



FRASER AND NEAVE, LIMITED

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

RESULTS FOR THE 2ND QUARTER ENDED 31 MARCH 2014 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 2014.

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 31/3/2014 \$'000	2nd Quarter to 31/3/2013 \$'000 (Restated)*	Change %	6 Months to 31/3/2014 \$'000	6 Months to 31/3/2013 \$'000 (Restated)*	Change %
Revenue	589,424	567,584	3.8	1,185,971	1,136,316	4.4
Cost of sales	(387,110)	(377,729)	2.5	(777,564)	(754,329)	3.1
Gross profit	202,314	189,855	6.6	408,407	381,987	6.9
Other income/(expense) (net)	26,539	3,328	NM	17,524	(1,868)	NM
Operating expenses						
- Distribution	(49,083)	(45,342)	8.3	(95,395)	(89,577)	6.5
- Marketing	(61,834)	(56,199)	10.0	(120,687)	(112,247)	7.5
- Administration	(36,696)	(36,264)	1.2	(70,269)	(72,146)	(2.6)
	(147,613)	(137,805)	7.1	(286,351)	(273,970)	4.5
Trading profit	81,240	55,378	46.7	139,580	106,149	31.5
Share of associated companies' profits	1,670	(1,438)	NM	3,908	(603)	NM
Gross income from investments	3,810	3	NM	3,941	243	NM
Profit before interest and taxation ("PBIT")	86,720	53,943	60.8	147,429	105,789	39.4
Finance income	2,770	17,082	(83.9)	19,006	39,207	(51.5)
Finance cost	(2,793)	(8,507)	(67.2)	(9,874)	(14,953)	(34.0)
Net finance (expense)/income	(23)	8,575	NM	9,132	24,254	(62.3)
Profit before taxation and exceptional items	86,697	62,518	38.7	156,561	130,043	20.4
Exceptional items	(3,717)	(69,146)	(94.6)	(3,717)	(126,053)	(97.1)
Profit before taxation	82,980	(6,628)	NM	152,844	3,990	NM
Taxation	(17,961)	(15,601)	15.1	(31,382)	(31,129)	0.8
Profit from continuing operations, net of tax	65,019	(22,229)	NM	121,462	(27,139)	NM
Discontinued operations						
Profit from discontinued operations, net of tax	-	87,924	NM	138,121	217,487	(36.5)
Loss on distribution of discontinued operations	(17,661)	-	NM	(17,661)	-	NM
Gain on disposal of discontinued operations	-	(114)	NM	-	4,751,735	NM
Profit after taxation	47,358	65,581	(27.8)	241,922	4,942,083	(95.1)
Attributable profit to:						
Shareholders of the Company						
- Before fair value adjustment and exceptional items						
Continuing operations	38,078	28,366	34.2	74,106	63,272	17.1
Discontinued operations	-	74,745	NM	119,018	145,381	(18.1)
	38,078	103,111	(63.1)	193,124	208,653	(7.4)
- Loss on distribution of discontinued operations	(17,661)	-	NM	(17,661)	-	NM
- Gain on disposal of discontinued operations	-	(114)	NM	-	4,751,735	NM
- Fair value adjustment of investment properties held by discontinued operations	-	13,815	NM	-	31,391	NM
- Exceptional items						
Continuing operations	(3,717)	(69,146)	(94.6)	(3,717)	(126,053)	(97.1)
Discontinued operations	-	(604)	NM	1,798	41,194	(95.6)
	(3,717)	(69,750)	(94.7)	(1,919)	(84,859)	(97.7)
	16,700	47,062	(64.5)	173,544	4,906,920	(96.5)
Non-controlling interests						
Continuing operations	30,658	18,551	65.3	51,073	35,642	43.3
Discontinued operations	-	(32)	NM	17,305	(479)	NM
	30,658	18,519	65.5	68,378	35,163	94.5
	47,358	65,581	(27.8)	241,922	4,942,083	(95.1)

NM – Not meaningful

* Restated upon the demerger of Frasers Centrepoint Limited, as explained in paragraph 8, page 18 of this report and adoption of Revised FRS 19 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 31/3/2014 \$'000	2nd Quarter to 31/3/2013 \$'000 (Restated)	Change %	6 Months to 31/3/2014 \$'000	6 Months to 31/3/2013 \$'000 (Restated)	Change %
Operating expenses						
Included in operating expenses are:						
Depreciation & amortisation	(19,612)	(20,902)	(6.2)	(42,428)	(45,068)	(5.9)
Allowance for bad and doubtful debts	(1,329)	(160)	NM	(2,050)	(878)	133.5
Allowance for inventory obsolescence	(726)	(2,539)	(71.4)	(1,300)	(3,359)	(61.3)
Employee share-based expenses	(2,199)	(2,209)	(0.5)	(2,790)	(4,294)	(35.0)
Other income/(expense) (net)						
Gain/(Loss) on disposal of fixed assets	91	(206)	NM	402	(465)	NM
Foreign exchange (loss)/gain	(269)	2,386	NM	(10,679)	(4,517)	136.4
Taxation						
(Under)/Over provision of prior year taxation	(1,926)	(23)	NM	1,582	824	92.0
Exceptional items						
Corporate and debt restructuring expenses	(3,717)	-	NM	(3,717)	-	NM
Gain on disposal of subsidiary company	-	568	NM	-	568	NM
Provision for professional fee relating to the general offers	-	(72,320)	NM	-	(74,445)	NM
Write back/(Provision) for impairment in value of an associated company and investments	-	2,840	NM	-	(51,754)	NM
Provision for restructuring and re-organisation costs of operations	-	(234)	NM	-	(422)	NM
	<u>(3,717)</u>	<u>(69,146)</u>		<u>(3,717)</u>	<u>(126,053)</u>	
PBIT as a percentage of revenue	<u>14.7%</u>	<u>9.5%</u>		<u>12.4%</u>	<u>9.3%</u>	

