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Acquisitions and Disposals :: Major Transaction :: PROPOSED DISPOSAL OF THE COMPANY'S INTERESTS IN APBL AND APIPL

* Asterisks denote mandatory information



Name of Announcer *	FRASER AND NEAVE, LIMITED
Company Registration No.	189800001R
Announcement submitted on behalf of	FRASER AND NEAVE, LIMITED
Announcement is submitted with respect to *	FRASER AND NEAVE, LIMITED
Announcement is submitted by *	Anthony Cheong Fook Seng
Designation *	Group Company Secretary
Date & Time of Broadcast	18-Aug-2012 11:18:33
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>> Announcement Details

The details of the announcement start here ...

Announcement Title *	PROPOSED DISPOSAL OF THE COMPANY'S INTERESTS IN APBL AND APIPL
Description	Please see attached.

Attachments

 FNN-Press-Release-18.8.12.pdf
 FNN-Disposal-Announcement-18.08.12.pdf
 Total size = **638K**
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FRASER AND NEAVE, LIMITED

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

F&N accepts Heineken's offer to acquire its entire interest in APB at improved price of \$53 per share

- Improved price is 6.0% above the previous offer price of \$50 per share for its 39.7% stake in APB
- Total aggregate consideration of \$5.59 billion
- Sale of F&N's stakes in APB in its entirety better maximises shareholder value

Singapore, 18 August 2012 – Fraser and Neave, Limited ("**F&N**") today announced that it has entered into sale and purchase agreements with Heineken International B.V. ("**Heineken**"), a wholly owned subsidiary of Heineken N.V., to sell its entire interest in Asia Pacific Breweries Limited ("**APB**") and other assets in Asia Pacific Investment Pte Ltd ("**APIPL**") for an aggregate consideration of \$5.59 billion. This consideration values F&N's 32.4% effective interest, held through a 50-50 joint venture APIPL between F&N and Heineken N.V., at \$4.43 billion. The other assets held by APIPL were valued at \$163 million. F&N's 7.3% direct interest in APB is valued at \$994 million. The \$5.59 billion consideration is a \$307 million or a 6.0% increase over Heineken's previous offer. This represents a premium of 53.7% over the one-month volume weighted average price per APB share¹ and a c.20x FY2011 EBITDA multiple. The sale of F&N's direct and JV stakes in APB respects Heineken's rights under F&N's joint venture agreement with Heineken.

¹ One-month period of up to and including 16 July 2012, being the date of the joint holding announcement by Oversea-Chinese Banking Corporation Limited and Great Eastern Holdings Limited of an offer to purchase their combined stakes in F&N and APB.

Mr Lee Hsien Yang, Chairman of F&N, said, “Heineken’s new offer of \$53 per share is for our entire interest in APB, while Kindest Place Groups Limited’s offer, although marginally higher than Heineken’s on a per share basis, is only for our direct 7.3% stake. The sale of F&N’s stakes in APB in its entirety to Heineken at the improved price would better maximise overall returns for F&N shareholders. If F&N shareholders approve the sale, all remaining APB shareholders will also stand to benefit from the higher mandatory offer price of \$53 per share.”

The transaction remains subject to sale conditions which include the receipt of regulatory approvals and the approval of F&N’s shareholders at an EGM to be convened.

- END -

For clarification and further enquiries, please contact:

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DIRECTORS’ RESPONSIBILITY STATEMENT

The directors of F&N (including any who may have delegated detailed supervision of this press release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this press release are fair and accurate and that no material facts have been omitted from this press release, and the directors of F&N jointly and severally accept full responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the directors of F&N 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 press release.



FRASER AND NEAVE, LIMITED

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

PROPOSED DISPOSAL OF THE COMPANY'S INTERESTS IN ASIA PACIFIC BREWERIES LIMITED ("APBL") AND ASIA PACIFIC INVESTMENT PTE LTD ("APIPL")

1. INTRODUCTION

1.1 **Previous Announcements.** The board of directors (the "**Board**") of Fraser and Neave, Limited (the "**Company**") refers to:

1.1.1 the announcement of the Company on 3 August 2012 in relation to the Company's in-principle agreement on the offer ("**Heineken Offer**") from Heineken N.V. to acquire (a) the Company's direct and indirect interests in APBL at a price which values APBL at S\$50.00 for each ordinary share in APBL ("**APBL Share**") and (b) the Company's interest in certain non-APBL assets held by APIPL for an aggregate consideration of S\$163 million (collectively, the "**Proposed Transaction**"); and

1.1.2 the announcements of the Company on 7 August 2012 and 14 August 2012 respectively in relation to the Company's receipt of an unsolicited offer ("**KPGL Offer**") from Kindest Place Groups Limited ("**KPGL**") to acquire the Company's direct interest in APBL at a price of S\$55.00 for each APBL Share,

(together, the "**Previous Announcements**").

