

*The Stock Exchange takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Guoco Group Limited**

**國浩集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**ANNOUNCEMENT OF UNAUDITED SECOND QUARTER  
AND HALF YEAR  
FINANCIAL RESULTS BY SUBSIDIARY —  
GUOCOLAND LIMITED, SINGAPORE**

**THIS IS NOT THE ANNOUNCEMENT OF THE FINANCIAL RESULTS OF GUOCO GROUP LIMITED (THE “COMPANY” OR “GUOCO”). THIS ANNOUNCEMENT IS MADE BY GUOCO PURSUANT TO PARAGRAPH 2(2) OF THE LISTING AGREEMENT TO PROVIDE SHAREHOLDERS OF GUOCO WITH FINANCIAL INFORMATION ON A LISTED SUBSIDIARY OF GUOCO, GUOCOLAND LIMITED, WHICH HAS ANNOUNCED ITS FINANCIAL RESULTS FOR THE SECOND QUARTER AND HALF YEAR ENDED 31 DECEMBER 2003 TO THE PUBLIC IN SINGAPORE ON 27 FEBRUARY 2004.**

GuocoLand, a 64.98% owned subsidiary of Guoco and listed on the SGX-ST, has announced the unaudited financial results of the GuocoLand Group for the second quarter and half year ended 31 December 2003 in Singapore on 27 February 2004. The unaudited income statement of the GuocoLand Group for the second quarter and half year ended 31 December 2003 is provided below. This announcement is made pursuant to paragraph 2(2) of the Listing Agreement.

GuocoLand Limited (“GuocoLand”), a 64.98% owned subsidiary of Guoco and listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”), has announced the unaudited financial results of GuocoLand and its subsidiaries (“GuocoLand Group”) for the second quarter and half year ended 31 December 2003 in Singapore on 27 February 2004. The unaudited income statement of the GuocoLand Group for the second quarter and half year ended 31 December 2003 together with a comparative statement for the corresponding period of the preceding financial year are provided below:

# GuocoLand Limited

## Unaudited income statement of the GuocoLand Group for the second quarter and half year ended 31 December 2003

(Note: The expressions "Group", "NCCPS" and "\$" means "GuocoLand Group", "Non-redeemable convertible cumulative preference shares" and "Singapore dollars" respectively.)

	<b>Group</b>			
	<b>Second quarter ended 31/12/2003 \$'000</b>	<b>Second quarter ended 31/12/2002 \$'000</b>	<b>Half year ended 31/12/2003 \$'000</b>	<b>Half year ended 31/12/2002 \$'000</b>
<b>Revenue</b>	<b>60,811</b>	76,482	<b>156,841</b>	127,107
Cost of sales	<b>(57,321)</b>	(66,242)	<b>(140,898)</b>	(101,152)
<b>Gross profit</b>	<b>3,490</b>	10,240	<b>15,943</b>	25,955
Other operating income	<b>5,397</b>	2,149	<b>6,172</b>	2,469
Administrative expenses	<b>(2,157)</b>	(855)	<b>(3,455)</b>	(1,584)
Other operating expenses	<b>4,243</b>	(1,545)	<b>(1,627)</b>	(11,027)
<b>Profit from operations</b>	<b>10,973</b>	9,989	<b>17,033</b>	15,813
Finance costs	<b>(1,607)</b>	(2,762)	<b>(3,420)</b>	(6,070)
Share of profit from associated companies	<b>7,685</b>	7,541	<b>11,420</b>	8,103
<b>Profit from ordinary activities before taxation</b>	<b>17,051</b>	14,768	<b>25,033</b>	17,846
Taxation	<b>6,746</b>	(4,410)	<b>5,752</b>	(6,507)
<b>Profit from ordinary activities after taxation</b>	<b>23,797</b>	10,358	<b>30,785</b>	11,339
Minority interests	<b>(331)</b>	(333)	<b>(972)</b>	(614)
<b>Net profit for the period</b>	<b>23,466</b>	10,025	<b>29,813</b>	10,725

**Breakdown and explanatory notes to the income statement:—**

	<b>Second quarter ended 31/12/2003 \$'000</b>	<b>Group Second quarter ended 31/12/2002 \$'000</b>	<b>Half year ended 31/12/2003 \$'000</b>	<b>Half year ended 31/12/2002 \$'000</b>
Investment income/(loss)	<b>2,540</b>	(1,796)	<b>77</b>	(9,221) <sup>1</sup>
Other income including interest income	<b>976</b>	1,844	<b>2,127</b>	2,946
	<b>Second quarter ended 31/12/2003 \$'000</b>	<b>Group Second quarter ended 31/12/2002 \$'000</b>	<b>Half year ended 31/12/2003 \$'000</b>	<b>Half year ended 31/12/2002 \$'000</b>
Depreciation	<b>(197)</b>	(178)	<b>(390)</b>	(352)
Writeback of allowance/(allowance) for foreseeable losses on development properties (net)	<b>4,363</b>	(918)	<b>4,928</b>	6,921
Net foreign exchange gain	<b>641</b>	1,841	<b>101</b>	1,802
Loss on disposal of interest in a subsidiary	<b>0</b>	0	<b>0</b>	(736)
Adjustments for over/(under)provision of tax in respect of prior years	<b>9,458<sup>2</sup></b>	(456)	<b>11,546<sup>2</sup></b>	(456)

*Notes:*

1. The investment loss of \$9.2 million was mainly due to mark-to-market losses on the Group's financial assets.
2. The adjustments for prior years' overprovision of tax were made primarily by one of the Group's associates.

### ***Exceptional and Extraordinary Items***

There were no exceptional and extraordinary items during the financial period.

### **Earnings per share**

	<b>Second quarter ended 31/12/2003</b>	<b>Group Second quarter ended 31/12/2002</b>	<b>Half year ended 31/12/2003</b>	<b>Half year ended 31/12/2002</b>
Earnings per ordinary share for the period based on the Group's net profit derived at after deducting provision for preference dividends:—				
a. Based on weighted average number ordinary shares in issue (cents)	<b>4.07</b>	2.22	<b>5.22</b>	2.43
b. On a fully diluted basis (cents)	<b>3.82</b>	1.96	<b>4.86</b>	2.29

### **Dividends**

No ordinary dividend has been declared or recommended for the half year ended 31 December 2003.

Dividends for NCCPS for the half year ended 31 December 2003 are as follows:

Dividend rate:	7 cents per preference share (NCCPS 2004) (less 22% tax)
	4.5 cents per preference share (NCCPS 2005) (less 22% tax)

*Remarks: Details of the unaudited financial results of the GuocoLand Group for the second quarter and half year ended 31 December 2003 is accessible at SGX-ST's website: <http://www.sgx.com.sg>.*

By order of the Board  
**Guoco Group Limited**  
**Stella Lo Sze Man**  
*Company Secretary*

Hong Kong, 27 February 2004

*Please also refer to the published version of this announcement in South China Morning Post and Hong Kong Economic Journal.*