NM - Not meaningful

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

	2nd Quarter to 31/3/2014 \$'000	2nd Quarter to 31/3/2013 \$'000 (Restated)	6 Months to 31/3/2014 \$'000	6 Months to 31/3/2013 \$'000 (Restated)
<u>Revenue</u>				
<u>By Business Activity</u>				
Beverages	239,613	236,731	473,766	448,620
Dairies	269,027	251,067	540,073	506,305
Printing & publishing	80,699	79,003	171,990	180,006
Others	85	783	142	1,385
Continuing operations	589,424	567,584	1,185,971	1,136,316
Discontinued operations*	-	338,169	631,044	674,557
	<u>589,424</u>	<u>905,753</u>	<u>1,817,015</u>	<u>1,810,873</u>
<u>By Territory</u>				
Singapore	109,782	106,574	228,601	233,854
Malaysia	247,514	251,021	506,732	502,106
Other ASEAN	209,510	186,870	406,172	352,205
North/South Asia	21,049	20,913	41,431	42,285
Outside Asia	1,569	2,206	3,035	5,866
Continuing operations	589,424	567,584	1,185,971	1,136,316
Discontinued operations*	-	338,169	631,044	674,557
	<u>589,424</u>	<u>905,753</u>	<u>1,817,015</u>	<u>1,810,873</u>
<u>PBIT</u>				
<u>By Business Activity</u>				
Beverages	45,148	39,932	89,166	74,270
Dairies	16,952	13,187	33,320	28,072
Printing & publishing	(909)	(2,662)	830	1,202
Others	25,529	3,486	24,113	2,245
Continuing operations	86,720	53,943	147,429	105,789
Discontinued operations*	-	109,549	176,241	218,358
	<u>86,720</u>	<u>163,492</u>	<u>323,670</u>	<u>324,147</u>
<u>By Territory</u>				
Singapore	3,025	3,768	4,550	7,787
Malaysia	44,798	17,597	71,060	38,039
Other ASEAN	40,428	36,499	73,158	63,996
North/South Asia	(804)	(1,291)	(197)	(1,097)
Outside Asia	(727)	(2,630)	(1,142)	(2,936)
Continuing operations	86,720	53,943	147,429	105,789
Discontinued operations*	-	109,549	176,241	218,358
	<u>86,720</u>	<u>163,492</u>	<u>323,670</u>	<u>324,147</u>
<u>Attributable profit</u>				
<u>By Business Activity</u>				
Beverages	19,421	15,918	37,709	30,287
Dairies	7,566	6,006	15,512	13,195
Printing & publishing	(1,244)	(3,517)	704	(941)
Others	12,335	9,959	20,181	20,731
Continuing operations	38,078	28,366	74,106	63,272
Discontinued operations*	-	74,745	119,018	145,381
Loss on distribution of discontinued operations	(17,661)	-	(17,661)	-
Gain on disposal of discontinued operations	-	(114)	-	4,751,735
Fair value adjustment of investment properties held by discontinued operations	-	13,815	-	31,391
Exceptional items				
- Continuing operations	(3,717)	(69,146)	(3,717)	(126,053)
- Discontinued operations	-	(604)	1,798	41,194
	<u>(3,717)</u>	<u>(69,750)</u>	<u>(1,919)</u>	<u>(84,859)</u>
	<u>16,700</u>	<u>47,062</u>	<u>173,544</u>	<u>4,906,920</u>

* Refers to the demerger of Frasers Centrepoint Limited.

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	2nd Quarter to 31/3/2014 \$'000	2nd Quarter to 31/3/2013 \$'000 (Restated)	6 Months to 31/3/2014 \$'000	6 Months to 31/3/2013 \$'000 (Restated)
Profit after taxation	47,358	65,581	241,922	4,942,083
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit statement</u>				
Share of other comprehensive income of associated companies	1,885	3,255	(3,856)	(566)
Realisation of reserves on distribution <i>in specie</i> of subsidiary companies	17,661	-	17,661	-
Realisation of reserves on disposal of subsidiary and joint venture companies	-	145	-	124,056
Net fair value changes on derivative financial instruments	-	2,679	706	4,119
Realisation of hedging loss from derivative financial instruments	-	1,206	5,707	1,206
Realisation of fair value gains on disposal of available-for-sale financial assets	-	-	-	(34,900)
Net fair value changes on available-for-sale financial assets	26,800	133,072	3,146	179,647
Currency translation difference	7,628	19,637	(23,364)	17,864
	53,974	159,994	-	291,426
<u>Items that will not be reclassified to profit statement</u>				
Remeasurement of defined benefit obligations	-	13	-	27
Other comprehensive income for the period, net of tax	53,974	160,007	-	291,453
Total comprehensive income for the period	101,332	225,588	241,922	5,233,536
Total comprehensive income attributable to:				
Shareholders of the Company				
Continuing operations	68,477	99,968	80,459	126,260
Discontinued operations	-	101,373	97,694	5,068,935
	68,477	201,341	178,153	5,195,195
Non-controlling interests	32,855	24,247	63,769	38,341
	101,332	225,588	241,922	5,233,536

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 31/03/2014 \$'000	As at 30/9/2013 \$'000 (Restated)*	As at 31/03/2014 \$'000	As at 30/9/2013 \$'000
SHARE CAPITAL AND RESERVES				
Share capital	1,451,446	1,441,520	1,451,446	1,441,520
Treasury shares	(23)	(23)	(23)	(23)
Reserves	877,988	7,063,170	200,150	3,265,340
	2,329,411	8,504,667	1,651,573	4,706,837
NON-CONTROLLING INTERESTS				
	373,132	373,223	-	-
	2,702,543	8,877,890	1,651,573	4,706,837
Represented by:				
NON-CURRENT ASSETS				
Fixed assets	654,975	699,109	-	-
Investment properties	40,248	3,155,404	-	-
Subsidiary companies	-	-	993,195	3,945,938
Associated companies	149,788	1,278,877	18,100	18,100
Intangible assets	80,348	148,315	-	-
Brands	30,866	30,836	-	-
Other investments	676,221	675,236	6,327	6,205
Other receivables	1,291	91,614	100	-
Other assets	-	43,200	-	-
Deferred tax assets	26,844	34,325	-	-
	1,660,581	6,156,916	1,017,934	3,970,455
CURRENT ASSETS				
Properties held for sale	53,741	4,709,952	-	-
Inventories	262,470	249,406	-	-
Trade receivables	310,882	527,188	-	-
Other receivables	50,967	133,733	491	5,488
Prepaid land costs	-	398,033	-	-
Related parties	13,121	146	-	-
Subsidiary companies	-	-	5,057	5,695
Joint venture companies	18,036	4,520	-	-
Associated companies	-	12,710	-	-
Short term investments	102	100	-	-
Bank fixed deposits	152,721	876,333	53,324	255,674
Cash and bank balances	872,390	1,068,389	626,119	650,794
	1,734,430	7,980,510	685,141	917,651
Assets held for sale	7,868	7,961	-	-
	1,742,298	7,988,471	685,141	917,651
Deduct: CURRENT LIABILITIES				
Trade payables	179,246	526,379	-	-
Other payables	217,468	948,595	14,093	17,028
Related parties	24,710	1,652	5,383	-
Subsidiary companies	-	-	5,313	4,507
Joint venture companies	-	8	-	-
Associated companies	1,601	1,669	-	-
Borrowings	33,832	862,019	-	-
Provision for taxation	53,839	161,076	11,240	9,734
	510,696	2,501,398	36,029	31,269
Liabilities held for sale	1,823	1,845	-	-
	512,519	2,503,243	36,029	31,269
NET CURRENT ASSETS				
	1,229,779	5,485,228	649,112	886,382
Deduct: NON-CURRENT LIABILITIES				
Other payables	9,807	17,022	-	-
Related parties	15,473	-	15,473	-
Borrowings	115,860	2,582,525	-	150,000
Provision for employee benefits	18,197	18,349	-	-
Deferred tax liabilities	28,480	146,358	-	-
	187,817	2,764,254	15,473	150,000
	2,702,543	8,877,890	1,651,573	4,706,837

