



# FRASER AND NEAVE, LIMITED

(Company Registration No. 189800001R)  
(Incorporated in the Republic of Singapore)

## THIRD QUARTER FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2012

The Directors are pleased to make the following announcement of the unaudited results for the 3rd Quarter ended 30 June 2012.

### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF AND FULL YEAR RESULTS

#### 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

##### 1(a)(i) GROUP PROFIT STATEMENT

	3rd Quarter to 30/6/2012 \$'000	3rd Quarter to 30/6/2011 \$'000 (Restated)*	Change %	9 Months to 30/6/2012 \$'000	9 Months to 30/6/2011 \$'000 (Restated)*	Change %
Revenue	1,429,875	1,369,608	4.4	4,018,458	4,208,071	(4.5)
Cost of sales	(908,105)	(882,740)	2.9	(2,503,637)	(2,694,979)	(7.1)
Gross profit	521,770	486,868	7.2	1,514,821	1,513,092	0.1
Other income (net)	15,055	12,067	24.8	18,433	28,671	(35.7)
Operating expenses						
- Distribution	(63,063)	(57,991)	8.7	(186,159)	(173,968)	7.0
- Marketing	(152,437)	(127,541)	19.5	(416,867)	(388,523)	7.3
- Administration	(95,235)	(90,370)	5.4	(276,190)	(258,426)	6.9
	(310,735)	(275,902)	12.6	(879,216)	(820,917)	7.1
Trading profit	226,090	223,033	1.4	654,038	720,846	(9.3)
Share of joint venture companies' profits	2,845	2,932	(3.0)	13,365	13,080	2.2
Share of associated companies' profits	9,897	9,714	1.9	42,689	34,654	23.2
Gross income from investments	7,193	1,584	NM	11,075	5,484	102.0
<b>Profit before interest and taxation ("PBIT")</b>	<b>246,025</b>	<b>237,263</b>	<b>3.7</b>	<b>721,167</b>	<b>774,064</b>	<b>(6.8)</b>
Finance income	7,538	8,600	(12.3)	24,944	26,392	(5.5)
Finance expense	(20,048)	(23,359)	(14.2)	(58,569)	(60,402)	(3.0)
Net finance cost	(12,510)	(14,759)	(15.2)	(33,625)	(34,010)	(1.1)
<b>Profit before fair value adjustment, taxation and exceptional items</b>	<b>233,515</b>	<b>222,504</b>	<b>4.9</b>	<b>687,542</b>	<b>740,054</b>	<b>(7.1)</b>
Fair value adjustment of investment properties (net)	1,617	-	NM	11,365	(39)	NM
<b>Profit before taxation and exceptional items</b>	<b>235,132</b>	<b>222,504</b>	<b>5.7</b>	<b>698,907</b>	<b>740,015</b>	<b>(5.6)</b>
Exceptional items	4,330	49,983	(91.3)	(1,044)	157,997	NM
<b>Profit before taxation</b>	<b>239,462</b>	<b>272,487</b>	<b>(12.1)</b>	<b>697,863</b>	<b>898,012</b>	<b>(22.3)</b>
Taxation	(54,466)	(51,642)	5.5	(144,097)	(184,440)	(21.9)
<b>Profit after taxation</b>	<b>184,996</b>	<b>220,845</b>	<b>(16.2)</b>	<b>553,766</b>	<b>713,572</b>	<b>(22.4)</b>
Attributable profit to:						
Shareholders of the Company						
- Before fair value adjustment and exceptional items	136,005	133,180	2.1	390,541	412,168	(5.2)
- Fair value adjustment of investment properties (net)	1,617	-	NM	11,365	(39)	NM
- Exceptional items	2,843	42,692	(93.3)	1,110	128,957	(99.1)
	140,465	175,872	(20.1)	403,016	541,086	(25.5)
Non-controlling interests	44,531	44,973	(1.0)	150,750	172,486	(12.6)
	184,996	220,845	(16.2)	553,766	713,572	(22.4)

NM – Not meaningful

\* Restated upon adoption of INT FRS 115 as detailed in paragraph 5, page 16 of this report.

**1(a)(ii) BREAKDOWN AND EXPLANATORY NOTES TO GROUP PROFIT STATEMENT**

	<b>Group</b>					
	3rd Quarter to 30/6/2012 \$'000	3rd Quarter to 30/6/2011 \$'000 (Restated)	Change %	9 Months to 30/6/2012 \$'000	9 Months to 30/6/2011 \$'000 (Restated)	Change %
<b>Operating expenses</b>						
Included in operating expenses are:						
Depreciation & amortisation	(35,587)	(34,563)	3.0	(107,586)	(102,123)	5.3
Allowance for bad and doubtful debts	(1,052)	(450)	133.8	(1,947)	(2,130)	(8.6)
Allowance for inventory obsolescence	(1,361)	(3,604)	(62.2)	(4,018)	(9,238)	(56.5)
Employee share-based expense	(4,429)	(15,435)	(71.3)	(17,440)	(33,950)	(48.6)
<b>Other income (net)</b>						
Loss on disposal of fixed assets	(378)	(628)	(39.8)	(1,469)	(1,284)	14.4
Foreign exchange gain/(loss)	12,295	10,559	16.4	3,853	10,658	(63.8)
<b>Taxation</b>						
Over provision of prior year taxation	1,056	4,006	(73.6)	20,071	6,067	NM
<b>Exceptional items</b>						
Assets written back/Provisional excess of insurance claim relating to flood						
- Interim insurance claims	-	-	NM	40,942	-	NM
- Inventories and fixed assets written back/(off) and other expenses	4,385	-	NM	(34,030)	-	NM
	4,385	-	NM	6,912	-	NM
Profit on disposal of associated and subsidiary companies	-	37,641	NM	17,664	37,856	(53.3)
(Provision)/Gain on corporate and debt restructuring of subsidiary companies	(420)	5,215	(108.1)	4,902	105,333	(95.3)
Share of exceptional items of associated company	-	-	NM	756	-	NM
Profit on disposal of properties	-	(24)	NM	-	4,073	NM
Provision for impairment of investments (net)	-	4,485	NM	(32,913)	4,213	NM
Others	365	2,666	(86.3)	1,635	6,522	(74.9)
	4,330	49,983		(1,044)	157,997	
<b>PBIT as a percentage of revenue</b>	17.2%	17.3%		17.9%	18.4%	

