



FRASER AND NEAVE, LIMITED

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

RESULTS FOR THE 2ND QUARTER ENDED 31 MARCH 2012 Financial Statements and Dividend Announcement

The Directors are pleased to make the following announcement of the unaudited results for the 2nd Quarter ended 31 March 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

	2nd Quarter to 31/3/2012 \$'000	2nd Quarter to 31/3/2011 \$'000 (Restated)*	Change %	6 Months to 31/3/2012 \$'000	6 Months to 31/3/2011 \$'000 (Restated)*	Change %
Revenue	1,231,809	1,320,291	(6.7)	2,588,583	2,838,463	(8.8)
Cost of sales	(766,455)	(830,858)	(7.8)	(1,595,532)	(1,812,239)	(12.0)
Gross profit	465,354	489,433	(4.9)	993,051	1,026,224	(3.2)
Other income (net)	(6,346)	9,820	NM	3,378	12,749	(73.5)
Operating expenses						
- Distribution	(63,204)	(58,416)	8.2	(123,096)	(115,977)	6.1
- Marketing	(139,705)	(135,694)	3.0	(264,430)	(260,982)	1.3
- Administration	(92,517)	(81,605)	13.4	(180,955)	(168,056)	7.7
	(295,426)	(275,715)	7.1	(568,481)	(545,015)	4.3
Trading profit	163,582	223,538	(26.8)	427,948	493,958	(13.4)
Share of joint venture companies' profits	4,616	4,454	3.6	10,520	10,148	3.7
Share of associated companies' profits	18,828	14,995	25.6	32,792	24,940	31.5
Gross income from investments	2,616	2,362	10.8	3,882	3,900	(0.5)
Profit before interest and taxation ("PBIT")	189,642	245,349	(22.7)	475,142	532,946	(10.8)
Finance income	5,079	8,486	(40.1)	17,406	17,792	(2.2)
Finance expense	(15,848)	(12,524)	26.5	(38,521)	(33,188)	16.1
Net finance cost	(10,769)	(4,038)	166.7	(21,115)	(15,396)	37.1
Profit before fair value adjustment, taxation and exceptional items	178,873	241,311	(25.9)	454,027	517,550	(12.3)
Fair value adjustment of investment properties (net)	9,748	(39)	NM	9,748	(39)	NM
Profit before taxation and exceptional items	188,621	241,272	(21.8)	463,775	517,511	(10.4)
Exceptional items	(34,392)	6,489	NM	(5,374)	108,014	NM
Profit before taxation	154,229	247,761	(37.8)	458,401	625,525	(26.7)
Taxation	(26,801)	(60,882)	(56.0)	(89,631)	(132,798)	(32.5)
Profit after taxation	127,428	186,879	(31.8)	368,770	492,727	(25.2)
Attributable profit to:						
Shareholders of the Company						
- Before fair value adjustment and exceptional items	103,514	131,204	(21.1)	254,536	278,988	(8.8)
- Fair value adjustment of investment properties (net)	9,748	(39)	NM	9,748	(39)	NM
- Exceptional items	(27,800)	4,730	NM	(1,733)	86,265	NM
	85,462	135,895	(37.1)	262,551	365,214	(28.1)
Non-controlling interests	41,966	50,984	(17.7)	106,219	127,513	(16.7)
	127,428	186,879	(31.8)	368,770	492,727	(25.2)

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

	Group					
	2nd Quarter to 31/3/2012 \$'000	2nd Quarter to 31/3/2011 \$'000 (Restated)	Change %	6 Months to 31/3/2012 \$'000	6 Months to 31/3/2011 \$'000 (Restated)	Change %
Operating expenses						
Included in operating expenses are:						
Depreciation & amortisation	(35,624)	(32,088)	11.0	(71,999)	(67,560)	6.6
Allowance for bad and doubtful debts	(533)	(1,194)	(55.4)	(895)	(1,680)	(46.7)
Allowance for inventory obsolescence	(1,511)	(2,506)	(39.7)	(2,657)	(5,634)	(52.8)
Employee share-based expense	(6,629)	(10,211)	(35.1)	(13,011)	(18,515)	(29.7)
Other income (net)						
Loss on disposal of fixed assets	(538)	(252)	113.5	(1,091)	(656)	66.3
Foreign exchange loss	(15,345)	(3,534)	NM	(8,442)	(3,756)	124.8
Taxation						
Over provision of prior year taxation	12,277	2,291	NM	19,015	2,061	NM
Exceptional items						
Profit on disposal of associated and subsidiary companies	-	-	-	17,664	215	NM
Gain on corporate and debt restructuring of subsidiary companies	(487)	-	NM	5,322	100,118	(94.7)
Provisional excess of insurance claim relating to flood						
- Interim insurance claims	8,361	-	NM	41,310	-	NM
- Inventories and fixed assets written off and other expenses	(11,884)	-	NM	(38,415)	-	NM
	(3,523)	-	NM	2,895	-	NM
Share of exceptional items of associated company	756	-	NM	756	-	NM
Profit on disposal of properties	-	4,097	NM	-	4,097	NM
Provision for impairment of investments (net)	(32,913)	(105)	NM	(32,913)	(272)	NM
Others	1,775	2,497	(28.9)	902	3,856	(76.6)
	(34,392)	6,489		(5,374)	108,014	
Profit before interest and taxation ("PBIT") as a percentage of revenue	15.4%	18.6%		18.4%	18.8%	