* Restated upon adoption of Revised FRS 19 as detailed in paragraph 5, page 16 of this report.

- 1(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

	As at 31/03/2014	As at 30/9/2013
	\$'000	\$'000
Secured :	2,878	506,901
Unsecured :	30,954	355,118
	<hr/>	<hr/>
	33,832	862,019
	<hr/>	<hr/>

Amount repayable after one year

	As at 31/03/2014	As at 30/9/2013
	\$'000	\$'000
Secured :	-	1,015,621
Unsecured :	115,860	1,566,904
	<hr/>	<hr/>
	115,860	2,582,525
	<hr/>	<hr/>

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 31/3/2014 \$'000	2nd Quarter to 31/3/2013 \$'000 (Restated)	6 Months to 31/3/2014 \$'000	6 Months to 31/3/2013 \$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation and exceptional items from continuing operations	86,697	62,518	156,561	130,043
Profit before taxation and exceptional items from discontinued operations	-	107,733	166,197	216,163
Profit before taxation and exceptional items	86,697	170,251	322,758	346,206
Adjustments for:				
Depreciation of fixed assets	16,882	20,040	35,530	40,549
Impairment of fixed assets and intangible assets (net)	(64)	94	(252)	(195)
Fixed assets written off	50	-	286	-
Provision for employee benefits	412	546	829	1,104
Valuation gain on interest retained in a joint venture company	(21,392)	-	(21,392)	-
(Gain)/Loss on disposal of fixed assets (net)	(91)	220	(403)	756
Amortisation of brands and intangible assets	2,730	2,917	8,690	8,572
Interest income	(3,538)	(10,340)	(8,859)	(16,200)
Interest expenses	2,793	14,160	12,546	26,568
Profit on properties held for sale	-	(67,251)	(135,735)	(130,339)
Share of associated companies' profits	(1,670)	(14,101)	(14,888)	(29,988)
Investment income	(3,810)	(3)	(4,066)	(533)
Employee share-based expense	2,199	3,345	3,017	7,118
Fair value adjustment of financial instruments	65	6,235	(3,732)	6,244
Fair value adjustment of investment properties	-	(13,815)	-	(31,391)
Loss/(Gain) on disposal of financial instruments	1,911	(277)	3,293	(1,388)
Operating cash before working capital changes	83,174	112,021	197,622	227,083
Change in inventories	(21,098)	8,556	(16,560)	15,091
Change in trade and other receivables	(1,722)	26,699	(110,708)	5,911
Change in prepaid land costs	-	-	(300,205)	-
Change in joint venture and associated companies' balances	(15,332)	9,012	(8,953)	6,738
Change in trade and other payables	(13,770)	(118,255)	(81,677)	(196,333)
Progress payment received/receivable on properties held for sale	-	241,295	605,826	623,711
Development expenditure on properties held for sale	(574)	(240,881)	(208,995)	(613,108)
Currency realignment	5,947	(5,130)	123	(2,844)
Cash generated from operations	36,625	33,317	76,473	66,249
Interest income received	3,500	8,931	8,550	16,891
Interest expenses paid	(2,273)	(11,105)	(5,104)	(21,002)
Income taxes paid	(22,542)	(43,906)	(20,884)	(49,437)
Payment of employee benefits	(1,033)	(1,211)	(1,078)	(1,582)
Net cash from/(used in) operating activities	14,277	(13,974)	57,957	11,119
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividends from associated companies	450	13,507	15,549	33,860
Investment income	3,810	3	4,066	533
Proceeds from sale of fixed assets	295	474	842	728
Distribution <i>in specie</i> of subsidiary companies	(700,504)	-	(700,504)	-
Proceeds from redemption of units by an associated company	-	153,079	-	153,079
Proceeds from sale of short term investments	-	-	-	60,709
Proceeds from disposal of subsidiary and joint venture companies	-	559	-	5,582,127
Purchase of fixed assets and investment properties	(11,781)	(20,451)	(25,515)	(43,290)
Payment for intangible assets	(1,934)	(3,124)	(4,856)	(6,020)
Development expenditure on investment properties under construction	-	146	(705,772)	(4,399)
(Loan to)/Repayment of loan from associated companies	-	(11,369)	8,071	(74,986)
Investments in associated companies	-	(2,909)	(2,526)	(6,031)
Net cash (used in)/from investing activities	(709,664)	129,915	(1,410,645)	5,696,310