NM - Not meaningful

**1(a)(iii) ADDITIONAL INFORMATION**
**Group Revenue and Profit Analysis**

	3rd Quarter to 30/6/2012 \$'000	3rd Quarter to 30/6/2011 \$'000 (Restated)	9 Months to 30/6/2012 \$'000	9 Months to 30/6/2011 \$'000 (Restated)
<b><u>Revenue</u></b>				
<b>By Business Activity</b>				
Soft drinks	152,518	161,769	469,149	552,260
Dairies	285,102	262,657	702,726	799,319
Breweries	523,876	447,327	1,652,749	1,404,838
Printing & publishing	92,482	92,372	284,815	297,490
Commercial property	66,407	66,510	201,692	190,733
Development property	291,090	323,765	656,034	918,907
Others	18,400	15,208	51,293	44,524
	<u>1,429,875</u>	<u>1,369,608</u>	<u>4,018,458</u>	<u>4,208,071</u>
<b>By Territory</b>				
Singapore	521,125	532,563	1,305,772	1,481,662
Malaysia	249,246	262,020	780,384	921,584
Other ASEAN	412,439	333,236	1,140,491	1,052,772
North/South Asia	90,678	80,659	259,561	270,003
Oceania	146,757	148,995	498,534	447,137
Europe/USA	9,630	12,135	33,716	34,913
	<u>1,429,875</u>	<u>1,369,608</u>	<u>4,018,458</u>	<u>4,208,071</u>
<b><u>PBIT</u></b>				
<b>By Business Activity</b>				
Soft drinks	4,124	21,501	28,311	87,303
Dairies	15,185	13,605	15,353	37,712
Breweries	111,969	83,624	381,870	291,922
Printing & publishing	1,346	7,710	7,039	16,989
Commercial property	34,485	33,097	119,463	115,924
Development property	54,823	67,780	145,434	208,979
Others	24,093	9,946	23,697	15,235
	<u>246,025</u>	<u>237,263</u>	<u>721,167</u>	<u>774,064</u>
<b>By Territory</b>				
Singapore	114,067	114,861	291,704	324,444
Malaysia	14,637	25,431	58,113	135,549
Other ASEAN	89,565	70,440	268,178	233,640
North/South Asia	3,935	12,337	22,315	31,839
Oceania	21,617	14,369	78,110	55,165
Europe/USA	2,204	(175)	2,747	(6,573)
	<u>246,025</u>	<u>237,263</u>	<u>721,167</u>	<u>774,064</u>
<b><u>Attributable profit</u></b>				
<b>By Business Activity</b>				
Soft drinks	733	9,564	9,007	37,562
Dairies	7,998	6,779	20,251	15,269
Breweries	44,399	32,609	157,543	114,322
Printing & publishing	(69)	6,439	4,321	11,791
Commercial property	20,095	19,158	76,334	72,948
Development property	44,321	55,646	109,081	158,639
Others	18,528	2,985	14,004	1,637
	<u>136,005</u>	<u>133,180</u>	<u>390,541</u>	<u>412,168</u>
Fair value adjustment of investment properties (net)	1,617	-	11,365	(39)
Exceptional items	2,843	42,692	1,110	128,957
	<u>140,465</u>	<u>175,872</u>	<u>403,016</u>	<u>541,086</u>

**1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME**

	Group			
	3rd Quarter to 30/6/2012 \$'000	3rd Quarter to 30/6/2011 \$'000 (Restated)	9 Months to 30/6/2012 \$'000	9 Months to 30/6/2011 \$'000 (Restated)
<b>Profit for the period</b>	184,996	220,845	553,766	713,572
<b>Other comprehensive income/(expenses):</b>				
Share of other comprehensive income of associated companies	(3,312)	2,165	781	1,897
Realisation of reserve on disposal of associated and subsidiary companies	-	5,413	716	5,413
Net fair value changes on derivative financial instruments	598	411	7,094	7,170
Realisation of hedging loss from derivative financial instrument	-	-	3,016	-
Net fair value changes on available-for-sale financial assets	24,898	34,156	43,738	91
Currency translation differences	(45,444)	(2,111)	(56,536)	(67,972)
Other comprehensive (expenses)/income for the period, net of tax	(23,260)	40,034	(1,191)	(53,401)
<b>Total comprehensive income for the period</b>	<u>161,736</u>	<u>260,879</u>	<u>552,575</u>	<u>660,171</u>
<b>Total comprehensive income attributable to:</b>				
Shareholders of the Company	128,587	224,914	411,127	526,837
Non-controlling interests	33,149	35,965	141,448	133,334
	<u>161,736</u>	<u>260,879</u>	<u>552,575</u>	<u>660,171</u>

**1(b)(i) A statement of financial position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.**

**BALANCE SHEET**

	Group			Company	
	As at 30/6/2012 \$'000	As at 30/9/2011 \$'000 (Restated)*	As at 30/9/2010 \$'000 (Restated)*	As at 30/6/2012 \$'000	As at 30/9/2011 \$'000
<b>SHARE CAPITAL AND RESERVES</b>					
Share capital	1,465,825	1,417,404	1,374,502	1,465,825	1,417,404
Treasury shares	(23)	-	-	(23)	-
Reserves	5,562,914	5,425,965	4,707,223	2,794,327	2,755,660
	7,028,716	6,843,369	6,081,725	4,260,129	4,173,064
<b>NON-CONTROLLING INTERESTS</b>	845,810	831,204	803,055	-	-
	7,874,526	7,674,573	6,884,780	4,260,129	4,173,064
Represented by:					
<b>NON-CURRENT ASSETS</b>					
Fixed assets	1,277,820	1,188,098	1,104,216	-	-
Investment properties	2,596,363	2,476,740	2,139,026	-	-
Subsidiary companies	-	-	-	3,848,041	3,676,408
Joint venture companies	48,010	60,101	89,839	434,421	434,421
Associated companies	1,387,043	1,382,200	1,355,249	82,383	82,383
Intangible assets	554,404	569,609	576,219	-	-
Brands	72,015	73,519	74,275	212	-
Other investments	384,868	404,583	323,531	8,734	8,672
Other receivables	81,125	65,212	61,556	-	-
Other assets	41,000	41,000	41,000	-	-
Deferred tax assets	13,651	14,649	25,251	-	-
	6,456,299	6,275,711	5,790,162	4,373,791	4,201,884
<b>CURRENT ASSETS</b>					
Properties held for sale	4,522,538	4,037,836	4,205,658	-	-
Inventories	412,495	373,497	391,916	-	-
Trade receivables	638,684	961,457	1,021,283	-	-
Other receivables	195,574	317,142	252,327	21	316
Subsidiary companies	-	-	-	2,586	50,898
Joint venture companies	7,289	6,117	6,540	-	-
Associated companies	4,304	13,181	10,798	-	-
Short term investments	64,720	3,604	3,429	-	-
Bank fixed deposits	1,061,790	1,180,935	1,274,626	58,439	98,566
Cash and bank balances	603,655	418,672	424,290	2,767	1,002
	7,511,049	7,312,441	7,590,867	63,813	150,782
Assets held for sale	34,763	119,542	38,262	-	-
	7,545,812	7,431,983	7,629,129	63,813	150,782
<b>Deduct: CURRENT LIABILITIES</b>					
Trade payables	668,492	673,442	724,740	-	-
Other payables	767,984	737,503	742,529	4,053	5,125
Subsidiary companies	-	-	-	10,825	5,164
Joint venture companies	8,184	14,263	6,350	-	-
Associated companies	2,874	3,043	954	-	-
Borrowings	437,774	747,546	1,908,709	-	-
Provision for taxation	189,019	310,240	301,168	12,235	18,961
	2,074,327	2,486,037	3,684,450	27,113	29,250
Liabilities held for sale	1,801	38,292	2,297	-	-
	2,076,128	2,524,329	3,686,747	27,113	29,250
<b>NET CURRENT ASSETS</b>	5,469,684	4,907,654	3,942,382	36,700	121,532
<b>Deduct: NON-CURRENT LIABILITIES</b>					
Other payables	95,327	97,740	3,869	-	-
Borrowings	3,761,600	3,215,900	2,666,032	150,000	150,000
Provision for employee benefits	19,567	20,405	25,044	-	-
Deferred tax liabilities	174,963	174,747	152,819	362	352
	4,051,457	3,508,792	2,847,764	150,362	150,352
	7,874,526	7,674,573	6,884,780	4,260,129	4,173,064

\* Restated upon adoption of INT FRS 115 as detailed in paragraph 5, page 16 of this report.

- (b)(ii) Aggregate amount of Group's borrowings and debt securities.**  
**The Group's borrowings and debt securities as at the end of the financial period reported on, and comparative figures as at the end of the immediately preceding financial year.**

**Amount repayable in one year or less, or on demand**

	<u>As at 30/6/2012</u> \$'000	<u>As at 30/9/2011</u> \$'000
Secured	94,786	171,528
Unsecured	342,988	576,018
	<u>437,774</u>	<u>747,546</u>

**Amount repayable after one year**

	<u>As at 30/6/2012</u> \$'000	<u>As at 30/9/2011</u> \$'000
Secured	1,159,714	770,365
Unsecured	2,601,886	2,445,535
	<u>3,761,600</u>	<u>3,215,900</u>

**Details of any collateral**

Secured borrowings are generally bank overdrafts and bank loans secured on the land and buildings, plant and machinery of the borrowing companies, pledge of shares held in a subsidiary and/or a first fixed and floating charge over the assets, and assignment of all rights, benefits and title in contracts of the respective borrowing companies.