NM - Not meaningful

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

	2nd Quarter to 31/3/2012 \$'000	2nd Quarter to 31/3/2011 \$'000 (Restated)	6 Months to 31/3/2012 \$'000	6 Months to 31/3/2011 \$'000 (Restated)
<u>Revenue</u>				
By Business Activity				
Soft drinks	154,137	191,644	316,867	390,491
Dairies	214,054	260,693	417,624	536,662
Breweries	509,126	428,130	1,128,637	957,511
Printing & publishing	87,748	84,546	192,333	205,118
Commercial property	67,076	62,809	135,285	124,223
Development property	184,006	278,999	364,944	595,142
Others	15,662	13,470	32,893	29,316
	<u>1,231,809</u>	<u>1,320,291</u>	<u>2,588,583</u>	<u>2,838,463</u>
By Territory				
Singapore	376,824	430,254	784,647	949,099
Malaysia	260,961	331,880	531,138	659,564
Other ASEAN	335,248	324,777	728,052	719,536
North/South Asia	82,734	90,746	168,883	189,344
Oceania	164,045	132,331	351,777	298,142
Europe/USA	11,997	10,303	24,086	22,778
	<u>1,231,809</u>	<u>1,320,291</u>	<u>2,588,583</u>	<u>2,838,463</u>
<u>Profit before interest, taxation and exceptional items</u>				
By Business Activity				
Soft drinks	8,326	28,978	24,187	65,802
Dairies	(2,103)	10,269	168	24,107
Breweries	111,357	86,360	269,901	208,298
Printing & publishing	(1,477)	(4,451)	5,693	9,279
Commercial property	45,056	46,193	84,978	82,827
Development property	42,152	80,991	90,611	141,199
Others	(13,669)	(2,991)	(396)	1,434
	<u>189,642</u>	<u>245,349</u>	<u>475,142</u>	<u>532,946</u>
By Territory				
Singapore	70,655	89,717	177,637	205,728
Malaysia	18,483	60,325	43,477	110,118
Other ASEAN	77,273	70,990	178,612	163,200
North/South Asia	10,670	13,513	18,380	19,502
Oceania	12,719	8,846	56,493	40,796
Europe/USA	(158)	1,958	543	(6,398)
	<u>189,642</u>	<u>245,349</u>	<u>475,142</u>	<u>532,946</u>
<u>Attributable profit</u>				
By Business Activity				
Soft drinks	2,086	12,319	8,274	27,998
Dairies	11,433	3,521	12,253	8,490
Breweries	43,726	32,666	113,144	81,713
Printing & publishing	(2,130)	(5,688)	4,390	5,352
Commercial property	29,324	31,634	56,238	53,790
Development property	29,055	58,385	64,760	102,993
Others	(9,980)	(1,633)	(4,523)	(1,348)
	<u>103,514</u>	<u>131,204</u>	<u>254,536</u>	<u>278,988</u>
Fair value adjustment of investment properties (net)	9,748	(39)	9,748	(39)
Exceptional items	(27,800)	4,730	(1,733)	86,265
	<u>85,462</u>	<u>135,895</u>	<u>262,551</u>	<u>365,214</u>

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	2nd Quarter to 31/3/2012 \$'000	2nd Quarter to 31/3/2011 \$'000 (Restated)	6 Months to 31/3/2012 \$'000	6 Months to 31/3/2011 \$'000 (Restated)
Profit for the period	127,428	186,879	368,770	492,727
Other comprehensive income/(expenses):				
Share of other comprehensive income of associated companies	1,693	235	4,092	89
Realisation of reserve on disposal of associated and subsidiary companies	-	-	716	421
Net fair value changes on derivative financial instruments	2,530	1,434	6,497	6,402
Realisation of hedging loss from derivative financial instrument	3,016	-	3,016	-
Net fair value changes on available-for-sale financial assets	10,893	(23,252)	18,840	(34,065)
Currency translation differences	(35,367)	(73,736)	(11,092)	(66,282)
Other comprehensive (expenses)/income for the period, net of tax	(17,235)	(95,319)	22,069	(93,435)
Total comprehensive income for the period	110,193	91,560	390,839	399,292
Total comprehensive income attributable to:				
Shareholders of the Company	80,945	71,136	282,540	301,923
Non-controlling interests	29,248	20,424	108,299	97,369
	110,193	91,560	390,839	399,292

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 31/3/2012 \$'000	As at 30/9/2011 \$'000 (Restated)*	As at 30/9/2010 \$'000 (Restated)*	As at 31/3/2012 \$'000	As at 30/9/2011 \$'000
SHARE CAPITAL AND RESERVES					
Share capital	1,456,807	1,417,404	1,374,502	1,456,807	1,417,404
Treasury shares	(23)	-	-	(23)	-
Reserves	5,519,114	5,425,965	4,707,223	2,848,105	2,755,660
	6,975,898	6,843,369	6,081,725	4,304,889	4,173,064
NON-CONTROLLING INTERESTS					
	834,033	831,181	803,055	-	-
	7,809,931	7,674,550	6,884,780	4,304,889	4,173,064
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	1,257,482	1,187,048	1,104,216	-	-
Investment properties	2,566,923	2,476,740	2,139,026	-	-
Subsidiary companies	-	-	-	3,730,838	3,676,408
Joint venture companies	47,561	60,101	89,839	434,421	434,421
Associated companies	1,399,999	1,382,200	1,355,249	82,383	82,383
Intangible assets	553,552	570,565	576,219	-	-
Brands	72,016	72,452	74,275	212	-
Other investments	395,698	404,583	323,531	8,838	8,672
Other receivables	75,177	65,212	61,556	-	-
Other assets	41,000	41,000	41,000	-	-
Deferred tax assets	13,680	14,649	25,251	-	-
	6,423,088	6,274,550	5,790,162	4,256,692	4,201,884
CURRENT ASSETS					
Properties held for sale	4,441,105	4,037,836	4,205,658	-	-
Inventories	410,488	373,405	391,916	-	-
Trade receivables	728,023	961,457	1,021,283	-	-
Other receivables	227,449	317,142	252,327	78	316
Subsidiary companies	-	-	-	9,251	50,898
Joint venture companies	6,294	6,117	6,540	-	-
Associated companies	12,785	13,181	10,798	-	-
Short term investments	29,886	3,604	3,429	-	-
Bank fixed deposits	1,239,740	1,180,935	1,274,626	213,460	98,566
Cash and bank balances	451,428	418,672	424,290	1,544	1,002
	7,547,198	7,312,349	7,590,867	224,333	150,782
Assets held for sale	35,252	119,542	38,262	-	-
	7,582,450	7,431,891	7,629,129	224,333	150,782
Deduct: CURRENT LIABILITIES					
Trade payables	598,799	673,442	724,740	-	-
Other payables	732,874	737,503	742,529	5,920	5,125
Subsidiary companies	-	-	-	7,500	5,164
Joint venture companies	6,032	14,263	6,350	-	-
Associated companies	2,147	3,043	954	-	-
Borrowings	758,755	747,546	1,908,709	-	-
Provision for taxation	237,044	310,240	301,168	12,336	18,961
	2,335,651	2,486,037	3,684,450	25,756	29,250
Liabilities held for sale	1,789	38,292	2,297	-	-
	2,337,440	2,524,329	3,686,747	25,756	29,250
NET CURRENT ASSETS					
	5,245,010	4,907,562	3,942,382	198,577	121,532
Deduct: NON-CURRENT LIABILITIES					
Other payables	96,871	97,740	3,869	-	-
Borrowings	3,577,176	3,215,900	2,666,032	150,000	150,000
Provision for employee benefits	19,719	20,405	25,044	-	-
Deferred tax liabilities	164,401	173,517	152,819	380	352
	3,858,167	3,507,562	2,847,764	150,380	150,352
	7,809,931	7,674,550	6,884,780	4,304,889	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 31/3/2012</u> \$'000	<u>As at 30/9/2011</u> \$'000
Secured	25,871	171,528
Unsecured	732,884	576,018
	<u>758,755</u>	<u>747,546</u>