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

	2nd Quarter to 31/3/2014 \$'000	2nd Quarter to 31/3/2013 \$'000 (Restated)	6 Months to 31/3/2014 \$'000	6 Months to 31/3/2013 \$'000 (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES				
(Repayment of)/ proceeds from term loans and bank borrowings	(1,222,592)	(104,010)	(1,056,461)	29,491
Repayment of loans from a related party	1,689,883	-	1,689,883	-
Proceeds from issue of shares:				
- by subsidiary companies to non-controlling interests	3,495	1,147	6,336	3,841
- by the Company to shareholders	-	4,619	-	46,005
Payment of dividends:				
- by subsidiary companies to non-controlling interests	(27,314)	(44,129)	(29,973)	(44,129)
- by the Company to shareholders	(173,388)	(172,974)	(173,388)	(172,974)
Net cash from/(used in) financing activities	270,084	(315,347)	436,397	(137,766)
Net (decrease)/increase in cash and cash equivalents	(425,303)	(199,406)	(916,291)	5,569,663
Cash and cash equivalents at beginning of period	747,080	7,413,572	1,943,070	1,647,477
Effects of exchange rate changes on cash and cash equivalents	1,676	2,675	(2,822)	(299)
Reclassified from assets held for sale	700,504	-	-	-
Cash and cash equivalents at end of period	1,023,957	7,216,841	1,023,957	7,216,841
Cash and cash equivalents at end of period comprise:				
Cash and bank deposits	1,025,111	7,217,448	1,025,111	7,217,448
Bank overdrafts	(1,154)	(607)	(1,154)	(607)
	1,023,957	7,216,841	1,023,957	7,216,841
Analysis of distribution <i>in specie</i> of subsidiary companies				
Net assets distributed:				
Investment properties	(4,084,506)	-	(4,084,506)	-
Property developed for sale	(4,515,019)	-	(4,515,019)	-
Other non-current assets	(1,358,848)	-	(1,358,848)	-
Other current assets	(744,367)	-	(744,367)	-
Non-current liabilities	3,114,131	-	3,114,131	-
Current liabilities	2,071,256	-	2,071,256	-
Non-controlling interests	38,191	-	38,191	-
Cash	(700,504)	-	(700,504)	-
	(6,179,666)	-	(6,179,666)	-
Realisation of reserves	(17,661)	-	(17,661)	-
Distribution <i>in specie</i> of subsidiary companies	6,179,666	-	6,179,666	-
Loss on distribution <i>in specie</i> of subsidiary companies	17,661	-	17,661	-
Consideration received	-	-	-	-
Less: cash of subsidiary companies distributed	700,504	-	700,504	-
Cash outflow on distribution net of cash and cash equivalents distributed	700,504	-	700,504	-
Analysis of disposal of subsidiary and joint venture companies				
Net assets disposed:				
Current assets	-	(1,690,920)	-	(1,690,920)
Current liabilities	-	690,616	-	690,616
Non-controlling interests	-	294,000	-	294,000
	-	(706,304)	-	(706,304)
Realisation of translation difference	-	(124,056)	-	(124,056)
Gain on disposal	-	(4,751,767)	-	(4,751,767)
Net cash inflow on disposal net of cash and cash equivalents disposed	-	(5,582,127)	-	(5,582,127)
Net cash inflow on disposal recognised in the 3 months to 31 December	-	5,581,568	-	-
Net cash inflow on disposal recognised in the current quarter	-	(559)	-	-

- 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
2nd Quarter ended 31 March 2014												
Balance at 1 January 2014	1,451,446	(23)	3,463	313,246	(128,081)	568,466	581	14,578	173,388	2,397,064	403,185	2,800,249
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	131	2,129	-	(308)	(67)	-	1,885	-	1,885
Realisation of reserves on distribution <i>in specie</i> of subsidiary companies	-	-	5,322	(5,322)	18,361	(179)	(521)	-	-	17,661	-	17,661
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	26,800	-	-	-	26,800	-	26,800
Currency translation difference	-	-	-	-	5,431	-	-	-	-	5,431	2,197	7,628
Other comprehensive income for the period	-	-	5,322	(5,191)	25,921	26,621	(829)	(67)	-	51,777	2,197	53,974
Profit for the period	-	-	-	16,700	-	-	-	-	-	16,700	30,658	47,358
Total comprehensive income for the period	-	-	5,322	11,509	25,921	26,621	(829)	(67)	-	68,477	32,855	101,332
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	1,952	-	1,952	155	2,107
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	3,495	3,495
Transfer of reserve due to distribution <i>in specie</i> of subsidiary companies	-	-	-	-	-	-	-	(4,861)	-	(4,861)	-	(4,861)
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(27,314)	(27,314)
Distribution <i>in specie</i>	-	-	-	39,114	-	-	-	-	-	39,114	-	39,114
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(173,388)	(173,388)	-	(173,388)
Interim dividend for the year, proposed	-	-	-	(28,898)	-	-	-	-	28,898	-	-	-
Total contributions by and distributions to owners	-	-	-	10,216	-	-	-	(2,909)	(144,490)	(137,183)	(23,664)	(160,847)
Changes in ownership interests												
Change of interests in a subsidiary company	-	-	-	1,053	-	-	-	-	-	1,053	(1,053)	-
Distribution <i>in specie</i>	-	-	-	-	-	-	-	-	-	-	(38,191)	(38,191)
Total changes in ownership interests	-	-	-	1,053	-	-	-	-	-	1,053	(39,244)	(38,191)
Total transactions with owners in their capacity as owners	-	-	-	11,269	-	-	-	(2,909)	(144,490)	(136,130)	(62,908)	(199,038)
Balance at 31 March 2014	1,451,446	(23)	8,785	336,024	(102,160)	595,087	(248)	11,602	28,898	2,329,411	373,132	2,702,543

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
2nd Quarter ended												
31 March 2013												
Balance at 1 January 2013	1,559,327	(23)	222,683	10,411,748	(66,702)	337,754	(11,641)	15,838	172,863	12,641,847	387,241	13,029,088
Effects on adopting Revised FRS 19	-	-	-	(3,107)	74	-	-	-	-	(3,033)	(133)	(3,166)
Balance at 1 January 2013, restated	1,559,327	(23)	222,683	10,408,641	(66,628)	337,754	(11,641)	15,838	172,863	12,638,814	387,108	13,025,922
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	116	(57)	2,424	759	13	-	-	3,255	-	3,255
Realisation of reserves on disposal of subsidiary company	-	-	(571)	571	145	-	-	-	-	145	-	145
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	2,517	-	-	2,517	162	2,679
Realisation of fair value gains on disposal of available-for-sale financial assets	-	-	-	-	-	-	1,206	-	-	1,206	-	1,206
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	133,072	-	-	-	133,072	-	133,072
Remeasurement of defined benefit obligations	-	-	-	7	-	-	-	-	-	7	6	13
Currency translation difference	-	-	-	-	14,077	-	-	-	-	14,077	5,560	19,637
Other comprehensive income for the period	-	-	(455)	521	16,646	133,831	3,736	-	-	154,279	5,728	160,007
Profit for the period	-	-	-	47,062	-	-	-	-	-	47,062	18,519	65,581
Total comprehensive income for the period	-	-	(455)	47,583	16,646	133,831	3,736	-	-	201,341	24,247	225,588
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	3,536	-	3,536	341	3,877
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	5,658	-	-	-	-	-	-	(1,039)	-	4,619	-	4,619
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,147	1,147
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	-	(9)	9	-	-	-	-	-	-	-	-
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(44,129)	(44,129)
Additional dividends due to exercise of share options and vesting of shares awarded	-	-	-	(111)	-	-	-	-	111	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(172,974)	(172,974)	-	(172,974)
Interim dividend for the year, proposed	-	-	-	(50,451)	-	-	-	-	50,451	-	-	-
Total contributions by and distributions to owners	5,658	-	(9)	(50,553)	-	-	-	2,497	(122,412)	(164,819)	(42,641)	(207,460)
Changes in ownership interests												
Change of interests in a subsidiary company	-	-	-	412	-	-	-	-	-	412	(412)	-
Disposal of subsidiary company	-	-	-	-	-	-	-	-	-	-	(1,939)	(1,939)
Total changes in ownership interests	-	-	-	412	-	-	-	-	-	412	(2,351)	(1,939)
Total transactions with owners in their capacity as owners	5,658	-	(9)	(50,141)	-	-	-	2,497	(122,412)	(164,407)	(44,992)	(209,399)
Balance at 31 March 2013	1,564,985	(23)	222,219	10,406,083	(49,982)	471,585	(7,905)	18,335	50,451	12,675,748	366,363	13,042,111

