMPANY	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Bankers' guarantees in favour of subsidiaries	–	–	291,975	248,489

These represent corporate guarantees in favour of subsidiaries granted to cover banking facilities extended to the subsidiaries.

35 CAPITAL EXPENDITURE COMMITMENTS

	2008 $'000	2007 $'000
Estimated amounts committed for future capital expenditure but not provided for in the financial statements	32,515	78,285
Authorised but not yet contracted for	Nil	Nil

Notes to the Financial Statements

31 March 2008

36 CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the year ended 31 March 2008, the following new or revised Singapore Financial Reporting Standards were adopted for the first time. The new or revised standards did not require any modification of the measurement method or the presentation in the financial statements:

FRS No.	Title
FRS 1	Presentation of Financial Statements – Amendments relating to capital disclosures
FRS 40	Investment Property
FRS 107	Financial Instruments: Disclosures
FRS 107	Financial Instruments: Disclosures – Implementation Guidance
INT FRS 105	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (*)
INT FRS 107	Applying the Restatement Approach under FRS 29 Financial Reporting in Hyperinflationary Economies (*)
INT FRS 108	Scope of FRS 102
INT FRS 109	Reassessment of Embedded Derivatives
INT FRS 110	Interim Financial Reporting and Impairment
INT FRS 111	FRS 102 – Group and Treasury Share Transactions

(*) Not relevant to the entity.

37 FUTURE CHANGES IN ACCOUNTING STANDARDS

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to have a material impact on the financial statements.

FRS No.	Title	Effective date for periods beginning on or after
FRS 23	Borrowing Costs	1.1.2009
FRS 108	Operating Segments	1.1. 2009
INT FRS 112	Service Concession Arrangements	1.1. 2008

Shareholdings Statistics
As at 16 June 2008

NUMBER OF SHARES IN ISSUE	:	863,833,482
NUMBER OF SHAREHOLDERS	:	9,009
CLASS OF SHARES	:	Ordinary Shares
VOTING RIGHT	:	Every member who is present in person or by proxy shall have one vote on a show of hands. On a poll, every member shall have one vote per share. At any general meeting, voting shall be by show of hands unless before or on the declaration of the result, a poll is demanded before or on the declaration of the result, a poll is demanded in accordance with the Articles of Association.

BREAKDOWN OF SHAREHOLDINGS BY RANGE

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of issued Share Capital
1 - 999	78	0.87	34,675	0.00
1,000 - 10,000	4,892	54.30	30,558,096	3.54
10,001 - 1,000,000	3,994	44.33	211,000,811	24.43
1,000,001 and above	45	0.50	622,239,900	72.03
Total	**9,009**	**100.00**	**863,833,482**	**100.00**

SHAREHOLDINGS STATISTICS
As at 16 June 2008

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholder	No. of Shares	% of Issued Share Capital
1	OW CHIO KIAT	205,471,000	23.79
2	CITIBANK NOMINEES SINGAPORE PTE LTD	135,747,500	15.71
3	DBS NOMINEES PTE LTD	44,828,500	5.19
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	41,961,000	4.86
5	TAN GIM TEE HOLDINGS PTE LTD	26,400,000	3.06
6	OCBC NOMINEES SINGAPORE PTE LTD	13,932,000	1.61
7	HAI SUN HUP GROUP PTE LTD	12,400,000	1.44
8	SELECTED HOLDINGS PTE LTD	12,100,000	1.40
9	PANG HENG KWEE	10,516,000	1.22
10	MARITIME PROPERTIES PTE LTD	9,776,000	1.13
11	KAMBAU PTE LTD	9,500,000	1.10
12	HONG LEONG FINANCE NOMINEES PTE LTD	9,400,000	1.09
13	OCBC SECURITIES PRIVATE LTD	6,992,400	0.81
14	PHILLIP SECURITIES PTE LTD	6,949,000	0.80
15	RAFFLES NOMINEES PTE LTD	6,658,500	0.77
16	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	6,125,500	0.71
17	DAIICHI CHUO KISEN KAISHA	5,000,000	0.58
18	SIONG LIM PRIVATE LIMITED	4,000,000	0.46
19	OW CHEO GUAN	3,730,000	0.43
20	CIMB-GK SECURITIES PTE. LTD.	3,722,000	0.43
	TOTAL	**575,209,400**	**66.59**