Amount repayable after one year

	<u>As at 31/3/2012</u> \$'000	<u>As at 30/9/2011</u> \$'000
Secured	1,154,561	770,365
Unsecured	2,422,615	2,445,535
	<u>3,577,176</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

	2nd Quarter to 31/3/2012 \$'000	2nd Quarter to 31/3/2011 \$'000 (Restated)	6 Months to 31/3/2012 \$'000	6 Months to 31/3/2011 \$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation and exceptional items	188,621	241,272	463,775	517,511
Adjustments for:				
Depreciation of fixed assets	32,601	28,234	63,007	56,828
Impairment of fixed assets and intangible assets written back (net)	(304)	(383)	(223)	(609)
Provision for employee benefits (net)	494	632	1,125	1,498
Loss on disposal of fixed assets (net)	538	252	1,091	656
Loss on disposal of financial instruments	13,912	3,751	27,325	6,327
(Write back)/Allowance for foreseeable losses in properties held for sale	(7,590)	(1,988)	(9,790)	5,850
Amortisation of brands and intangible assets	3,023	3,854	8,992	10,732
Amortisation of deferred income	-	(991)	-	(1,946)
Interest expenses (net)	18,683	3,938	18,539	15,297
Share of joint venture companies' profits	(4,616)	(4,454)	(10,520)	(10,148)
Share of associated companies' profits	(18,828)	(14,995)	(32,792)	(24,940)
Investment income	(2,616)	(2,362)	(3,882)	(3,900)
Profit on properties held for sale	(44,758)	(87,263)	(90,622)	(156,300)
Employee share-based expense	6,629	10,211	13,011	18,515
Fair value adjustment of investment properties	(9,748)	39	(9,748)	39
Fair value adjustment of financial instruments	(12,667)	(2,886)	(5,507)	7,321
Operating cash before working capital changes	163,374	176,861	433,781	442,731
Change in inventories	(33,326)	10,761	(45,286)	23,818
Change in trade and other receivables	86,024	(2,315)	270,770	223,623
Change in joint venture and associated companies' balances	(8,338)	(9,218)	(8,908)	(4,055)
Change in trade and other payables	(40,674)	(48,996)	(80,791)	(152,201)
Currency realignment	(19,949)	1,558	(8,113)	(3,816)
Cash generated from operations	147,111	128,651	561,453	530,100
Interest expenses paid, net	(21,207)	(2,943)	(21,653)	(15,461)
Income taxes paid	(123,437)	(89,293)	(172,875)	(122,285)
Payment of employee benefits	(478)	(741)	(1,732)	(1,129)
Payment of cash-settled options	(444)	(193)	(576)	(377)
Progress payment received/receivable on properties held for sale	184,823	262,529	397,651	512,358
Development expenditure on properties held for sale	(228,916)	(317,410)	(607,099)	(510,679)
Net cash (used in)/from operating activities	(42,548)	(19,400)	155,169	392,527
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividends from joint venture and associated companies	31,354	18,048	53,033	37,744
Investment income	2,616	2,362	3,882	3,900
Proceeds from disposal of subsidiary companies	-	15,108	-	17,504
Proceeds from sale of fixed assets and assets held for sale	650	8,821	1,055	13,308
Proceeds from disposal of an associated company	-	-	37,603	-
Proceeds from sale of other and short term investments	-	18	707	223
Proceeds from disposal of intangible assets	1,666	-	1,666	-
Purchase of fixed assets and investment properties	(62,865)	(49,511)	(131,138)	(138,767)
Purchase of other investments	-	(5,842)	-	(5,842)
Acquisition of non-controlling interests in subsidiary companies	-	-	(2,795)	(776)
Acquisition of subsidiary and joint venture companies	1,086	-	(27,817)	(16,197)
Payment for intangible assets and brands	(2,806)	(4,495)	(7,237)	(7,005)
Development expenditure on investment properties under construction and properties held for sale	(3,708)	(2,015)	(15,556)	(4,331)
(Additional)/Repayment of trade advances	(2,559)	413	(1,328)	79
Investments in associated and joint venture companies	(3,478)	(4,715)	(16,012)	(30,209)
Net cash used in investing activities	(38,044)	(21,808)	(103,937)	(130,369)