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	
2nd Quarter ended 31 March 2014								
Balance at 1 January 2014	1,451,446	(23)	(2,814)	161,636	180	11,636	173,388	1,795,449
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	91	-	-	91
Other comprehensive income for the period	-	-	-	-	91	-	-	91
Profit for the period	-	-	-	32,526	-	-	-	32,526
Total comprehensive income for the period	-	-	-	32,526	91	-	-	32,617
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	1,756	-	1,756
Transfer of reserve due to distribution <i>in specie</i> of subsidiary companies	-	-	-	-	-	(4,861)	-	(4,861)
Dividends								
Final dividend for the previous year, paid	-	-	-	-	-	-	(173,388)	(173,388)
Interim dividend for the year, proposed	-	-	-	(28,898)	-	-	28,898	-
Total contributions by and distributions to owners	-	-	-	(28,898)	-	(3,105)	(144,490)	(176,493)
Total transactions with owners in their capacity as owners	-	-	-	(28,898)	-	(3,105)	(144,490)	(176,493)
Balance at 31 March 2014	1,451,446	(23)	(2,814)	165,264	271	8,531	28,898	1,651,573
2nd Quarter ended 31 March 2013								
Balance at 1 January 2013	1,559,327	(23)	776,209	6,956,553	1,889	13,379	172,863	9,480,197
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	683	-	-	683
Other comprehensive income for the period	-	-	-	-	683	-	-	683
Profit for the period	-	-	-	129,754	-	-	-	129,754
Total comprehensive income for the period	-	-	-	129,754	683	-	-	130,437
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	3,101	-	3,101
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	5,658	-	-	-	-	(1,039)	-	4,619
Dividends								
Additional dividends due to exercise of share options and vesting of shares awarded	-	-	-	(111)	-	-	111	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(172,974)	(172,974)
Interim dividend for the year, proposed	-	-	-	(50,451)	-	-	50,451	-
Total contributions by and distributions to owners	5,658	-	-	(50,562)	-	2,062	(122,412)	(165,254)
Total transactions with owners in their capacity as owners	5,658	-	-	(50,562)	-	2,062	(122,412)	(165,254)
Balance at 31 March 2013	1,564,985	(23)	776,209	7,035,745	2,572	15,441	50,451	9,445,380

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 2014												
Balance at 1 October 2013	1,441,520	(23)	3,463	6,377,183	(98,510)	592,145	(5,521)	24,129	172,982	8,507,368	373,529	8,880,897
Effects of adopting Revised FRS 19	-	-	-	(2,775)	74	-	-	-	-	(2,701)	(306)	(3,007)
Balance at 1 October 2013, restated	1,441,520	(23)	3,463	6,374,408	(98,436)	592,145	(5,521)	24,129	172,982	8,504,667	373,223	8,877,890
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	185	(3,406)	(25)	(543)	(67)	-	(3,856)	-	(3,856)
Realisation of reserves on distribution <i>in specie</i> of subsidiary companies	-	-	5,322	(5,322)	18,361	(179)	(521)	-	-	17,661	-	17,661
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	630	-	-	630	76	706
Realisation of hedging loss from derivative financial instruments	-	-	-	-	-	-	5,707	-	-	5,707	-	5,707
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	3,146	-	-	-	3,146	-	3,146
Currency translation difference	-	-	-	-	(18,679)	-	-	-	-	(18,679)	(4,685)	(23,364)
Other comprehensive income for the period	-	-	5,322	(5,137)	(3,724)	2,942	5,273	(67)	-	4,609	(4,609)	-
Profit for the period	-	-	-	173,544	-	-	-	-	-	173,544	68,378	241,922
Total comprehensive income for the period	-	-	5,322	168,407	(3,724)	2,942	5,273	(67)	-	178,153	63,769	241,922
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	2,327	-	2,327	147	2,474
Issue of shares in the Company upon vesting of shares awarded	9,926	-	-	-	-	-	-	(9,926)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	6,336	6,336
Transfer of reserve due to distribution <i>in specie</i> of subsidiary companies	-	-	-	-	-	-	-	(4,861)	-	(4,861)	-	(4,861)
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(29,973)	(29,973)
Distribution <i>in specie</i>	-	-	-	(6,179,666)	-	-	-	-	-	(6,179,666)	-	(6,179,666)
Additional dividends due to vesting of shares awarded	-	-	-	(406)	-	-	-	-	406	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(173,388)	(173,388)	-	(173,388)
Interim dividend for the year, proposed	-	-	-	(28,898)	-	-	-	-	28,898	-	-	-
Total contributions by and distributions to owners	9,926	-	-	(6,208,970)	-	-	-	(12,460)	(144,084)	(6,355,588)	(23,490)	(6,379,078)
Changes in ownership interests												
Change of interests in subsidiary company	-	-	-	2,179	-	-	-	-	-	2,179	(2,179)	-
Distribution <i>in specie</i>	-	-	-	-	-	-	-	-	-	-	(38,191)	(38,191)
Total changes in ownership interests	-	-	-	2,179	-	-	-	-	-	2,179	(40,370)	(38,191)
Total transactions with owners in their capacity as owners	9,926	-	-	(6,206,791)	-	-	-	(12,460)	(144,084)	(6,353,409)	(63,860)	(6,417,269)
Balance at 31 March 2014	1,451,446	(23)	8,785	336,024	(102,160)	595,087	(248)	11,602	28,898	2,329,411	373,132	2,702,543