**1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**GROUP CASH FLOW STATEMENT**

	3rd Quarter to 30/6/2012 \$'000	3rd Quarter to 30/6/2011 \$'000 (Restated)	9 Months to 30/6/2012 \$'000	9 Months to 30/6/2011 \$'000 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation and exceptional items	235,132	222,504	698,907	740,015
Adjustments for:				
Depreciation of fixed assets	32,357	30,086	95,364	86,914
Impairment of fixed assets and intangible assets written back (net)	(1,528)	(940)	(1,751)	(1,549)
Provision for employee benefits (net)	594	1,392	1,719	2,890
(Write back)/Allowance for foreseeable losses in properties held for sale	(44)	4,884	(9,834)	10,734
Loss on disposal of fixed assets (net)	378	628	1,469	1,284
(Gain)/Loss on disposal of financial instruments	(16,852)	8,603	10,473	14,930
Amortisation of brands and intangible assets	3,230	4,477	12,222	15,209
Amortisation of deferred income	-	(944)	-	(2,890)
Interest expenses (net)	25,444	714	43,983	16,011
Share of joint venture companies' profits	(2,845)	(2,932)	(13,365)	(13,080)
Share of associated companies' profits	(9,897)	(9,714)	(42,689)	(34,654)
Investment income	(7,193)	(1,584)	(11,075)	(5,484)
Profit on properties held for sale	(71,816)	(80,791)	(162,438)	(237,091)
Employee share-based expense	4,429	15,435	17,440	33,950
Fair value adjustment of investment properties	(1,617)	-	(11,365)	39
Fair value adjustment of financial instruments	12,231	2,163	6,724	9,484
Operating cash before working capital changes	202,003	193,981	635,784	636,712
Change in inventories	(1,572)	2,325	(46,858)	26,143
Change in trade and other receivables	121,750	175,929	392,520	399,552
Change in joint venture and associated companies' balances	10,365	12,626	1,457	8,571
Change in trade and other payables	104,943	(40,653)	24,151	(192,854)
Currency realignment	10,687	(8,383)	2,575	(11,854)
Cash generated from operations	448,176	335,825	1,009,629	866,270
Interest expenses paid, net	(29,719)	(111)	(51,372)	(15,572)
Income taxes paid	(93,158)	(88,229)	(266,033)	(210,514)
Payment of employee benefits	(385)	(1,085)	(2,117)	(2,214)
Payment of cash-settled options	(77)	(890)	(653)	(1,267)
Progress payment received/receivable on properties held for sale	327,117	318,007	724,768	830,365
Development expenditure on properties held for sale	(378,511)	(703,028)	(985,610)	(1,213,707)
<b>Net cash from/(used in) operating activities</b>	<b>273,443</b>	<b>(139,511)</b>	<b>428,612</b>	<b>253,361</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Dividends from joint venture and associated companies	16,811	13,516	69,844	51,260
Investment income	7,193	1,584	11,075	5,484
Proceeds from disposal of associated companies	-	-	37,603	17,159
Proceeds from sale of fixed assets and assets held for sale	1,716	660	2,771	13,968
Proceeds from disposal of an associated company	-	97,254	-	97,254
Proceeds from sale of other and short term investments	-	8	707	231
Proceeds from disposal of intangible assets	46	-	1,712	-
Purchase of fixed assets and investment properties	(68,477)	(106,427)	(199,615)	(245,194)
Purchase of other investments	-	(11,559)	-	(17,401)
Acquisition of non-controlling interests in subsidiary companies	-	-	(2,795)	(776)
Acquisition of subsidiary and joint venture companies	(4,472)	(9,581)	(32,289)	(25,778)
Payment for intangible assets and brands	(5,857)	(3,919)	(13,094)	(10,924)
Development expenditure on investment properties under construction and properties held for sale	(16,010)	(6,694)	(31,566)	(11,025)
(Additional)/Repayment of trade advances	(846)	54	(2,174)	133
Investments in associated and joint venture companies	(2,966)	(3,039)	(18,978)	(33,248)
Repayment of loan from an associated company	9,607	-	9,607	-
<b>Net cash used in investing activities</b>	<b>(63,255)</b>	<b>(28,143)</b>	<b>(167,192)</b>	<b>(158,857)</b>

**1(c) GROUP CASH FLOW STATEMENT (cont'd)**

	3rd Quarter to 30/6/2012 \$'000	3rd Quarter to 30/6/2011 \$'000 (Restated)	9 Months to 30/6/2012 \$'000	9 Months to 30/6/2011 \$'000 (Restated)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
(Repayment of)/proceeds from borrowings	(144,957)	484,775	159,127	327,950
Purchase of treasury shares	-	-	(8,093)	-
Proceeds from issue of shares:				
- by subsidiary companies to non-controlling interests	1,283	-	7,237	9,801
- by the Company to shareholders	7,356	3,412	38,022	26,211
Payment of dividends:				
- by subsidiary companies to non-controlling interests	(22,565)	(11,281)	(141,101)	(166,640)
- by the Company to shareholders	(85,308)	(84,494)	(255,527)	(253,381)
<b>Net cash (used in)/from financing activities</b>	<b>(244,191)</b>	<b>392,412</b>	<b>(200,335)</b>	<b>(56,059)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(34,003)</b>	<b>224,758</b>	<b>61,085</b>	<b>38,445</b>
Cash and cash equivalents at beginning of period	1,683,442	1,464,864	1,597,635	1,695,123
Effects of exchange rate changes on cash and cash equivalents	1,304	(7,439)	(9,341)	(51,385)
Reclassified from assets held for sale	6	-	1,370	-
<b>Cash and cash equivalents at end of period</b>	<b>1,650,749</b>	<b>1,682,183</b>	<b>1,650,749</b>	<b>1,682,183</b>
Cash and cash equivalents at end of period comprise:				
Cash and bank deposits	1,665,445	1,687,494	1,665,445	1,687,494
Bank overdrafts	(14,696)	(5,311)	(14,696)	(5,311)
	<b>1,650,749</b>	<b>1,682,183</b>	<b>1,650,749</b>	<b>1,682,183</b>
<b>Analysis of acquisition and disposal of subsidiary and joint venture companies</b>				
Net assets acquired:				
Fixed assets	2,475	11,267	2,475	11,267
Investment properties	85,126	-	85,126	-
Non-current assets	-	145	-	145
Current assets	4,396	16,496	4,396	16,496
Non-current liabilities	-	(395)	-	(395)
Current liabilities	(62,194)	(9,353)	(62,194)	(9,353)
Non-controlling interests	-	(815)	-	(815)
Cash	362	7,089	362	7,089
	<b>30,165</b>	<b>24,434</b>	<b>30,165</b>	<b>24,434</b>
Goodwill on acquisition	2,486	8,433	2,486	8,433
Consideration paid	32,651	32,867	32,651	32,867
Cash and cash equivalents of subsidiary and joint venture companies	(362)	(7,089)	(362)	(7,089)
Cash outflow on acquisition net of cash and cash equivalents acquired	32,289	25,778	32,289	25,778
Cash outflow on acquisition recognised in the 6 months to 31 March	(27,817)	(16,197)	-	-
Cash outflow on acquisition recognised in the current quarter	4,472	9,581	-	-
Net assets disposed:				
Fixed assets		(210)		(210)
Non-current assets		(2,079)		(2,079)
Properties held for sale		(40,346)		(40,346)
Current assets		(28,610)		(28,610)
Non-current liabilities		55,651		55,651
Current liabilities		11,850		11,850
Non-controlling interests		1,280		1,280
Cash		(4,001)		(4,001)
		<b>(6,465)</b>		<b>(6,465)</b>
Translation difference		(1,568)		(1,568)
Gain on disposal		(13,127)		(13,127)
Consideration received		(21,160)		(21,160)
Less: Cash of subsidiary companies		4,001		4,001
Cash inflow on disposal net of cash and cash equivalents disposed		(17,159)		(17,159)
Cash inflow on disposal recognised in the 6 months to 31 March		17,159		-
Cash inflow on disposal recognised in the current quarter		-		-