1.2 **Agreement with Heineken.** Further to the Previous Announcements, the Board wishes to announce that the Company had entered into further discussions with Heineken N.V. and KPGL in relation to their respective offers. Pursuant to these discussions, Heineken N.V. has proposed, *inter alia*, to increase the consideration offered under the terms of the Heineken Offer in respect of the Company's direct and indirect interests in APBL from S\$50.00 to S\$53.00 for each APBL Share ("**Revised Heineken Offer**").

The Board has evaluated the KPGL Offer in light of the Revised Heineken Offer. The Board has taken into consideration, *inter alia*, (a) the fact that the KPGL Offer is for the Company's direct interest in APBL only while the Revised Heineken Offer extends to the Company's entire interest in APBL; (b) the terms of the Revised Heineken Offer require the sale of the Company's indirect interests in APBL to take place contemporaneously with the sale of the Company's direct interests in APBL; and (c) Heineken N.V.'s existing rights under the terms of its joint venture with the Company in relation to APIPL and APBL. Having regard to the foregoing, the Board is of the view that accepting the Revised Heineken Offer will allow the Company to realise the value in its entire interest in APBL at an attractive premium.

Accordingly, the Board wishes to announce that it has, today, entered into, *inter alia*, conditional sale and purchase agreements with Heineken International B.V. ("**Heineken**"), a wholly-owned subsidiary of Heineken N.V., in respect of the Proposed Transaction. Further details on the principal terms of the Agreements (as defined below) are set out in this Announcement.

2. PRINCIPAL TERMS OF THE PROPOSED TRANSACTION

2.1 **Agreements.** The Company has agreed to sell and Heineken has agreed to purchase:

2.1.1 18,753,887 APBL Shares held directly by the Company (the “**APBL Sale Shares**”) on and subject to the terms of the agreement in respect of the sale of the APBL Sale Shares (“**APBL Agreement**”); and

2.1.2 all the ordinary and preference shares in the issued share capital of APIPL held by the Company¹ (the “**APIPL Sale Shares**” and together with the APBL Sale Shares, the “**Sale Interests**”), representing in aggregate 50 per cent. of the total issued shares of APIPL, on and subject to the terms of the agreement in respect of the sale of the APIPL Sale Shares (“**APIPL Agreement**” and together with the APBL Agreement, the “**Agreements**”).

2.2 **Consideration.** The aggregate consideration payable by Heineken to the Company for the Sale Interests under the terms of the Agreements is S\$5,591,299,909 (the “**Consideration**”) in cash. The Consideration comprises:

2.2.1 a price of S\$53.00 for each APBL Sale Share, for an aggregate consideration of S\$993,956,011, subject to a reduction on a dollar for dollar basis for any dividends declared and received by the Company on the APBL Sale Shares, for which the record date of such dividends falls after the date of the APBL Agreement but before the completion of the sale of the APBL Sale Shares;

2.2.2 an attributed price of S\$53.00 for each APBL Share, for an aggregate consideration of S\$4,434,343,898, in respect of the Company's interest in 50 per cent. of the 167,333,732 APBL Shares held by APIPL; and

2.2.3 an aggregate consideration of S\$163,000,000 for the Company's interests in the non-APBL assets held by APIPL.

The Consideration was arrived at on a willing buyer willing seller basis and took into account the historical traded prices of APBL Shares and the net book value of the non-APBL assets. The valuation of S\$53.00 for each APBL Share represents a premium of 53.74 per cent. over the one-month volume weighted average price of each APBL Share² and a multiple of approximately 20x FY2011 EBITDA.

2.3 **Conditions Precedent.** Pursuant to the terms of the Agreements, the completion of the Proposed Transaction is subject to the conditions set out below.

2.3.1 The completion of the sale of the APBL Sale Shares is conditional upon:

¹ This comprises 41,175,000 ordinary shares, 6,250,000 redeemable participating preference shares, 25,500,000 redeemable preference shares and 16,808 redeemable “A” preference shares in the issued share capital of APIPL.

² For the one-month period up to and including 16 July 2012, being the date of the joint holding announcement by Oversea-Chinese Banking Corporation Limited and Great Eastern Holdings Limited of an offer to purchase their combined stakes in the Company and APBL.

- (a) the approval of the shareholders of the Company ("**Shareholders**") being obtained at an extraordinary general meeting of the Company to be convened to approve the proposed sale of the Sale Interests ("**EGM**"); and
- (b) the completion of the sale and purchase of the APBL Sale Shares taking place contemporaneously with the completion of the sale and purchase of the APIPL Sale Shares,

(together, the "**APBL Sale Shares Conditions**").

The condition precedent stated in paragraph 2.3.1(b) is for the benefit of the Company and may be waived by the Company. In the event that the APBL Sale Shares Conditions have not been fulfilled or otherwise waived on or before the date falling 120 days from the date of this Announcement (or such later date as may be agreed in writing between the parties) (the "**Long Stop Date**"), the APBL Agreement shall terminate.