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

	2nd Quarter to 31/3/2012 \$'000	2nd Quarter to 31/3/2011 \$'000 (Restated)	6 Months to 31/3/2012 \$'000	6 Months to 31/3/2011 \$'000 (Restated)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>				
Proceeds from/(repayment of) term loans and bank borrowings	282,159	(141,770)	304,084	(456,825)
Proceeds from issue of bonds	-	300,000	-	300,000
Purchase of treasury shares	-	-	(8,093)	-
Proceeds from issue of shares:				
- by subsidiary companies to non-controlling interests	1,751	494	5,954	9,801
- by the Company to shareholders	15,918	9,165	30,666	22,799
Payment of dividends:				
- by subsidiary companies to non-controlling interests	(117,047)	(150,739)	(118,536)	(155,359)
- by the Company to shareholders	(170,219)	(168,887)	(170,219)	(168,887)
Net cash from/(used in) financing activities	12,562	(151,737)	43,856	(448,471)
Net (decrease)/increase in cash and cash equivalents	(68,030)	(192,945)	95,088	(186,313)
Cash and cash equivalents at beginning of period	1,760,251	1,690,769	1,597,635	1,695,123
Effects of exchange rate changes on cash and cash equivalents	(10,143)	(32,960)	(10,645)	(43,946)
Reclassified from assets held for sale	1,364	-	1,364	-
Cash and cash equivalents at end of period	1,683,442	1,464,864	1,683,442	1,464,864
Cash and cash equivalents at end of period comprise:				
Cash and bank deposits	1,691,168	1,471,850	1,691,168	1,471,850
Bank overdrafts	(7,726)	(6,986)	(7,726)	(6,986)
	1,683,442	1,464,864	1,683,442	1,464,864
Analysis of acquisition and disposal of subsidiary and joint venture companies				
Net assets acquired:				
Investment properties	85,126	-	85,126	-
Non-current assets	660	5,310	660	5,310
Current assets	3,185	14,146	3,185	14,146
Non-current liabilities	-	(395)	-	(395)
Current liabilities	(60,068)	(7,961)	(60,068)	(7,961)
Non-controlling interests	-	(607)	-	(607)
Cash	362	5,143	362	5,143
	29,265	15,636	29,265	15,636
(Negative goodwill)/goodwill on acquisition	(1,086)	5,704	(1,086)	5,704
Consideration paid	28,179	21,340	28,179	21,340
Cash and cash equivalents of subsidiary and joint venture companies	(362)	(5,143)	(362)	(5,143)
Cash outflow on acquisition net of cash and cash equivalents acquired	27,817	16,197	27,817	16,197
Cash outflow on acquisition recognised in the 3 months to 31 December	(28,903)	-	-	-
Cash outflow on acquisition recognised in the current quarter	(1,086)	16,197	-	-
Net assets disposed:				
Non-current assets		(2,308)		(2,308)
Properties held for sale		(41,585)		(41,585)
Current assets		(28,353)		(28,353)
Non-current liabilities		56,951		56,951
Current liabilities		11,640		11,640
Non-controlling interests		1,280		1,280
Cash		(3,967)		(3,967)
		(6,342)		(6,342)
Translation difference		35		35
Gain on disposal		(15,164)		(15,164)
Consideration received		(21,471)		(21,471)
Less: Cash of subsidiary companies		3,967		3,967
Cash inflow on disposal net of cash and cash equivalents disposed		(17,504)		(17,504)
Cash inflow on disposal recognised in the 3 months to 31 December		2,396		-
Cash inflow on disposal recognised in the current quarter		(15,108)		-

- 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
<u>2nd Quarter ended</u> <u>31 March 2012</u>												
Balance at 1 January 2012	1,437,218	(23)	265,897	5,100,043	(144,497)	210,250	(19,474)	36,376	169,934	7,055,724	910,243	7,965,967
<u>Comprehensive income</u>												
Share of other comprehensive income of associated companies	-	-	98	-	895	579	(58)	179	-	1,693	-	1,693
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	2,051	-	-	2,051	479	2,530
Realisation of hedging loss from derivative financial instrument	-	-	-	-	-	-	2,628	-	-	2,628	388	3,016
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	10,893	-	-	-	10,893	-	10,893
Currency translation difference	-	-	-	-	(21,782)	-	-	-	-	(21,782)	(13,585)	(35,367)
Other comprehensive income for the period	-	-	98	-	(20,887)	11,472	4,621	179	-	(4,517)	(12,718)	(17,235)
Profit for the period	-	-	-	85,462	-	-	-	-	-	85,462	41,966	127,428
Total comprehensive income for the period	-	-	98	85,462	(20,887)	11,472	4,621	179	-	80,945	29,248	110,193
<u>Contribution by and distributions to owners</u>												
Employee share-based expense	-	-	-	-	-	-	-	3,193	-	3,193	206	3,399
Issue of shares in the Company upon exercise of share options	19,589	-	-	-	-	-	-	(3,671)	-	15,918	-	15,918
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,751	1,751
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	-	(30)	30	-	-	-	-	-	-	-	-
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(117,047)	(117,047)
Additional dividends due to exercise of share options	-	-	-	(285)	-	-	-	-	285	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(170,219)	(170,219)	-	(170,219)
Interim dividend for the year, proposed	-	-	-	(85,230)	-	-	-	-	85,230	-	-	-
Total contributions by and distributions to owners	19,589	-	(30)	(85,485)	-	-	-	(478)	(84,704)	(151,108)	(115,090)	(266,198)
<u>Changes in ownership interests</u>												
Change of interests in subsidiary and joint venture companies	-	-	-	(9,663)	-	-	-	-	-	(9,663)	9,632	(31)
Total changes in ownership interests	-	-	-	(9,663)	-	-	-	-	-	(9,663)	9,632	(31)
Total transactions with owners in their capacity as owners	19,589	-	(30)	(95,148)	-	-	-	(478)	(84,704)	(160,771)	(105,458)	(266,229)
Balance at 31 March 2012	1,456,807	(23)	265,965	5,090,357	(165,384)	221,722	(14,853)	36,077	85,230	6,975,898	834,033	7,809,931