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 2013												
Balance at 1 October 2012	1,499,329	(23)	264,795	5,510,947	(187,561)	326,152	(13,657)	31,151	171,404	7,602,537	663,048	8,265,585
Effects of adopting Revised FRS 19	-	-	-	(3,107)	74	-	-	-	-	(3,033)	(133)	(3,166)
Balance at 1 October 2012, restated	1,499,329	(23)	264,795	5,507,840	(187,487)	326,152	(13,657)	31,151	171,404	7,599,504	662,915	8,262,419
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	116	(546)	(1,448)	686	626	-	-	(566)	-	(566)
Realisation of reserve on disposal of subsidiary and joint venture companies	-	-	(39,122)	39,135	124,056	-	-	(13)	-	124,056	-	124,056
Net fair value changes on derivative financial instruments	-	-	-	-	-	-	3,920	-	-	3,920	199	4,119
Realisation of hedging loss from derivative financial instruments	-	-	-	-	-	-	1,206	-	-	1,206	-	1,206
Realisation of fair value gains on disposal of available-for-sale financial assets	-	-	-	-	-	(34,900)	-	-	-	(34,900)	-	(34,900)
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	179,647	-	-	-	179,647	-	179,647
Remeasurement of defined benefit obligations	-	-	-	15	-	-	-	-	-	15	12	27
Currency translation difference	-	-	-	-	14,897	-	-	-	-	14,897	2,967	17,864
Other comprehensive income for the period	-	-	(39,006)	38,604	137,505	145,433	5,752	(13)	-	288,275	3,178	291,453
Profit for the period	-	-	-	4,906,920	-	-	-	-	-	4,906,920	35,163	4,942,083
Total comprehensive income for the period	-	-	(39,006)	4,945,524	137,505	145,433	5,752	(13)	-	5,195,195	38,341	5,233,536
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	6,848	-	6,848	565	7,413
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	65,656	-	-	-	-	-	-	(19,651)	-	46,005	-	46,005
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	3,841	3,841
Transfer of reserves by overseas subsidiary companies in compliance with statutory requirement	-	-	(3,570)	3,570	-	-	-	-	-	-	-	-
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(44,129)	(44,129)
Additional dividends due to exercise of share options and vesting of shares awarded	-	-	-	(1,570)	-	-	-	-	1,570	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(172,974)	(172,974)	-	(172,974)
Interim dividend for the year, proposed	-	-	-	(50,451)	-	-	-	-	50,451	-	-	-
Total contributions by and distributions to owners	65,656	-	(3,570)	(48,451)	-	-	-	(12,803)	(120,953)	(120,121)	(39,723)	(159,844)
Changes in ownership interests												
Change of interests in subsidiary company	-	-	-	1,170	-	-	-	-	-	1,170	(1,170)	-
Disposal of subsidiary and joint venture companies	-	-	-	-	-	-	-	-	-	-	(294,000)	(294,000)
Total changes in ownership interests	-	-	-	1,170	-	-	-	-	-	1,170	(295,170)	(294,000)
Total transactions with owners in their capacity as owners	65,656	-	(3,570)	(47,281)	-	-	-	(12,803)	(120,953)	(118,951)	(334,893)	(453,844)
Balance at 31 March 2013	1,564,985	(23)	222,219	10,406,083	(49,982)	471,585	(7,905)	18,335	50,451	12,675,748	366,363	13,042,111

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
6 months ended 31 March 2014								
Balance at 1 October 2013	1,441,520	(23)	(2,814)	3,073,846	150	21,176	172,982	4,706,837
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	121	-	-	121
Other comprehensive income for the period	-	-	-	-	121	-	-	121
Profit for the period	-	-	-	31,756	-	-	-	31,756
Total comprehensive income for the period	-	-	-	31,756	121	-	-	31,877
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	2,142	-	2,142
Issue of shares in the Company upon vesting of shares awarded	9,926	-	-	-	-	(9,926)	-	-
Distribution <i>in specie</i>	-	-	-	(2,911,034)	-	-	-	(2,911,034)
Transfer of reserve due to distribution <i>in specie</i> of subsidiary companies	-	-	-	-	-	(4,861)	-	(4,861)
Dividends								
Additional dividends due to vesting of shares awarded	-	-	-	(406)	-	-	406	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(173,388)	(173,388)
Interim dividend for the year, proposed	-	-	-	(28,898)	-	-	28,898	-
Total transactions with owners in their capacity as owners	9,926	-	-	(2,940,338)	-	(12,645)	(144,084)	(3,087,141)
Balance at 31 March 2014	1,451,446	(23)	(2,814)	165,264	271	8,531	28,898	1,651,573
6 months ended 31 March 2013								
Balance at 1 October 2012	1,499,329	(23)	1,036,460	1,601,604	1,886	28,965	171,404	4,339,625
Comprehensive income								
Net fair value changes on available-for-sale financial assets	-	-	-	-	686	-	-	686
Other comprehensive income for the period	-	-	-	-	686	-	-	686
Profit for the period	-	-	-	5,225,911	-	-	-	5,225,911
Total comprehensive income for the period	-	-	-	5,225,911	686	-	-	5,226,597
Contributions by and distributions to owners								
Employee share-based expense	-	-	-	-	-	6,128	-	6,128
Issue of shares in the Company upon exercise of share options and vesting of shares awarded	65,656	-	-	-	-	(19,652)	-	46,004
Transfer of reserves	-	-	(260,251)	260,251	-	-	-	-
Dividends								
Additional dividends due to exercise of share options and vesting of shares awarded	-	-	-	(1,570)	-	-	1,570	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(172,974)	(172,974)
Interim dividend for the year, proposed	-	-	-	(50,451)	-	-	50,451	-
Total transactions with owners in their capacity as owners	65,656	-	(260,251)	208,230	-	(13,524)	(120,953)	(120,842)
Balance at 31 March 2013	1,564,985	(23)	776,209	7,035,745	2,572	15,441	50,451	9,445,380

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.

	Number of Shares	
	2nd Quarter to 31/3/2014	1st Quarter to 31/12/2013
Issued and fully paid ordinary shares:		
As at beginning of period	1,444,910,386	1,441,523,536
Issued during the period - pursuant to share plans	-	3,386,850
As at end of period	<u>1,444,910,386</u>	<u>1,444,910,386</u>
	As at 31/3/2014	As at 31/3/2013
The number of shares that may be issued on exercise of share options outstanding at the end of the period	<u>-</u>	<u>49,177</u>
The number of shares awarded conditionally under Share Plans as at the end of the period	<u>4,236,983</u>	<u>5,573,399</u>
The number of issued shares excluding treasury shares at the end of the period	<u>1,444,906,286</u>	<u>1,441,470,259</u>

The Company held 4,100 treasury shares as at 31 March 2014 (31 March 2013: 4,100).