- 1(d)(i) A statement (for the issuer and Group) showing either**  
**(i) all changes in equity or**  
**(ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

## STATEMENT OF CHANGES IN EQUITY

## Group

	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>3rd Quarter ended</b> <b>30 June 2012</b>												
Balance at 1 April 2012	1,456,807	(23)	265,965	5,090,357	(165,384)	221,722	(14,853)	36,077	85,230	6,975,898	834,056	7,809,954
<b>Comprehensive income</b>												
Share of other comprehensive income of associated companies	-	-	65	(57)	(3,532)	(146)	-	358	-	(3,312)	-	(3,312)
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	394	-	-	394	204	598
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	24,898	-	-	-	24,898	-	24,898
Currency translation difference	-	-	-	-	(33,858)	-	-	-	-	(33,858)	(11,586)	(45,444)
Other comprehensive income for the period	-	-	65	(57)	(37,390)	24,752	394	358	-	(11,878)	(11,382)	(23,260)
Profit for the period	-	-	-	140,465	-	-	-	-	-	140,465	44,531	184,996
<b>Total comprehensive income for the period</b>	-	-	65	140,408	(37,390)	24,752	394	358	-	128,587	33,149	161,736
<b>Contribution by and distributions to owners</b>												
Employee share-based expense	-	-	-	-	-	-	-	1,884	-	1,884	186	2,070
Issue of shares in the Company upon exercise of share options	9,018	-	-	-	-	-	-	(1,662)	-	7,356	-	7,356
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,283	1,283
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	-	(34)	34	-	-	-	-	-	-	-	-
<b>Dividends:</b>												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(22,565)	(22,565)
Dividends to shareholders, paid	-	-	-	(78)	-	-	-	-	(85,230)	(85,308)	-	(85,308)
<b>Total contributions by and distributions to owners</b>	9,018	-	(34)	(44)	-	-	-	222	(85,230)	(76,068)	(21,096)	(97,164)
<b>Changes in ownership interests</b>												
Change of interests in subsidiary and joint venture companies	-	-	-	299	-	-	-	-	-	299	(299)	-
<b>Total changes in ownership interests</b>	-	-	-	299	-	-	-	-	-	299	(299)	-
<b>Total transactions with owners in their capacity as owners</b>	9,018	-	(34)	255	-	-	-	222	(85,230)	(75,769)	(21,395)	(97,164)
Balance at 30 June 2012	1,465,825	(23)	265,996	5,231,020	(202,774)	246,474	(14,459)	36,657	-	7,028,716	845,810	7,874,526

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**

	<b>Group</b>										
	Share Capital	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>3rd Quarter ended</b>											
<b>30 June 2011</b>											
Balance at 1 April 2011	1,402,140	269,302	4,646,703	(215,913)	104,522	(10,053)	40,385	84,458	6,321,544	762,062	7,083,606
Effects of adopting INT FRS 115	-	-	(82,734)	2,693	-	-	-	-	(80,041)	(5,382)	(85,423)
Balance at 1 April 2011, restated	1,402,140	269,302	4,563,969	(213,220)	104,522	(10,053)	40,385	84,458	6,241,503	756,680	6,998,183
<b>Comprehensive income</b>											
Share of other comprehensive income of associated companies	-	13	-	2,229	(108)	-	31	-	2,165	-	2,165
Realisation of reserve on disposal of subsidiary and associated companies	-	-	-	4,895	-	-	-	-	4,895	518	5,413
Net fair value changes on hedging instruments	-	-	-	-	-	752	-	-	752	(341)	411
Net fair value changes on available-for-sale financial assets	-	-	-	-	34,187	-	-	-	34,187	(31)	34,156
Currency translation difference	-	-	-	7,043	-	-	-	-	7,043	(9,154)	(2,111)
Other comprehensive income for the period	-	13	-	14,167	34,079	752	31	-	49,042	(9,008)	40,034
Profit for the period	-	-	175,872	-	-	-	-	-	175,872	44,973	220,845
<b>Total comprehensive income for the period</b>	-	13	175,872	14,167	34,079	752	31	-	224,914	35,965	260,879
<b>Contributions by and distributions to owners</b>											
Employee share-based expense	-	-	-	-	-	-	3,323	-	3,323	216	3,539
Issue of shares in the Company upon exercise of share options	4,119	-	-	-	-	-	(707)	-	3,412	-	3,412
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirements	-	(3)	3	-	-	-	-	-	-	-	-
<b>Dividends</b>											
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	(11,281)	(11,281)
Dividend to shareholders, paid	-	-	(36)	-	-	-	-	(84,458)	(84,494)	-	(84,494)
<b>Total contributions by and distributions to owners</b>	4,119	(3)	(33)	-	-	-	2,616	(84,458)	(77,759)	(11,065)	(88,824)
<b>Changes in ownership interests</b>											
Change of interests in subsidiary And joint venture companies	-	-	(784)	-	-	-	-	-	(784)	994	210
<b>Total changes in ownership interests</b>	-	-	(784)	-	-	-	-	-	(784)	994	210
<b>Total transactions with owners in their capacity as owners</b>	4,119	(3)	(817)	-	-	-	2,616	(84,458)	(78,543)	(10,071)	(88,614)
Balance at 30 June 2011	1,406,259	269,312	4,739,024	(199,053)	138,601	(9,301)	43,032	-	6,387,874	782,574	7,170,448

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**

	Company							Total
	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share- Based Payment Reserve	Dividend Reserve	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>3rd Quarter ended 30 June 2012</b>								
Balance at 1 April 2012	1,456,807	(23)	1,036,460	1,691,831	1,855	32,729	85,230	4,304,889
<b>Comprehensive income</b>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	(87)	-	-	(87)
Other comprehensive income for the period	-	-	-	-	(87)	-	-	(87)
Profit for the period	-	-	-	31,634	-	-	-	31,634
<b>Total comprehensive income for the period</b>	-	-	-	31,634	(87)	-	-	31,547
<b>Contributions by and distributions to owners</b>								
Employee share-based expense	-	-	-	-	-	1,645	-	1,645
Issue of shares in the Company upon exercise of share options	9,018	-	-	-	-	(1,662)	-	7,356
<b>Dividends</b>								
Dividends to shareholders, paid	-	-	-	(78)	-	-	(85,230)	(85,308)
<b>Total contributions by and distributions to owners</b>	9,018	-	-	(78)	-	(17)	(85,230)	(76,307)
<b>Total transactions with owners in their capacity as owners</b>	9,018	-	-	(78)	-	(17)	(85,230)	(76,307)
Balance at 30 June 2012	1,465,825	(23)	1,036,460	1,723,387	1,768	32,712	-	4,260,129
<b>3rd Quarter ended 30 June 2011</b>								
Balance at 1 April 2011	1,402,140	-	1,039,274	1,578,452	1,815	36,250	84,458	4,142,389
<b>Comprehensive income</b>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	(22)	-	-	(22)
Other comprehensive income for the period	-	-	-	-	(22)	-	-	(22)
Profit for the period	-	-	-	7,923	-	-	-	7,923
<b>Total comprehensive income for the period</b>	-	-	-	7,923	(22)	-	-	7,901
<b>Contributions by and distributions to owners</b>								
Employee share-based expense	-	-	-	-	-	3,036	-	3,036
Issue of shares in the Company upon exercise of share options	4,119	-	-	-	-	(707)	-	3,412
<b>Dividends</b>								
Dividends to shareholders, paid	-	-	-	(36)	-	-	(84,458)	(84,494)
<b>Total contributions by and distributions to owners</b>	4,119	-	-	(36)	-	2,329	(84,458)	(78,046)
<b>Total transactions with owners in their capacity as owners</b>	4,119	-	-	(36)	-	2,329	(84,458)	(78,046)
Balance at 30 June 2011	1,406,259	-	1,039,274	1,586,339	1,793	38,579	-	4,072,244