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
2nd Quarter ended											
31 March 2011											
Balance at 1 January 2011	1,391,086	269,756	4,582,543	(171,184)	127,734	(11,401)	38,784	168,622	6,395,940	818,391	7,214,331
Effects of adopting INT FRS 115	-	-	(70,653)	892	-	-	-	-	(69,761)	(2,966)	(72,727)
Balance at 1 January 2011, restated	1,391,086	269,756	4,511,890	(170,292)	127,734	(11,401)	38,784	168,622	6,326,179	815,425	7,141,604
Comprehensive income											
Share of other comprehensive income of associated companies	-	33	-	159	40	(86)	-	-	146	89	235
Realisation of reserve on disposal of subsidiary company	-	(552)	552	-	-	-	-	-	-	-	-
Net fair value changes on derivative financial instruments	-	-	-	-	-	1,434	-	-	1,434	-	1,434
Net fair value changes on available-for-sale financial assets	-	-	-	-	(23,252)	-	-	-	(23,252)	-	(23,252)
Currency translation difference	-	-	-	(43,087)	-	-	-	-	(43,087)	(30,649)	(73,736)
Other comprehensive income for the period	-	(519)	552	(42,928)	(23,212)	1,348	-	-	(64,759)	(30,560)	(95,319)
Profit for the period	-	-	135,895	-	-	-	-	-	135,895	50,984	186,879
Total comprehensive income for the period	-	(519)	136,447	(42,928)	(23,212)	1,348	-	-	71,136	20,424	91,560
Contributions by and distributions to owners											
Employee share-based expense	-	-	-	-	-	-	3,490	-	3,490	285	3,775
Issue of shares in the Company upon exercise of share options	11,054	-	-	-	-	-	(1,889)	-	9,165	-	9,165
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	494	494
Transfer of reserves by overseas subsidiary companies in compliance with statutory companies	-	65	(65)	-	-	-	-	-	-	-	-
Dividends											
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	(79,528)	(79,528)
Additional dividend due to exercise of share options	-	-	(265)	-	-	-	-	265	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	(168,887)	(168,887)	-	(168,887)
Interim dividend for the year, proposed	-	-	(84,458)	-	-	-	-	84,458	-	-	-
Total contributions by and distributions to owners	11,054	65	(84,788)	-	-	-	1,601	(84,164)	(156,232)	(78,749)	(234,981)
Changes in ownership interests											
Change of interests in subsidiary companies	-	-	420	-	-	-	-	-	420	(420)	-
Total changes in ownership interests	-	-	420	-	-	-	-	-	420	(420)	-
Total transactions with owners in their capacity as owners	11,054	65	(84,368)	-	-	-	1,601	(84,164)	(155,812)	(79,169)	(234,981)
Balance at 31 March 2011	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

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

	Company							
	Share Capital	Treasury Shares	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Share- Based Payment Reserve	Dividend Reserve	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2nd Quarter ended 31 March 2012								
Balance at 1 January 2012	1,437,218	(23)	1,036,460	1,503,763	1,679	33,473	169,934	4,182,504
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	176	-	-	176
Other comprehensive income for the period	-	-	-	-	176	-	-	176
Profit for the period	-	-	-	273,583	-	-	-	273,583
Total comprehensive income for the period	-	-	-	273,583	176	-	-	273,759
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	2,927	-	2,927
Issue of shares in the Company upon exercise of share options	19,589	-	-	-	-	(3,671)	-	15,918
Dividends								
Additional dividends due to exercise of share options	-	-	-	(285)	-	-	285	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(170,219)	(170,219)
Interim dividend for the year, proposed	-	-	-	(85,230)	-	-	85,230	-
Total contributions by and distributions to owners	19,589	-	-	(85,515)	-	(744)	(84,704)	(151,374)
Total transactions with owners in their capacity as owners	19,589	-	-	(85,515)	-	(744)	(84,704)	(151,374)
Balance at 31 March 2012	1,456,807	(23)	1,036,460	1,691,831	1,855	32,729	85,230	4,304,889
2nd Quarter ended 31 March 2011								
Balance at 1 January 2011	1,391,086	-	1,039,274	1,330,618	1,786	33,786	168,622	3,965,172
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	29	-	-	29
Other comprehensive income for the period	-	-	-	-	29	-	-	29
Profit for the period	-	-	-	332,557	-	-	-	332,557
Total comprehensive income for the period	-	-	-	332,557	29	-	-	332,586
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	4,353	-	4,353
Issue of shares in the Company upon exercise of share options	11,054	-	-	-	-	(1,889)	-	9,165
Dividends								
Additional dividend due to exercise of share options	-	-	-	(265)	-	-	265	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(168,887)	(168,887)
Interim dividend for the year, proposed	-	-	-	(84,458)	-	-	84,458	-
Total contributions by and distributions to owners	11,054	-	-	(84,723)	-	2,464	(84,164)	(155,369)
Total transactions with owners in their capacity as owners	11,054	-	-	(84,723)	-	2,464	(84,164)	(155,369)
Balance at 31 March 2011	1,402,140	-	1,039,274	1,578,452	1,815	36,250	84,458	4,142,389

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
6 Months ended												
31 March 2012												
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	838,814	7,721,024
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	831,181	7,674,550
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	(511)	-	4,110	579	(58)	(28)	-	4,092	-	4,092
Realisation of reserve on disposal of associated company	-	-	(908)	721	971	-	(68)	-	-	716	-	716
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	5,918	-	-	5,918	579	6,497
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	-	-	-	-	-	18,840	-	-	-	18,840	-	18,840
Currency translation difference	-	-	-	-	(12,205)	-	-	-	-	(12,205)	1,113	(11,092)
Other comprehensive income for the period	-	-	(1,419)	721	(7,124)	19,419	8,420	(28)	-	19,989	2,080	22,069
Profit for the period	-	-	-	262,551	-	-	-	-	-	262,551	106,219	368,770
Total comprehensive income for the period	-	-	(1,419)	263,272	(7,124)	19,419	8,420	(28)	-	282,540	108,299	390,839
Contribution by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	8,132	-	8,132	387	8,519
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	39,403	-	-	-	-	-	-	(8,737)	-	30,666	-	30,666
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	-	-	-	-	-	-	-	-	-	-	5,954	5,954
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	-	2,292	(2,292)	-	-	-	-	-	-	-	-
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(118,536)	(118,536)
Additional dividends due to exercise of share options and vesting of shares awarded	-	-	-	(837)	-	-	-	-	837	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(170,219)	(170,219)	-	(170,219)
Interim dividend for the year, proposed	-	-	-	(85,230)	-	-	-	-	85,230	-	-	-
Total contributions by and distributions to owners	39,403	(23)	(522)	(88,359)	-	-	-	(5,861)	(84,152)	(139,514)	(112,195)	(251,709)
Changes in ownership interests												
Change of interests in subsidiary and joint venture companies	-	-	-	(10,497)	-	-	-	-	-	(10,497)	6,748	(3,749)
Total changes in ownership interests	-	-	-	(10,497)	-	-	-	-	-	(10,497)	6,748	(3,749)
Total transactions with owners in their capacity as owners	39,403	(23)	(522)	(98,856)	-	-	-	(5,861)	(84,152)	(150,011)	(105,447)	(255,458)
Balance at 31 March 2012	1,456,807	(23)	265,965	5,090,357	(165,384)	221,722	(14,853)	36,077	85,230	6,975,898	834,033	7,809,931