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 1,444,906,286 as at 31 March 2014 and 1,441,519,436 as at 30 September 2013.

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.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares by the Company during the three months ended 31 March 2014.

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 2013.

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 the following new and revised FRS which became effective from this financial year.

Revised FRS 19	Employee Benefits
FRS 113	Fair Value Measurements
Amendments to FRS 107	Disclosures – Offsetting Financial Assets and Financial Liabilities
Improvements to FRSs 2012:	
Amendments to FRS 1	Presentation of Financial Statements
Amendments to FRS 16	Property, Plant and Equipment
Amendments to FRS 32	Financial Instruments: Presentation

Except for Revised FRS 19, the adoption of the above standards had no material effect on the financial performance or position of the Group and the Company.

With the adoption of Revised FRS 19, the comparative Profit Statement for the period ended 31 March 2013 has been restated. Administration Expenses increased by \$226,000 and Attributable Profit to Shareholders and Non-controlling Interests decreased by \$123,000 and \$103,000 respectively.

Balance Sheet as at 30 September 2013 has been restated. Provision for Employee Benefits increased by \$3,007,000. Exchange Reserve increased by \$74,000 while Revenue Reserve and Non-controlling Interests decreased by \$2,775,000 and \$306,000 respectively. The effect of this restatement is not significant and consequently a restated Group Balance Sheet at the start of the previous reporting period has not been presented.

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 31/3/2014	2nd Quarter to 31/3/2013 (Restated)	6 Months to 31/3/2014	6 Months to 31/3/2013 (Restated)
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before gain on disposal of discontinued operations, fair value adjustment and exceptional items	2.6	7.2	13.4	14.5
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	1.2	3.3	12.0	340.5
(b) On a fully diluted basis (cents)				
- before gain on disposal of discontinued operations, fair value adjustment and exceptional items	2.6	7.1	13.3	14.4
- after gain on disposal of discontinued operations, fair value adjustment and exceptional items	1.2	3.2	12.0	339.2
	\$'000	\$'000	\$'000	\$'000
Attributable profit	16,700	47,062	173,544	4,906,920
Change in attributable net profit due to dilutive share awards	(31)	(46)	(64)	(98)
Adjusted attributable profit	16,669	47,016	173,480	4,906,822

Continuing operations

Earnings per ordinary share:

(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before fair value adjustment and exceptional items	2.6	2.0	5.1	4.4
- after fair value adjustment and exceptional items	2.4	(2.8)	4.9	(4.4)
(b) On a fully diluted basis (cents)				
- before fair value adjustment and exceptional items	2.6	2.0	5.1	4.4
- after fair value adjustment and exceptional items	2.4	(2.8)	4.9	(4.3)
	\$'000	\$'000	\$'000	\$'000
Attributable profit	34,361	(40,780)	70,389	(62,781)
Change in attributable net profit due to dilutive share awards	(31)	(46)	(64)	(98)
Adjusted attributable profit	34,330	(40,826)	70,325	(62,879)

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

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

	Group		Company	
	As at 31/3/2014	As at 30/9/2013 (Restated)	As at 31/3/2014	As at 30/9/2013
Net asset value per ordinary share based on issued share capital	\$1.61	\$5.90	\$1.14	\$3.27

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) seasonable 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 beverages (includes soft drinks, beer and stout) and dairy products; and
- (ii) 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.

On 27 August 2013, the Directors announced the proposed demerger of its property business by effecting a distribution *in specie* (the "FCL Distribution") of all the ordinary shares in the issued share capital of Frasers Centrepoint Limited ("FCL"), a wholly owned subsidiary of the Company to shareholders of the Company, on the basis of two ordinary shares in FCL for each ordinary share of the Company and the listing of the FCL shares on the main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") by way of an Introduction.

On 13 November 2013, the shareholders of the Company approved the FCL Distribution. Prior to the quarter ended 31 December 2013, the Company subscribed for 1,806,520,790 new shares in FCL for a total subscription amount of \$670 million. Subsequently, the Company announced the completion of the FCL Distribution on 8 January 2014.

In accordance with FRS 105, Non-current Assets Held for Sale and Discontinued Operations, the results of FCL Group has been presented separately on the Group Profit Statement as Discontinued Operations. Accordingly, the Group's Properties Segment has been discontinued and the remaining undisposed Property components will be presented in the Others segment.

Profit Statement – 2nd Quarter

Group revenue increased 4% to \$589 million for the quarter ended 31 March 2014 compared to the corresponding period last year. Beverages recorded an increase on the back of Breweries' increased sales volume while Dairies recorded higher revenue contribution from its operations in Singapore, Malaysia and Thailand. Printing and Publishing revenue increased 2% to \$81 million.

Group PBIT (profit before interest and tax) of \$87 million was 61% higher than the corresponding period last year, mainly due to higher contribution from Beverages and Dairies segments and recognition of a valuation gain on interest retained in a joint venture company upon the demerger of FCL. This was partly offset by the strengthening of the Singapore Dollar against the regional currencies which had an unfavourable translation impact.

Group attributable profit on continuing operations* and basic earnings per share on continuing operations were 34% and 30% higher at \$38 million and 2.6 cents respectively.

In accordance with FRS 105, Non-current Assets Held for Sale and Discontinued Operations, the results of the FCL Group for the previous year was restated and presented separately on the Group Profit Statement as Discontinued Operations.

* before fair value adjustment of investment properties and exceptional items

Beverages

Overall Beverages revenue and PBIT was 1% and 13% higher, compared to the corresponding period last year.

Soft Drinks revenue decreased by 5% as compared to the same period last year. Sales revenue in Malaysia declined on the back of lower sales volume due to increased discounts offered by competitors and offset partly by higher sales volume of *Ice Mountain*. Sales revenue in Singapore decreased mainly due to unfavourable packaging mix. PBIT increased by 23% to \$16 million mainly due to favourable sales mix in Malaysia, lower discounts extended, lower operating expenses as a result of improved cost management initiatives and timing of advertising and promotion spending.