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**
**Group**

	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>9 Months ended</b>												
<b>30 June 2012</b>												
Balance at 1 October 2011	1,417,404	-	267,906	4,965,458	(158,936)	202,303	(23,273)	41,966	169,382	6,882,210	838,837	7,721,047
Effects of adopting INT FRS 115	-	-	-	(39,517)	676	-	-	-	-	(38,841)	(7,633)	(46,474)
Balance at 1 October 2011, restated	1,417,404	-	267,906	4,925,941	(158,260)	202,303	(23,273)	41,966	169,382	6,843,369	831,204	7,674,573
<b>Comprehensive income</b>												
Share of other comprehensive income of associated companies	-	-	(446)	(57)	578	433	(57)	330	-	781	-	781
Realisation of reserve on disposal of associated company	-	-	(908)	721	971	-	(68)	-	-	716	-	716
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	6,311	-	-	6,311	783	7,094
Realisation of hedging loss from derivative financial instruments	-	-	-	-	-	-	2,628	-	-	2,628	388	3,016
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	43,738	-	-	-	43,738	-	43,738
Currency translation difference	-	-	-	-	(46,063)	-	-	-	-	(46,063)	(10,473)	(56,536)
Other comprehensive income for the period	-	-	(1,354)	664	(44,514)	44,171	8,814	330	-	8,111	(9,302)	(1,191)
Profit for the period	-	-	-	403,016	-	-	-	-	-	403,016	150,750	553,766
<b>Total comprehensive income for the period</b>	-	-	(1,354)	403,680	(44,514)	44,171	8,814	330	-	411,127	141,448	552,575
<b>Contribution by and distributions to owners</b>												
Employee share-based expense	-	-	-	-	-	-	-	10,016	-	10,016	573	10,589
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	48,421	-	-	-	-	-	-	(10,399)	-	38,022	-	38,022
Purchase of treasury shares	-	(8,093)	-	-	-	-	-	-	-	(8,093)	-	(8,093)
Treasury shares reissued pursuant to share plans	-	8,070	(2,814)	-	-	-	-	(5,256)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	7,237	7,237
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	-	2,258	(2,258)	-	-	-	-	-	-	-	-
<b>Dividends:</b>												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(141,101)	(141,101)
Dividend to shareholders, paid	-	-	-	(86,145)	-	-	-	-	(169,382)	(255,527)	-	(255,527)
<b>Total contributions by and distributions to owners</b>	48,421	(23)	(556)	(88,403)	-	-	-	(5,639)	(169,382)	(215,582)	(133,291)	(348,873)
<b>Changes in ownership interests</b>												
Change of interests in subsidiary and joint venture companies	-	-	-	(10,198)	-	-	-	-	-	(10,198)	6,449	(3,749)
<b>Total changes in ownership interests</b>	-	-	-	(10,198)	-	-	-	-	-	(10,198)	6,449	(3,749)
<b>Total transactions with owners in their capacity as owners</b>	48,421	(23)	(556)	(98,601)	-	-	-	(5,639)	(169,382)	(225,780)	(126,842)	(352,622)
Balance at 30 June 2012	1,465,825	(23)	265,996	5,231,020	(202,774)	246,474	(14,459)	36,657	-	7,028,716	845,810	7,874,526

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**
**Group**

	Share Capital	Capital Reserve	Revenue Reserve	Exchange Reserve	Fair Value Adjustment Reserve	Hedging Reserve	Share-based Payment Reserve	Dividend Reserve	Total	Non-controlling Interests	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>9 months ended</b>											
<b>30 June 2011</b>											
Balance at 1 October 2010	1,374,502	269,709	4,341,213	(171,716)	138,609	(16,169)	38,414	168,236	6,142,798	805,661	6,948,459
Effects of adopting INT FRS 115	-	-	(61,915)	842	-	-	-	-	(61,073)	(2,606)	(63,679)
Balance at 1 October 2010, restated	1,374,502	269,709	4,279,298	(170,874)	138,609	(16,169)	38,414	168,236	6,081,725	803,055	6,884,780
<b>Comprehensive income</b>											
Share of other comprehensive income of associated companies	-	93	-	1,989	(130)	(86)	31	-	1,897	-	1,897
Realisation of reserve on disposal of subsidiary and associated companies	-	(552)	552	4,895	-	-	-	-	4,895	518	5,413
Net fair value changes on derivative financial instruments	-	-	-	-	-	7,154	-	-	7,154	16	7,170
Net fair value changes on available-for-sale financial assets	-	-	-	-	122	-	-	-	122	(31)	91
Currency translation differences	-	-	-	(28,317)	-	-	-	-	(28,317)	(39,655)	(67,972)
Other comprehensive income for the period	-	(459)	552	(21,433)	(8)	7,068	31	-	(14,249)	(39,152)	(53,401)
Profit for the period	-	-	541,086	-	-	-	-	-	541,086	172,486	713,572
<b>Total comprehensive income for the period</b>	-	(459)	541,638	(21,433)	(8)	7,068	31	-	526,837	133,334	660,171
<b>Contribution by and distributions to owners</b>											
Employee share-based expense	-	-	-	-	-	-	10,133	-	10,133	616	10,749
Issue of shares in the Company upon exercise of share options	31,757	-	-	-	-	-	(5,546)	-	26,211	-	26,211
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	9,801	9,801
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	62	(62)	-	-	-	-	-	-	-	-
<b>Dividends:</b>											
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(166,640)	(166,640)
Dividend to shareholders, paid	-	-	(85,145)	-	-	-	-	(168,236)	(253,381)	-	(253,381)
<b>Total contributions by and distributions to owners</b>	31,757	62	(85,207)	-	-	-	4,587	(168,236)	(217,037)	(156,223)	(373,260)
<b>Changes in ownership interests</b>											
Change of interests in subsidiary and joint venture companies	-	-	3,295	(6,746)	-	(200)	-	-	(3,651)	3,688	37
Disposal of subsidiary company	-	-	-	-	-	-	-	-	-	(1,280)	(1,280)
<b>Total changes in ownership interests</b>	-	-	3,295	(6,746)	-	(200)	-	-	(3,651)	2,408	(1,243)
<b>Total transactions with owners in their capacity as owners</b>	31,757	62	(81,912)	(6,746)	-	(200)	4,587	(168,236)	(220,688)	(153,815)	(374,503)
Balance at 30 June 2011	1,406,259	269,312	4,739,024	(199,053)	138,601	(9,301)	43,032	-	6,387,874	782,574	7,170,448