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
6 months ended											
31 March 2011											
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
Comprehensive income											
Share of other comprehensive income of associated companies	-	80	-	(240)	(22)	(86)	-	-	(268)	357	89
Realisation of reserve on disposal of associated company	-	(552)	552	421	-	-	-	-	421	-	421
Net fair value changes on derivative financial instruments	-	-	-	-	-	6,402	-	-	6,402	-	6,402
Net fair value changes on available-for-sale financial assets	-	-	-	-	(34,065)	-	-	-	(34,065)	-	(34,065)
Currency translation differences	-	-	-	(35,781)	-	-	-	-	(35,781)	(30,501)	(66,282)
Other comprehensive income for the period	-	(472)	552	(35,600)	(34,087)	6,316	-	-	(63,291)	(30,144)	(93,435)
Profit for the period	-	-	365,214	-	-	-	-	-	365,214	127,513	492,727
Total comprehensive income for the period	-	(472)	365,766	(35,600)	(34,087)	6,316	-	-	301,923	97,369	399,292
Contribution by and distributions to owners											
Employee share-based expense	-	-	-	-	-	-	6,810	-	6,810	400	7,210
Issue of shares in the Company upon exercise of share options	27,638	-	-	-	-	-	(4,839)	-	22,799	-	22,799
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	9,801	9,801
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	65	(65)	-	-	-	-	-	-	-	-
Dividends:											
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	(155,359)	(155,359)
Additional dividends due to exercise of shares options	-	-	(651)	-	-	-	-	651	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	(168,887)	(168,887)	-	(168,887)
Interim dividend for the year, proposed	-	-	(84,458)	-	-	-	-	84,458	-	-	-
Total contributions by and distributions to owners	27,638	65	(85,174)	-	-	-	1,971	(83,778)	(139,278)	(145,158)	(284,436)
Changes in ownership interests											
Change of interests in subsidiary companies	-	-	4,079	(6,746)	-	(200)	-	-	(2,867)	2,694	(173)
Disposal of subsidiary company	-	-	-	-	-	-	-	-	-	(1,280)	(1,280)
Total changes in ownership interests	-	-	4,079	(6,746)	-	(200)	-	-	(2,867)	1,414	(1,453)
Total transactions with owners in their capacity as owners	27,638	65	(81,095)	(6,746)	-	(200)	1,971	(83,778)	(142,145)	(143,744)	(285,889)
Balance at 31 March 2011	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

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	
6 months ended 31 March 2012								
Balance at 1 October 2011	1,417,404	-	1,039,274	1,506,196	1,717	39,091	169,382	4,173,064
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	138	-	-	138
Other comprehensive income for the period	-	-	-	-	138	-	-	138
Profit for the period	-	-	-	271,702	-	-	-	271,702
Total comprehensive income for the period	-	-	-	271,702	138	-	-	271,840
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	7,631	-	7,631
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	39,403	-	-	-	-	(8,737)	-	30,666
Purchase of treasury shares	-	(8,093)	-	-	-	-	-	(8,093)
Treasury shares reissued pursuant to share plans	-	8,070	(2,814)	-	-	(5,256)	-	-
Dividends								
Additional dividends due to exercise of share options and vesting of shares awarded	-	-	-	(837)	-	-	837	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(170,219)	(170,219)
Interim dividend for the year, proposed	-	-	-	(85,230)	-	-	85,230	-
Total contributions by and distributions to owners	39,403	(23)	(2,814)	(86,067)	-	(6,362)	(84,152)	(140,015)
Total transactions with owners in their capacity as owners	39,403	(23)	(2,814)	(86,067)	-	(6,362)	(84,152)	(140,015)
Balance at 31 March 2012	1,456,807	(23)	1,036,460	1,691,831	1,855	32,729	85,230	4,304,889
6 months ended 31 March 2011								
Balance at 1 October 2010	1,374,502	-	1,039,274	1,331,928	2,034	34,803	168,236	3,950,777
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	(219)	-	-	(219)
Other comprehensive income for the period	-	-	-	-	(219)	-	-	(219)
Profit for the period	-	-	-	331,633	-	-	-	331,633
Total comprehensive income for the period	-	-	-	331,633	(219)	-	-	331,414
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	6,286	-	6,286
Issue of shares in the Company upon exercise of share options	27,638	-	-	-	-	(4,839)	-	22,799
Dividends								
Additional dividends due to exercise of share options	-	-	-	(651)	-	-	651	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(168,887)	(168,887)
Interim dividend for the year, proposed	-	-	-	(84,458)	-	-	84,458	-
Total contributions by and distributions to owners	27,638	-	-	(85,109)	-	1,447	(83,778)	(139,802)
Total transactions with owners in their capacity as owners	27,638	-	-	(85,109)	-	1,447	(83,778)	(139,802)
Balance at 31 March 2011	1,402,140	-	1,039,274	1,578,452	1,815	36,250	84,458	4,142,389

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.