Breweries revenue and sales volume were 15% and 34% higher than last year. Sales volume grew across most brands while sales revenue increased on the back of volume increases but offset partly by unfavourable product mix and exchange movement. PBIT increased by 8% mainly due to higher sales volume offset by higher marketing spend and distribution cost incurred to support expansion plans.

Dairies

Dairies revenue was 7% higher than the corresponding period last year.

Dairies Thailand recorded revenue increase of 13% on the back of double digit growth in volume in both domestic and export markets backed by stronger distributor performance in the export market. Dairies Malaysia recorded an increase of 8% in sales revenue mainly due to an increase in sales volume and favourable sales mix. In addition, effective promotional and trade management efforts further reinforced market leadership position and strengthened market penetration. Dairies Singapore recorded an increase of 3% in sales revenue due to improved sales in both the domestic and export markets.

Dairies PBIT increased by 29% mainly due to increased contribution as a result of realisation of operational cost improvement initiatives and healthy product mix. This was offset partly by higher commodity cost for skimmed milk powder and increased distribution costs.

Printing and Publishing

Printing and publishing revenue at \$81 million is 2% higher as compared to the same period last year. Publishing revenue increased 7% mainly due to higher overseas sales while printing revenue increased mainly as a result of higher printing volume from domestic customers.

Loss before interest and taxation was \$1 million, an improvement over the corresponding period last year, mainly due to increased contribution from associated companies. The 2nd quarter is usually a slower quarter due to the end of the text books ordering period.

Others

The increase is mainly due to the recognition of a valuation gain on interest retained in a joint venture company following the demerger of FCL.

Exceptional Items

The exceptional items incurred in this quarter of \$4 million relates to the debt restructuring exercise carried out as a result of the demerger of FCL.

Tax

The Group effective tax rate of 21.6% is reflective of the high taxes on the profits of overseas subsidiaries as well as non-deductible expenses. The Group had a tax charge in the corresponding period last year despite incurring a loss caused by the general offer expenses. Without the general offer expenses, the Group effective tax rate would have been 23.8% which is similar to the current quarter arising from taxes paid by subsidiaries operating in high tax countries.

Balance Sheet as at 31 March 2014**The Group**

The decrease in Reserves was mainly due to the Distribution *in Specie* of FCL, as explained in paragraph 8, page 18 of this report, dividends paid and negative currency translation. This was partly offset by profits of \$174 million retained for the period.

The decrease in the various lines of Assets and Liabilities are mainly due to the completion of the FCL Distribution.

Setting aside the FCL Distribution, the increase in Properties Held for Sale is due to the valuation gain on interest retained in a joint venture company upon the FCL Distribution. The increase in Inventories is driven by the increase in sales, especially in the Dairies segment. The decrease in Other Receivables is mainly due to recoveries of accruals as at 30 September 2013 while the increase in Amounts due from/to Related Parties arose upon the FCL Distribution whereby outstanding amounts with FCL are reclassified as Amounts due from/to Related Parties.

The decrease in Other Payables is mainly due to payments made for accruals as at 30 September 2013 while the decrease in Borrowings is due to repayments made upon the completion of the FCL Distribution.

Group Cash Flow Statement for quarter ended 31 March 2014

The cash inflows and outflows for the quarter ended 31 March 2014 are detailed in the Group Cash Flow Statement.

Net cash inflow from operating activities of \$14 million was higher than the outflow of \$14 million last year mainly due to lower interest expense and income taxes paid.

Net cash outflow from investing activities of \$710 million as compared to an inflow of \$130 million last year was mainly due to deconsolidation of FCL's cash balances upon the demerger of FCL. Last year's cashflow benefitted from the proceeds received from the redemption of units by an associated company.

Net cash inflow from financing activities of \$270 million was higher than the outflow of \$315 million last year mainly due to the settlement of loans from FCL upon the demerger partly offset by settlement of the corresponding bank loans and borrowings.

Group Profit Statement – 6 Months-to-Date

Group revenue and PBIT increased 4% and 39% respectively over the corresponding period last year. The higher revenue and PBIT were mainly due to better performance from Beverages which recorded higher revenue and volumes, and from Dairies which recorded higher revenue as Thailand Dairies' sales and production recovered from the impact of massive flood last year. The recognition of a valuation gain on interest retained in a joint venture company also boosted the PBIT. Group attributable profit on continuing operations* and basic earnings per share on continuing operations* were higher by 17% and 16% respectively.

*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 global economic outlook is expected to improve modestly in 2014, supported by a sustained but slow recovery in the US and Eurozone economies. Nonetheless, uncertainties in the global macroeconomic environment remain. The Singapore economy is projected to grow at between 2% to 4%.

The Food & Beverage segment expects continuing upward pressure on key raw material prices, labour and energy costs. In particular, dairy based raw materials prices are expected to remain relatively high. Weaker consumer sentiments in some of the markets we operate has been affected by both the economic climate and government policies. Nevertheless, the Group will continue to monitor the situation closely and remain responsive to changes in consumer sentiments so as to sustain the operating performance of the Group.

The operating environment for the Printing & Publishing segment will remain challenging in the coming months. Education Publishing will continue to invest to strengthen its overseas markets while Printing will focus on cost management initiatives and expanding its commercial and non-traditional print jobs to mitigate the decline in traditional print business.

While the strengthening of the Singapore Dollar against the regional currencies will alleviate some pressure on import costs, it will also impact 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 : 2.0 cents, tax-exempt (one-tier)

(ii) Previous corresponding period : 3.5 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 2.0 cents, tax-exempt (one-tier), to be paid on 12 June 2014 (last year: 3.5 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 28 May 2014 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 29 May 2014 and 30 May 2014 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.**

Particulars of interested person transactions ("IPTs") for the period 1 October 2013 to 31 March 2014 as required under Rule 907 of the SGX Listing Manual.

<u>Name of interested person</u>	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$	Aggregate value of all interested person transactions conducted during the financial period under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$
Thai Beverage Group of Companies	406,116	-

13. SUBSEQUENT EVENTS

On 26 December 2013, the Company announced a proposed capital reduction exercise ("Capital Reduction") involving a cash distribution by the Company to the shareholders of the Company of \$0.42 in cash for each ordinary share in the capital of the Company. An aggregate amount of approximately \$607 million was distributed to the shareholders of the Company on 3 April 2014.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including the Director(s), if any, who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement and the Directors 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 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 this announcement.

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

We, Siripen Sitasuwan and Sithichai Chaikriangkrai, 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

Siripen Sitasuwan
Director

Sithichai Chaikriangkrai
Director

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

9 May 2014