SUBSTANTIAL SHAREHOLDER

	Direct Interest		Deemed Interest		Total	
	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital	No. of Shares	% of Issued Share Capital
Ow Chio Kiat	205,471,000	23.79	131,547,000	15.23	337,018,000	39.02

* *Mr Ow Chio Kiat is deemed to have an interest in the shares owned by his spouse, Madam Lim Siew Feng (30,000 shares) and the shares owned by Hai Sun Hup Group Pte Ltd (12,400,000 shares) and Maritime Properties Pte Ltd (9,776,000 shares) by virtue of Section 7 of the Companies Act. He is also deemed to be interested in 109,341,000 shares registered with Citibank Nominees Singapore Pte Ltd*

SHAREHOLDINGS IN THE HANDS OF THE PUBLIC AS AT 16 JUNE 2008

Based on the information provided to the best of the knowledge of the directors, substantial shareholder and controlling shareholder of the Company and its subsidiaries, approximately 57.26% of the issued share capital of the Company is held by the public. Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited requires that at least 10% of the equity securities (excluding preference shares and convertible equity securities) of a listed company in a class that is listed, is at all times held by the public, has been complied with.

Notice Of Annual General Meeting And Books Closure

STAMFORD LAND CORPORATION LTD
(Company Registration No. 197701615H)
(Incorporated in the Republic of Singapore)

To: All Shareholders

NOTICE IS HEREBY GIVEN that the Thirtieth Annual General Meeting of Stamford Land Corporation Ltd (the "Company") will be held at 6 Shenton Way, DBS Building Tower 1, DBS Auditorium, Level 3, Singapore 068809 on Wednesday, 30 July 2008 at 3:00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2008 and the Directors' Report and Auditors' Report thereon.

   (Resolution 1)

2. To declare a Final Dividend of 1.5 cents per ordinary shares and Special Dividend of 1.0 cent per ordinary share for the financial year ended 31 March 2008

   (Resolution 2)

3. To approve the payment of Directors' Fees of $190,000 for the financial year ended 31 March 2008.

   (Resolution 3)

4. To re-elect the following Directors retiring pursuant to the Articles of Association of the Company:

   Article 91
   (a) Mr Ow Cheo Guan (Resolution 4)

   Article 97
   (a) Dr Tan Chin Nam (Resolution 5)
   (b) Mr Mak Lye Mun (Resolution 6)

   Dr Tan Chin Nam and Mr Mak Lye Mun will, upon re-election as directors of the Company, remain as members of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

5. To re-appoint Messrs RSM Chio Lim as auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

   (Resolution 7)

Notice Of Annual General Meeting And Books Closure

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modifications, the following Resolutions as ORDINARY RESOLUTIONS:

6. That pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Wong Hung Khim be and is hereby re-appointed as a Director of the Company to hold office until the next Annual General Meeting.

(Resolution 8)

Mr Wong Hung Khim will, upon re-appointment as a director of the Company, remain as Chairman of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Note: This Resolution, if passed, will authorise Mr Wong Hung Khim, who is over the age of 70, to continue in office as a Director of the Company until the next Annual General Meeting of the Company.

7. That pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to issue shares in the capital of the Company (whether by way of rights, bonus or otherwise) 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 provided that:-

(i) the aggregate number of shares to be issued pursuant to this Resolution does not exceed fifty (50) per cent. of the issued share capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro rata basis to the existing shareholders of the Company does not exceed twenty (20) per cent. of the issued share capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued share capital is based on the issuer's share capital at the time this Resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
(b) any subsequent consolidation or subdivision of shares;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company;

(iv) 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 of the Company is required by law to be held, whichever is the earlier.