	<u>Number of Shares</u>	
	<u>2nd Quarter to 31/3/2012</u>	<u>1st Quarter to 31/12/2011</u>
Issued and fully paid ordinary shares:		
As at beginning of period	1,416,116,806	1,411,514,577
Issued during the period		
- pursuant to the exercise of share options	4,384,659	4,203,929
- pursuant to share plans	-	398,300
As at end of period	<u>1,420,501,465</u>	<u>1,416,116,806</u>
	<u>As at 31/3/2012</u>	<u>As at 31/3/2011</u>
The number of shares that may be issued on exercise of shares options outstanding at the end of the period	<u>19,233,720</u>	<u>31,748,930</u>
The number of shares awarded conditionally under Share Plans as at the end of the period	<u>6,498,333</u>	<u>5,573,388</u>
The number of issued shares excluding treasury shares at the end of the period	<u>1,420,497,365</u>	<u>1,407,634,873</u>

The Company held 4,100 number of treasury shares as at 31 March 2012 (31 March 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 1,420,497,365 as at 31 March 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.

	<u>Number of Shares</u>	
	<u>2nd Quarter to 31/3/2012</u>	<u>1st Quarter to 31/12/2011</u>
As at beginning of period	4,100	-
Purchase of treasury shares	-	1,425,000
Treasury shares reissued pursuant to share plans	-	(1,420,900)
As at 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

	2nd Quarter to 31/3/2011 \$'000	6 Months to 31/3/2011 \$'000
(Decrease)/Increase in:		
Revenue	(56,635)	(92,689)
Cost of sales	(48,166)	(77,541)
Marketing expenses	8,629	13,472
Taxation	(2,601)	(5,025)
Profit after taxation	(14,497)	(23,595)
Attributable profit to:		
- Shareholders of the Company	(12,081)	(20,819)
- Non-controlling interests	(2,416)	(2,776)

GROUP BALANCE SHEET

	As at 30/9/2011 \$'000	As at 30/9/2010 \$'000
(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).

	Group			
	2nd Quarter to 31/3/2012	2nd Quarter to 31/3/2011 (Restated)	6 Months to 31/3/2012	6 Months to 31/3/2011 (Restated)
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before fair value adjustment and exceptional items	7.3	9.3	18.0	19.8
- after fair value adjustment and exceptional items	6.0	9.7	18.5	26.0
(b) On a fully diluted basis (cents)				
- before fair value adjustment and exceptional items	7.2	9.2	17.8	19.6
- after fair value adjustment and exceptional items	6.0	9.5	18.4	25.6
	\$'000	\$'000	\$'000	\$'000
Attributable profit	85,462	135,895	262,551	365,214
Change in attributable net profit due to dilutive share options	(117)	(196)	(154)	(349)
Adjusted attributable profit	85,345	135,699	262,397	364,865

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.

	Group		Company	
	As at 31/3/2012	As at 30/9/2011 (Restated)	As at 31/3/2012	As at 30/9/2011
Net asset value per ordinary share based on issued share capital	\$4.91	\$4.85	\$3.03	\$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 – 2nd Quarter

Group revenue decreased 7% to \$1.23 billion for the quarter ended 31 March 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 lower revenue due to massive flood in Thailand which caused the dairy plant to temporarily cease production. Breweries continued to record higher revenue mainly due to higher sales volume and price increase. Commercial Property revenue increased 7% as both existing and newly acquired serviced residences contributed positively. Development Property revenue declined 34% mainly due to the effects of completed projects in Singapore and also lower sales recognition in overseas development projects. Printing and Publishing revenue increased 4% due to higher sales from education publishing. Group PBIT (profit before interest and tax) of \$190 million was 23% lower than last year.

Group attributable profit* and basic earnings per share* were 21% and 22% lower at \$104 million and 7.3 cents respectively.

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 were 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 20% and 15% respectively over the corresponding period last year. Excluding Coca-Cola's contribution last year, revenue and volume would have grown 14% and 15% respectively from higher sales of F&N Seasons, Redbull energy drink, Ice Mountain and recently launched Zesta and F&N Clearly Citrus. PBIT was lower by 71% mainly due to lower sales volume.

Dairies

Dairies revenue was 18% lower than corresponding period last year. Despite the production shut down of the Thailand plant which recommenced partial production in March 2012, Dairies Thailand managed to deliver more than half of the revenue recorded in the corresponding period last year. In Malaysia, revenue which has suffered decline in the last few quarters, has stabilised at last year's level reflecting demand pattern post price increase in January 2011. In Singapore, revenue was flat as lower export sales were cushioned by higher domestic sales. F&N Creameries revenue was higher on increased export to Sri Lanka, Hong Kong and China. Overall, Dairies recorded a loss this quarter due to loss of sales and higher operating losses incurred in flood-hit Thailand and higher raw material costs, particularly for skimmed milk powder and sugar in Malaysia.

Breweries

Revenue and PBIT grew 19% and 29% respectively over the corresponding period last year. In the South and South East Asia region, volume growth was led mainly by Indonesia, Sri Lanka and Export Markets. PBIT for this region grew on the volume growth as well as improved margins from price increases. In Indochina and Thailand, volume increase was led by strong growth in Vietnam and higher volume achieved in Thailand after the flood crisis in 2011. PBIT for this region was higher on better margins from price increases in Vietnam and favourable sales mix in Cambodia.

The North Asia region reported losses this quarter. Following the termination of the Sale and Purchase Agreement with China Resource Snow Breweries Limited, the investments in Shanghai and Nantong were reclassified from "Assets held for sale" and as such, the financial results for both Shanghai Asia Pacific Brewery Co., Ltd and Heineken-APB (China) Pte Ltd ("HAPBC") for the period from October to December 2011 are now incorporated in this quarter's results. Without this catch-up effect, operations in China reported improved margins following the restructuring of investments to focus on premium brands. In the Oceania region, volume grew modestly as the effects of challenging market conditions in New Zealand was cushioned by positive contribution from the newly acquired brewery in Solomon Islands. PBIT for this region grew strongly mainly due to improved margins in Papua New Guinea, favourable currency translation from the appreciation in Kina and contribution from Solomon Breweries.