**1(d)(i) STATEMENT OF CHANGES IN EQUITY (cont'd)**

	Company							Total
	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share- based Payment Reserve	Dividend Reserve	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>9 months ended 30 June 2012</b>								
Balance at 1 October 2011	1,417,404	-	1,039,274	1,506,196	1,717	39,091	169,382	4,173,064
<b>Comprehensive income</b>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	51	-	-	51
Other comprehensive income for the period	-	-	-	-	51	-	-	51
Profit for the period	-	-	-	303,336	-	-	-	303,336
<b>Total comprehensive income for the period</b>	-	-	-	303,336	51	-	-	303,387
<b>Contributions by and distributions to owners</b>								
Employee share-based expense	-	-	-	-	-	9,276	-	9,276
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	48,421	-	-	-	-	(10,399)	-	38,022
Purchase of treasury shares	-	(8,093)	-	-	-	-	-	(8,093)
Treasury shares reissued pursuant to share plans	-	8,070	(2,814)	-	-	(5,256)	-	-
<b>Dividends</b>								
Dividends to shareholders, paid	-	-	-	(86,145)	-	-	(169,382)	(255,527)
<b>Total contributions by and distributions to owners</b>	48,421	(23)	(2,814)	(86,145)	-	(6,379)	(169,382)	(216,322)
<b>Total transactions with owners in their capacity as owners</b>	48,421	(23)	(2,814)	(86,145)	-	(6,379)	(169,382)	(216,322)
Balance at 30 June 2012	1,465,825	(23)	1,036,460	1,723,387	1,768	32,712	-	4,260,129
<b>9 months ended 30 June 2011</b>								
Balance at 1 October 2010	1,374,502	-	1,039,274	1,331,928	2,034	34,803	168,236	3,950,777
<b>Comprehensive income</b>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	(241)	-	-	(241)
Other comprehensive income for the period	-	-	-	-	(241)	-	-	(241)
Profit for the period	-	-	-	339,556	-	-	-	339,556
<b>Total comprehensive income for the period</b>	-	-	-	339,556	(241)	-	-	339,315
<b>Contributions by and distributions to owners</b>								
Employee share-based expense	-	-	-	-	-	9,322	-	9,322
Issue of shares in the Company upon exercise of share options	31,757	-	-	-	-	(5,546)	-	26,211
<b>Dividends</b>								
Dividend to shareholders, paid	-	-	-	(85,145)	-	-	(168,236)	(253,381)
<b>Total contributions by and distributions to owners</b>	31,757	-	-	(85,145)	-	3,776	(168,236)	(217,848)
<b>Total transactions with owners in their capacity as owners</b>	31,757	-	-	(85,145)	-	3,776	(168,236)	(217,848)
Balance at 30 June 2011	1,406,259	-	1,039,274	1,586,339	1,793	38,579	-	4,072,244

**1(d)(ii) SHARE CAPITAL**

Details of any changes in the Company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	<b>Number of Shares</b>	
	<b>3rd Quarter to 30/6/2012</b>	<b>2nd Quarter to 31/3/2012</b>
Issued and fully paid ordinary shares:		
As at beginning of period	1,420,501,465	1,416,116,806
Issued during the period - pursuant to the exercise of share options	1,696,658	4,384,659
As at end of period	<u>1,422,198,123</u>	<u>1,420,501,465</u>
	<b>As at 30/6/2012</b>	<b>As at 30/6/2011</b>
The number of shares that may be issued on exercise of shares options outstanding at the end of the period	<u>17,161,598</u>	<u>30,797,257</u>
The number of shares awarded conditionally under Share Plans as at the end of the period	<u>6,143,672</u>	<u>5,574,388</u>
The number of issued shares excluding treasury shares at the end of the period	<u>1,422,194,023</u>	<u>1,408,482,727</u>

The Company held 4,100 treasury shares as at 30 June 2012 (30 June 2011: NIL).

**1(d)(iii) The total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The Company's total number of issued shares excluding treasury shares is 1,422,194,023 as at 30 June 2012 and 1,411,514,577 as at 30 September 2011.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

	<b>Number of Shares</b>	
	<b>3rd Quarter to 30/6/2012</b>	<b>2nd Quarter to 31/3/2012</b>
As at beginning and end of period	<u>4,100</u>	<u>4,100</u>

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group and Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the year ended 30 September 2011.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

As disclosed in paragraph 4, the Group and Company have adopted revised and amendments to FRS and INT FRS which became effective from this financial year. Except for INT FRS 115, the adoption of these FRS and INT FRS do not have any significant impact on the financial statements of the Group and Company.

**INT FRS 115 Agreements for the Construction of Real Estate**

The Group has adopted INT FRS 115 Agreements for the Construction of Real Estate from 1 October 2011.

On 26 August 2010, the Accounting Standards Council issued INT FRS 115 with an accompanying note that explains the application of INT FRS 115 to property development sales in Singapore by considering the Singapore legal framework. INT FRS 115 supersedes RAP 11 Pre-Completion Contracts for the Sale of Development Property and becomes effective for annual periods beginning on or after 1 January 2011. When adopted INT FRS 115 is to be applied retrospectively.

INT FRS 115 clarifies when revenue and related expenses from a sale of real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of real estate is completed. INT FRS 115 determines that contracts which do not classify as construction contracts in accordance with FRS 11 can only be accounted for using the percentage of completion ("POC") method if the entity continuously transfers to the buyer control and the significant risks and rewards of ownership of the work in progress in its current state as construction progresses.

Before 1 October 2011, the Group's accounting policy for all residential property sales was to recognise revenue using the POC method as construction progresses. Upon applying INT FRS 115 retrospectively, the comparatives have been restated. The effects on the Group's financial statements are as follows:

**GROUP PROFIT STATEMENT**

	<b>3rd Quarter to 30/6/2011 \$'000</b>	<b>9 Months to 30/6/2011 \$'000</b>
(Decrease)/Increase in:		
Revenue	(62,774)	(155,463)
Cost of sales	(62,420)	(139,961)
Marketing expenses	16,204	29,676
Taxation	(2,251)	(7,276)
Profit after taxation	(14,307)	(37,902)
Attributable profit to:		
- Shareholders of the Company	(10,798)	(31,617)
- Non-controlling interests	(3,509)	(6,285)



**GROUP BALANCE SHEET**

	<b>As at 30/9/2011 \$'000</b>	<b>As at 30/9/2010 \$'000</b>
(Decrease)/Increase in:		
Revenue reserve	(39,517)	(61,915)
Exchange reserve	676	842
Non-controlling interests	(7,633)	(2,606)
Total equity	(46,474)	(63,679)
Properties held for sale	(66,046)	(103,527)
Other payables	(9,439)	(21,676)
Provision for taxation	(7,408)	(12,607)
Deferred taxation	(2,725)	(5,565)

**6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

- (a) based on the weighted average number of ordinary shares on issue; and  
 (b) on a fully diluted basis (detailing any adjustments made to the earnings).

	<b>Group</b>			
	<b>3rd Quarter to 30/6/2012</b>	<b>3rd Quarter to 30/6/2011 (Restated)</b>	<b>9 Months to 30/6/2012</b>	<b>9 Months to 30/6/2011 (Restated)</b>
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before fair value adjustment and exceptional items	9.6	9.5	27.5	29.3
- after fair value adjustment and exceptional items	9.9	12.5	28.4	38.5
(b) On a fully diluted basis (cents)				
- before fair value adjustment and exceptional items	9.5	9.3	27.3	28.9
- after fair value adjustment and exceptional items	9.8	12.3	28.2	38.0
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Attributable profit	140,465	175,872	403,016	541,086
Change in attributable net profit due to dilutive share options	(80)	(170)	(268)	(505)
Adjusted attributable profit	140,385	175,702	402,748	540,581

**7. Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) current financial period reported on; and  
 (b) immediately preceding financial year.