Note: This Resolution, if passed, will empower the Directors to issue shares in the capital of the Company up to an amount not exceeding in total 50 per cent. of the issued share capital of the Company, with a sub-limit of 20 per cent. for shares issued other than on a pro rata basis to the existing shareholders of the Company.

(Resolution 9)

8. That the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the Stamford Land Corporation Ltd Share Option Plan (the "Share Option Plan") and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the Share Option Plan, provided that the aggregate number of shares to be issued pursuant to the Share Option Plan and the Performance Share Plan (as defined below) shall not exceed fifteen (15) per cent. of the total issued share capital of the Company from time to time.

(Resolution 10)

Notice Of Annual General Meeting And Books Closure

9. That the Directors of the Company be and are hereby authorised to grant awards ("Awards") of fully paid-up shares in accordance with the provisions of the "Stamford Land Corporation Ltd Performance Share Plan" (the "Performance Share Plan") and to allot and issue from time to time such number of fully paid-up shares as may be required to be issued pursuant to the vesting of Awards under the Performance Share Plan, provided that the aggregate number of shares to be issued pursuant to the Share Option Plan and the Performance Share Plan shall not exceed fifteen (15) per cent. of the total issued share capital of the Company from time to time.

(Resolution 11)

10. Proposed Share Purchase Mandate.

"THAT:

(a) for the purposes of the Companies Act, Cap. 50, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire the issued ordinary shares of the Company ("Shares") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of market purchases (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Share Purchase Mandate**");

(b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution and expiring on the earlier of:

(i) the date on which the next annual general meeting of the Company ("**AGM**") is held or required by law to be held;

(ii) the date on which the purchases or acquisition of Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by the Shareholders in a general meeting;

(c) in this Ordinary Resolution:

"**Prescribed Limit**" means that number of issued Shares representing ten (10) per cent. of the issued ordinary shares of the Company as at the date of the passing of this Ordinary Resolution or the date of the last AGM, whichever is the higher, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary shares of the Company shall be taken to be the number of the issued ordinary shares of the Company (excluding any treasury shares that may be held by the Company from time to time);

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Ordinary Resolution; and

"Maximum Price" in relation to a fully-paid ordinary share in the capital of the Company (a **"Share"**) to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding one hundred and five (105) per cent. of the Average Closing Price in the case of a Market Purchase.

where:

"Average Closing Price" means the average of the closing market prices of a Share over the last five market days, on which the Shares are transacted on the SGX-ST, immediately preceding the date of the Market Purchase by the Company, and deemed to be adjusted in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant 5-day period;

Notice Of Annual General Meeting And Books Closure

"Day of the Making of the Offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or any of them may consider expedient, necessary, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution".

(Resolution 12)

ANY OTHER BUSINESS

11. To transact any other business that may be transacted at an Annual General Meeting of the Company.

NOTICE IS ALSO HEREBY GIVEN that the Share Transfer Books, Register of Members of the Company will be closed on 8 August 2008 for the preparation of dividend warrants. Duly completed registrable transfers received by the Company's Registrars, M & C Services Private Limited of 138 Robinson Road, #17-00, The Corporate Office, Singapore 068906, up to the close of business at 5:00 p.m. on 7 August 2008 will be registered to determine the shareholders' entitlement to the proposed dividend. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to such holders of shares in accordance with its practice.

The proposed dividend if approved by the members at the Annual General Meeting to be held on 30 July 2008 will be paid on 25 August 2008.

BY ORDER OF THE BOARD

TEO LAY ENG
CLAIRE NAZAR
COMPANY SECRETARIES

Singapore
14 July 2008

Notes:

A member of the Company entitled to attend and vote at the meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Where a member appoints more than one proxy, he shall specify the proportion of his shareholdings to be represented by each proxy. A proxy need not be a member of the Company.

The instrument appointing a proxy must be deposited at the registered office of the Company at 200 Cantonment Road, #09-01, Southpoint, Singapore 089763 not less than 48 hours before the time appointed for holding the meeting.