Printing and Publishing

Printing and Publishing revenue for the quarter was \$88 million, grew 4 per cent compared to the corresponding period last year with revenue growth recorded across all business segments. Strong revenue growth was achieved by Education Publishing driven by export sales. Revenue increased for Print over the same corresponding period last year due to its operations in China which saw an increase in orders. Retail & Distribution also recorded positive revenue growth largely driven by magazine distribution as a result from acquisitions of new titles and the increase in range of non-magazine products. The strong growth momentum in Education Publishing continued to support Printing and Publishing profits. Profits were affected by the distribution business which saw more book returns from the market, partly due to the closure of key retail bookstores in Singapore while poor consumer sentiments in Australia affected overall volume.

Commercial Property

Overall revenue grew 7% while PBIT fell marginally by 2% over the corresponding period last year.

Revenue and PBIT from investment properties fell marginally by 1% and 4% respectively 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 50%. In China and Vietnam, all industrial and office properties achieved 100% occupancy. Excluding the contribution from Bridgepoint, investment properties' revenue and PBIT were marginally higher on higher rental income.

Hospitality revenue and PBIT grew 18% and 3% respectively. The growth was mainly due to 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). Fee income from management of serviced residences was also higher in this quarter.

The REIT associated companies, Fraser Centrepoint Trust and Fraser Commercial Trust, both reported higher 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 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 34% to \$184 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, and a provision for foreseeable losses on a completed project in Australia, PBIT declined 48% to \$42 million.

In Singapore despite 28% decline in revenue, PBIT was marginally higher due to a write-back of provision for foreseeable losses on a project under development. 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 Woodville 28. During the quarter, a total of 1,015 units were sold including, 898 units at Watertown and 20 units at Twin Waterfall (Executive Condominium) launched in January and February 2012 respectively and 97 units of previously launched projects.

Overseas revenue declined 52% mainly due to lower sales achieved from the completed projects in Australia, and no sale of completed units in China and Malaysia. In Australia, a total of 11 units were sold on completed projects at Lorne Killara, Lumiere Residences and Trio at City Quarter. For projects under construction, strong pre-sale were registered with a total of 78 units sold at One Central Park and Park Lane, Queens Riverside and Putney Hill. As a result of higher marketing expenses and a provision for foreseeable losses on a completed project in Australia, overseas recorded a loss this quarter.

Others

The loss for the quarter was mainly due to foreign exchange losses arising from translation of foreign currency loans and partly offset by higher management fee income.

Exceptional Items

The exceptional items this quarter were mainly the \$30.9 million provision for impairment of investment by HAPBC in the carrying book value of Jiangsu Dafuhao Breweries Co, Ltd and a \$3.5 million net loss on assets written-off relating to the flood damage in the dairy plant in Rojana, Thailand.

Tax

The group effective tax rate of 17.4% (2011: 24.6%) is markedly lower in this quarter because of the recognition of deferred tax benefits on investment incentives and the write back of over provision of tax in prior years. These tax effects were offset by the high taxes imposed on the profits of some overseas subsidiaries and non deductible expenses and exceptional items. Excluding the effects of the exceptional items, the group effective tax rate would have been 14.2% (2011: 25.2%).

Balance Sheet as at 31 March 2012

The Group

The increase in Reserves was mainly due to retained earnings and fair value gains on 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 31 March 2012

The cash inflows and outflows are detailed in the Group Cash Flow Statement. Higher net cash outflow from operating activities of \$42.5 million as compared to \$19.4 million last year was mainly due to lower progress payments received on properties and higher income tax paid. This was partly offset by lower development expenditure incurred on properties.

Higher net cash outflow from investing activities of \$38.0 million as compared to \$21.8 million as additional capital expenditure was incurred on fixed assets this year, while last year included the proceeds from the disposal of subsidiary companies.

Net cash inflow from financing activities of \$12.6 million as compared to a cash outflow of \$151.7 million was mainly due to lower repayment of bank loans.

Group Profit Statement – 6 Months-to-Date

Group revenue and Group PBIT decreased 9% and 11% respectively over the corresponding period last year. Group attributable profit* and basic earnings per share* were each down 9%, to \$255 million and 18 cents 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 will have to contend with high raw material and energy cost. To mitigate the effects of rising costs, the Group has locked-in prices for most key raw materials for the next 3 to 12 months. The Rojana dairy factory in Thailand has commenced production in stages from March 2012 and is expected to see improvement in operating results. For Dairies Malaysia, production at its new Pulau Indah plant has just commenced.

Despite the uncertain economic outlook, the Singapore property market saw a record of 6,682 units sold in the 1st quarter of 2012. The record sales volume was partly a function of high liquidity and low mortgage interest rates, as well as record number of project launches. The Group's 3 launches this year of Watertown, Twin Waterfalls and Palm Isles, were very well received, achieving over 1,700 sales including options issued. In China, the Group is preparing the launch of next Phase in Suzhou Baitang. In Australia, marketing efforts will continue as strong and encouraging pre-sale were registered for One Central Park and Park Lane, and the recently launched 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.

The global economic outlook remains uncertain. The Group's diversified business operations and strong market positions in the resilient Food & Beverage and Commercial Property businesses will enable it to better manage risks under these challenging conditions. 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 a decision regarding dividend has been made:

(a) Whether an interim ordinary dividend has been declared: Yes

(b) (i) Amount per share : 6 cents, tax-exempt (one-tier)

(ii) Previous corresponding period : 6 cents, tax-exempt (one-tier)

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Tax-exempt (one-tier).

(d) The date the dividend is payable.

The Directors have declared an interim dividend of 6 cents, tax-exempt (one-tier), to be paid on 20 June 2012 (last year: 6 cents, tax-exempt (one-tier)).

(e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Registrable transfers received by the Company's Registrar, Tricor Barbinder Share Registration Services, 80 Robinson Road, #02-00, Singapore 068898 up to 5.00 pm on 4 June 2012 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 5 June 2012 and 6 June 2012 for the preparation of dividend warrants.

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. **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

11 May 2012