	<b>Group</b>		<b>Company</b>	
	<b>As at 30/6/2012</b>	<b>As at 30/9/2011 (Restated)</b>	<b>As at 30/6/2012</b>	<b>As at 30/9/2011</b>
Net asset value per ordinary share based on issued share capital	\$4.94	\$4.85	\$3.00	\$2.96

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

#### **REVIEW OF PERFORMANCE**

The principal activities of the Group are:-

- (i) production and sale of soft drinks, dairy products, beer and stout;
- (ii) development of and investment in property; and
- (iii) printing and publishing.

These activities are carried out through the Company's subsidiary, joint venture and associated companies to which the Company provides management and administrative services.

#### **Profit Statement – 3rd Quarter**

Group revenue increased 4% to \$1.43 billion for the quarter ended 30 June 2012, compared to the corresponding period last year. Soft Drinks recorded lower revenue due to cessation of the transition agreement with The Coca-Cola Company ("Coca-Cola") from 1 October 2011. Dairies recorded higher revenue on higher exports sales and domestic sales in Thailand. Breweries continued to record higher revenue mainly due to higher sales volume and price increase. Commercial Property revenue was marginally lower. Development Property revenue declined 10% mainly due to the effects of completed projects in Singapore and also lower sales recognition in overseas development projects. Printing and Publishing revenue was marginally higher. Group PBIT (profit before interest and tax) of \$246 million was 4% higher than last year.

Group attributable profit\* was 2% higher at \$136 million and basic earnings per share\* was marginally higher at 9.6 cents.

The Profit Statement of the corresponding period last year was restated as the Group adopted INT FRS 115 from 1 October 2011. The effects of the restatement are set out in paragraph 5, page 16 of this report.

\*before fair value adjustment of investment properties and exceptional items

#### **Soft Drinks**

Soft Drinks revenue and volume were down 6% and 1% respectively over the corresponding period last year. Excluding Coca-Cola's contribution last year, revenue and volume would have grown 30% and 34% respectively from higher sales partly from strong promotional activities and the earlier Hari Raya selling period this year. Higher sales were recorded across all product categories including Red Bull which grew 29% in sales volume. PBIT was lower by 81% mainly due to the absence of Coca-Cola's contribution and cost incurred on rationalization exercise to improve productivity.

#### **Dairies**

Dairies revenue and PBIT grew 9% and 12% over the corresponding period last year. Dairies Thailand resumed production and delivered double digit revenue growth on well executed marketing activities and pent-up demand for its products which were not available during the production shut down. In Malaysia, revenue increased mainly due to higher export while domestic sales remained stable. In Singapore, higher export sales were partly offset by lower domestic sales. F&N Creameries revenue was higher on increased sales in Malaysia. Overall, Dairies recorded higher PBIT on improved profitability in Malaysia & Singapore mainly due to lower input cost and favourable sales mix. After posting operating losses in the first two quarters of this financial year, Dairies Thailand returned to profit in this quarter on the back of higher sales.

### **Breweries**

Revenue and PBIT grew 17% and 34% respectively over the corresponding period last year. In the South & South East Asia region, volume growth was led mainly by double digit gains in Indonesia and Export Markets. PBIT for this region grew on the volume growth as well as improved margins from price increases. In Indochina & Thailand, volume increase was led by strong double digit growth in Vietnam and Thailand. PBIT for this region was higher underpinned by higher volume, better margins from price increases in Vietnam and favourable sales mix in Cambodia.

The North Asia region reported a small loss this quarter. The operations in China reported improved gross margins following the restructuring of investments to focus on premium brands. In the Oceania region, volume was lower due to the challenging market conditions in New Zealand partly cushioned by contribution from the newly acquired brewery in Solomon Islands. PBIT for this region rose due to improved margins in Papua New Guinea, favourable currency translation from appreciation of the Kina and contribution from Solomon Breweries.

### **Printing and Publishing**

Printing and Publishing revenue for the quarter was \$92 million, marginally higher than the corresponding period last year. Growth in Education Publishing revenue was driven by export sales but offset by lower revenue from Business Directories and Library Reference business in the USA. Revenue for Print improved due to increased domestic sales in China and Malaysia. Retail & Distribution also recorded slight revenue growth largely driven by magazine distribution and revenue generated from the on-line bookstore, NOQ. The strong performance of Education Publishing continues to be the main profit driver for Print and Publishing. Profits from Print improved due to better cost management and improved efficiency. Retail & Distribution profitability were largely affected by weak retail sentiments in Australia.

### **Commercial Property**

Overall revenue was marginally lower at \$66 million while PBIT rose by 4% over the corresponding period last year.

Investment property revenue was marginally lower while PBIT rose 2%. The higher rental income from Singapore and China investment properties helped to cushion the loss of rental income following the disposal of Bridgepoint mall in Australia in August 2011. Occupancy rates among the retail malls remain high in Singapore at an average occupancy rate of 99%. Industrial and Office properties in Singapore achieved occupancy of 98% except for River Valley Office Tower where the average occupancy fell to 57% due to the exit of a major tenant. About 70% of this vacancy has been leased by new tenants at higher rental rates and average occupancy will improve over the next few months. In China and Vietnam, all industrial and office properties achieved 100% occupancy. Excluding the contribution from Bridgepoint, investment properties' revenue and PBIT were 3% and 9% higher on higher rental income.

Hospitality revenue was marginally lower and PBIT fell 13%. Room revenue contributed by properties opened in the last financial year and from the newly acquired Queensgate Garden in the United Kingdom (opened in December 2011) were offset by lower revenue from Fraser Suites, Singapore due to closure of rooms for retrofitting works. PBIT was lower due to foreign exchange losses arising from translation of foreign currency loans and lower contribution from Fraser Suites, Singapore.

The REIT associated companies, Frasers Centrepoint Trust and Frasers Commercial Trust, both reported higher net profit and distributable income.

### **Development Property**

The Group has adopted INT FRS 115 Agreements for Construction of Real Estate from 1 October 2011 and continues to use the Percentage of Completion method for private residential properties development projects in Singapore. Revenue for Executive Condominium development projects and private residential units sold on deferred payment scheme in Singapore and overseas development projects will be recognised on the Completion of Construction (“COC”) method. The results of Development Property segment of the corresponding period last year was restated in compliance with INT FRS 115.

Revenue from Development Property declined 10% to \$291 million as compared to the corresponding period last year. This was mainly due to the effects of completed projects in Singapore and also lower sales recognition from overseas development projects. Coupled with higher marketing expense on new launches in Singapore and Australia, PBIT declined 19% to \$55 million.

In Singapore revenue and PBIT declined 7% and 17% respectively. The progressive revenue recognition of projects namely, Flamingo Valley, Waterfront Key, Isles and Gold, Residences Botanique, The Caspian, 8@Woodleigh, Eight Courtyards, Seastrand and Boathouse Residences, were offset by the effects of completed projects of Soleil@Sinaran, Martin Place Residences, Waterfront Waves and Woodsville 28. During the quarter, a total of 1,027 units were sold including, 301 units at Palm Isles which was launched for sales in March 2012, 530 units at Twin Waterfalls (Executive Condominium) and 43 units at Watertown launched in February and January 2012 respectively, 68 units at Flamingo Valley and 85 units of previously launched projects.

Overseas revenue declined 52% mainly due to lower revenue recognised from the completed projects in Australia and China. In Australia, 4 units were sold during the quarter on completed projects at Lorne Killara and Lumiere Commercial. For projects under construction, strong pre-sale were registered with a total of 307 units sold across Australia, the United Kingdom, New Zealand and China during the quarter. In Australia, the Central Park, Sydney project saw a new block, The Mark, launched in May 2012 achieving sales of 121 units and 89 units were sold from previously launched One Central Park & Park Lane, Mandurah, Queens Riverside and Putney Hill. In China, Suzhou Baitang Phase 2A was launched in April 2012 achieving sales of 63 units. Overseas posted losses in this quarter mainly due to lower profit from sale of fewer completed units and higher marketing expenses incurred to secure sales, for which revenue recognition is deferred till completion using the COC method.