Proxy Form

IMPORTANT: FOR CPF INVESTORS ONLY
1. This Annual 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 meeting as Observers have to submit their requests through their respective Agent Banks so that their Agent Banks may register with the Company's Registrar (please see Note No. 7 on the reverse).

STAMFORD LAND CORPORATION LTD

(Company Registration No. 197701615H)
(Incorporated in the Republic of Singapore)

I/We ____

of ____

being a member/members of the abovementioned Company, hereby appoint

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

and/or (please delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

as my/our proxy/proxies, to vote for me/us and on my/our behalf and, if necessary to demand a poll, at the 30th Annual General Meeting of the Company to be held at 6 Shenton Way, DBS Building Tower 1, DBS Auditorium, Level 3, Singapore 068809 on Wednesday, 30 July 2008 at 3:00 p.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Annual General Meeting as indicated below. In the absence of specific directions, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Annual General Meeting. The authority includes the right to demand or to join in demanding a poll and to vote on a poll.

Resolution No.	Ordinary Resolutions	To be used on a show of hands		To be used in the event of a poll	
		For*	Against*	No. of Votes For **	No. of Votes Against**
1	Adoption of Directors' Report and Audited Financial Statements				
2	Declaration of Dividend				
3	Approval of Directors' Fees of $190,000				
4	Re-election of Mr Ow Cheo Guan as Director				
5	Re-election of Dr Tan Chin Nam as Director				
6	Re-election of Mr Mak Lye Mun as Director				
7	Re-appointment of RSM Chio Lim as Auditors				
8	Re-appointment of Mr Wong Hung Khim retired pursuant to Section 153(6) of the Companies Act, Cap. 50				
9	Authority for the Directors to issue shares pursuant to Section 161 of the Companies Act, Cap. 50 and the Listing Manual of the Singapore Exchange Securities Trading Limited				
10	Authority for the Directors to grant options and allot shares arising from the exercise of such options under the Share Option Plan				
11	Authority for the Directors to grant Awards and allot fully paid-up shares upon the vesting of such Awards under the Performance Share Plan				
12	Adoption of the proposed Share Purchase Mandate				

* *Please indicate your vote "For" or "Against" with a tick (√) in the box provided.*
** *If you wish to exercise all your votes "For" or "Against", please tick (√) within the box provided. Otherwise please indicate the number of votes as appropriate.*

Dated this _________ day of ____________________ 2008.

________________________________ ________________________________

Signature(s) or Common Seal of Member(s) Total Number of Ordinary Shares held

Important: Please Read Notes Overleaf

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BUSINESS REPLY SERVICE
PERMIT NO. 07298

STAMFORD LAND CORPORATION LTD
200 Cantonment Road
#09-01 Southpoint
Singapore 089763

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NOTES

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, Cap. 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. 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 the shares held by you.

2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote instead of him. A proxy need not be a member of the Company.

3. Where a member appoints two proxies, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.

4. To be effective, the instrument appointing a proxy or proxies must be completed and deposited at the registered office of the Company at 200 Cantonment Road, #09-01, Southpoint, Singapore 089763 not less than 48 hours before the time appointed for the meeting.

5. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his 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 an officer or attorney duly authorised.

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 meeting, in accordance with Section 179 of the Companies Act, Cap. 50.

7. Agent Banks acting on the request of the CPF Investors who wish to attend the meeting as Observers are requested to submit in writing, a list with details of the investors' names, NRIC/passport numbers, addresses and number of shares held. The list, signed by an authorised signatory of the Agent Bank, should reach the Company's Registrar at least 48 hours before the time fixed for holding the meeting.

GENERAL

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or 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 shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged, if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

The Stamford Residences,
Stamford Plaza Auckland
Artist's Impression

ANNUAL REPORT 2007/08

200 Cantonment Road #09-01
Southpoint, Singapore 089763
Tel: (65) 6236-6888 Fax: (65) 6236-6250
www.stamfordland.com

Company Registration No.: 197701615H