### **Others**

The gains for the quarter were mainly due to foreign exchange gains arising from translation of foreign currency loans and higher investment income.

### **Exceptional Items**

The main exceptional item this quarter was the write back of \$4.4 million on inventory and fixed assets previously written-off relating to the flood damage in the dairy plant in Rojana, Thailand.

### **Tax**

The group effective tax rate of 22.7% (2011:19.0%) reflects the impact of high taxes levied on the profit of various overseas subsidiaries in high tax countries, the non-recognition of deferred tax benefits on losses on prudent grounds and non-deductible expenses. The higher group effective tax rate in the current period is due to both the substantial amount of non-taxable exceptional gains and the write back of prior year over provision in the corresponding period last year. When the non-taxable exceptional gains are disregarded, the group effective tax rate becomes 23.2% (2011: 23.2%).

**Balance Sheet as at 30 June 2012**

The increase in Reserves was mainly due to retained earnings and fair value gains on investment in bonds, derivative instruments and investment in Vinamilk in Vietnam. This was partly offset by currency translation losses arising from the translation of foreign operations and payment of dividends.

The purchase of land in Singapore and additional development expenditure incurred resulted in an increase in Properties Held for Sale, which was partly offset by progress billings and sale of completed units. The decrease in Trade Receivables and Other Receivables was mainly due to collection of receivables from the sale of development properties in Singapore and refund of an amount held in trust released upon the disposal of a subsidiary company in China.

The decrease in Assets and Liabilities Held for Sale was due to the termination of sales agreement of our joint venture companies in China. As a result, the respective assets and liabilities have been reclassified back to the individual asset and liability category.

The increase in Borrowings was mainly due to loans taken for the acquisition of land in Singapore and development expenditure incurred. This was partly offset by the repayment of bank loans.

**Group Cash Flow Statement for quarter ended 30 June 2012**

The cash inflows and outflows are detailed in the Group Cash Flow Statement. Net cash inflow from operating activities of \$273.4 million as compared to an outflow of \$139.5 million last year was mainly due to lower development expenditure incurred on properties.

Higher net cash outflow incurred on investing activities of \$63.3 million as compared to \$28.1 million was mainly due to the one-off proceeds from the disposal of an associated company in the same period last year. This was partly offset by lower capital expenditure incurred on fixed assets in the current period.

Net cash outflow from financing activities of \$244.2 million as compared to a cash inflow of \$392.4 million was mainly due to repayment of bank loans as compared to bank loans drawn down for the corresponding period.

**Group Profit Statement – 9 Months-to-Date**

Group revenue and Group PBIT decreased 5% and 7% respectively over the corresponding period last year. Group attributable profit\* and basic earnings per share\* were each down 5% and 6% respectively. The decline in revenue and profits were mainly due to cessation of manufacturing and distribution of Coca-Cola products in Malaysia, the effects of floods on Dairies Thailand and lower revenue recognised on development properties in this period. The adoption of INT FRS 115 also resulted in lumpy revenue recognition on development projects accounted for using Completion of Construction Method.

\*before fair value adjustment of investment properties and exceptional items

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Food & Beverage segment have seen raw material and energy cost stabilising over the past months. The Group will continue to monitor these closely and take steps to mitigate any effects of rising costs. The Rojana dairy factory in Thailand is back to full production and is expected to see improvement in operating results. For Dairies Malaysia, production is taking place in both the new Pulau Indah plant and Petaling Jaya plant until the relocation is complete.

Despite the uncertain economic outlook, the Singapore property market saw a record of 14,709 units sold in the 1<sup>st</sup> half of 2012 including Executive Condominium. However on a quarter-to-quarter basis, sales volume has decreased 22% from 8,251 units to 6,458 units and price growth for private property has flattened over the past couple of quarters. The Group's 3 launches this year of Watertown, Twin Waterfalls and Palm Isles, were very well received, achieving sales of 1,789 units. In Australia, marketing efforts will continue as strong and encouraging pre-sales were registered for One Central Park & Park Lane, and the recently launched The Mark, Putney Hill at Ryde and QIII at Queens Riverside. Recognition of income from pre-sold units in Singapore will continue to support Group earnings in the next 12 months.

While the strength of Singapore Dollar will alleviate some pressure on import costs, it will also impact on the financial performance of the Group as a high proportion of earnings are derived from outside Singapore

**11. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared for the current financial period.

**12. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

**13. SUBSEQUENT EVENTS**

On 20 July 2012, the Company announced that the Board had received an offer from Heineken N.V. ("Heineken") to acquire the Company's direct and indirect interests in Asia Pacific Breweries Limited ("APBL") at a price of S\$50.00 per share, for a total consideration of S\$5.1 billion. In addition, Heineken has offered S\$163 million for the Company's interest in non-APBL assets held by Asia Pacific Investment Private Limited ("APIPL"), subject to any adjustment for further impairments.

The offer from Heineken ("Heineken Offer") will be reduced on a dollar for dollar basis if any further dividends are declared or paid by APBL and/or APIPL. APIPL is a 50:50 joint venture company held by the Company and the Heineken group, and holds approximately 64.8% of the shares of APBL.

Further to the announcement on 20 July 2012, the Company announced on 27 July 2012 that it has reached a mutual agreement with Heineken to extend the deadline for acceptance of the Heineken Offer by one week from 27 July 2012.

On 3 August 2012, the F&N Board accepted in principle Heineken's offer on the basis that there will be no adjustment for impairment for the non-APBL assets held by APIPL, and if any further dividends are paid by APBL and received by the Company, the aggregate consideration payable to the Company for its direct interest in APBL shall be reduced by the amount of such dividends.

On 7 August 2012, the Company announced that it has received an unsolicited offer from Kindest Place Groups Limited to acquire the Company's direct interest in APBL at the price of S\$55.00 for each share in APBL.

Shareholders should note that there is no certainty that any transaction or agreement will be agreed upon and entered into. The Company will update shareholders in due course and will make appropriate announcements at the relevant time.

**13. SUBSEQUENT EVENTS (cont'd)**

On 30 July 2012, the Company and its subsidiary, Frasers Property (China) Limited ("Frasers Property") announced that the scheme of arrangement in relation to the proposal to privatise Frasers Property as detailed in the scheme document dated 5 July 2012 and related matters was not approved by the requisite majority at the court meeting held on 30 July 2012 and was disapproved by more than 10% of the votes attaching to all the shares of Frasers Property held by its independent shareholders, and will therefore not be implemented. Frasers Property's shares will remain listed on The Stock Exchange of Hong Kong Limited.

**14. DIRECTORS' RESPONSIBILITY STATEMENT**

In relation to the announcements relating to the offers to purchase the Company's interests in APIPL and APBL ("Announcements"), the directors of the Company (including any who may have delegated detailed supervision of the Announcements) have taken all reasonable care to ensure that the facts stated and all opinions expressed in the Announcements are fair and accurate and that no material facts have been omitted from the Announcements, and the directors of the Company jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of the Company has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in the announcement.

**15. CONFIRMATION BY THE BOARD OF DIRECTORS  
Pursuant to Rule 705(5) of the SGX Listing Manual**

We, Lee Hsien Yang and Koh Beng Seng, being two Directors of Fraser and Neave, Limited (the "Company"), do hereby confirm on behalf of the Directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the interim financial results to be false or misleading in any material respect.

On behalf of the Board

Lee Hsien Yang  
Director

Koh Beng Seng  
Director

BY ORDER OF THE BOARD  
Anthony Cheong Fook Seng  
Group Company Secretary

10 August 2012