2.3.2 The completion of the sale of the APIPL Sale Shares is conditional upon:

- (a) the approval of the Shareholders being obtained at the EGM;
- (b) all necessary approvals under applicable competition laws having been obtained from the relevant competition authorities in the relevant jurisdictions where APIPL, its subsidiaries and associated companies have been incorporated and/or have operations and, in particular, the Competition Commission of Singapore having made a favourable decision that the Proposed Transaction and the MGO (as defined below) will not, if carried into effect, infringe Section 54 of the Competition Act (Cap 50B of Singapore) and if such consents or approvals are subject to any conditions, such conditions being capable of adherence by the party concerned and if such conditions are required to be fulfilled before completion of the Proposed Transaction, such conditions being so fulfilled;
- (c) all other necessary consents, approvals and waivers required under applicable laws and regulations and/or from the relevant authorities for the Proposed Transaction and all other transactions in connection therewith or incidental thereto as contemplated under the Agreements and its ancillary agreements being granted and not being withdrawn or revoked before completion and if such consents or approvals are obtained subject to any conditions, such conditions being capable of adherence by the party concerned and if such conditions are required to be fulfilled before completion of the Proposed Transaction, such conditions being so fulfilled;
- (d) all representations and warranties of the respective parties to the APIPL Agreement being true and accurate until completion of the sale and purchase of the APIPL Sale Shares; and
- (e) the completion of the sale and purchase of the APIPL Sale Shares taking place contemporaneously with the completion of the sale and purchase of the APBL Sale Shares in accordance with the terms of the APBL Agreement,

(together, the "**APIPL Sale Shares Conditions**").

The APIPL Sale Shares Condition stated in paragraph 2.3.2(b) is for the benefit of and may be waived by Heineken. The APIPL Sale Shares Condition in paragraph 2.3.2(d) may be waived (i) by Heineken, in respect of the condition that the representations and warranties of the Company shall remain true and accurate and (ii) by the Company, in respect of the condition that the representations and warranties of Heineken shall remain true and accurate.

In the event that the APIPL Sale Shares Conditions have not been fulfilled or otherwise waived on or before the Long Stop Date, the APIPL Agreement shall terminate.

- 2.4 **Exclusivity.** Under the terms of the APIPL Agreement, the Company has agreed that it shall not, during the term of the APIPL Agreement, directly or indirectly, solicit or engage in discussions or negotiations regarding the making or acceptance of an alternative offer or proposal for the making or acceptance of an alternative offer for the APIPL Sale Shares or the APBL Sale Shares or any proposal involving the potential acquisition of a substantial direct interest of APIPL or APBL, or accept any alternative offer for the APIPL Sale Shares or the APBL Sale Shares or any proposal involving the potential acquisition of a substantial direct interest of APIPL or APBL.
- 2.5 **Break Fee.** The Company has agreed to pay to Heineken the sum of S\$55,913,000, representing approximately one per cent. of the Consideration, if the Proposed Transaction is not completed by the Long Stop Date:
- 2.5.1 as a result of the Shareholders voting against the Proposed Transaction at the EGM; or
 - 2.5.2 as a result of the Board withholding its recommendation to Shareholders to vote in favour of the resolution to approve the Proposed Transaction at the EGM in the circular to Shareholders or, if given, revoking such recommendation at any time before the EGM, unless the approval of the Shareholders is obtained for the Proposed Transaction at the EGM notwithstanding such withholding or revocation; or
 - 2.5.3 due to the default of the Company in carrying out its obligations under the APIPL Agreement, other than for reasons beyond the Company's control.
- 2.6 **Post-Completion.** On completion of the Proposed Transaction ("**Completion**"), the Company will cease to hold any interests in APBL and APIPL.
- 2.7 **No Increase.** Pursuant to the APIPL Agreement, Heineken has undertaken with the Company that it shall, following Completion, make a mandatory general offer for the APBL Shares ("**MGO**") at a price of S\$53.00 for each APBL Share and shall not revise the price of the MGO under any circumstances or do anything which would oblige Heineken or its concert parties to make the MGO at a higher price.

- 2.8 **Post-Completion Undertakings.** Under the terms of the APIPL Agreement:
- 2.8.1 the Company has undertaken with Heineken that the Company and its subsidiaries (the “**F&N Group**”):
- (a) shall not, for a period of two years commencing from the date of Completion (“**Completion Date**”), undertake the manufacture, distribution and sale of brewery products and brewery-related products in Singapore, Cambodia, Papua New Guinea and Vietnam; and
 - (b) shall not, for a period of one year commencing from the Completion Date, induce or seek to induce senior employees of APBL and its subsidiaries to become an employee of the F&N Group; and
- 2.8.2 Heineken has undertaken with the Company that Heineken and its related corporations (the “**Heineken Group**”) shall not, for a period of two years commencing from the Completion Date, undertake the manufacture, distribution and sales of soft drinks in Singapore, Papua New Guinea, Cambodia and Vietnam.
- 2.9 **Ancillary Agreements.** In conjunction with Completion:
- 2.9.1 the Company will terminate certain agreements between the Company and various members of the Heineken Group entered into in connection with the Company’s joint venture with Heineken in respect of APIPL and APBL; and
- 2.9.2 the Company will enter into a transitional services agreement with Heineken in which the Company has agreed to provide certain services to APIPL and its subsidiaries for an agreed period following the completion of the Proposed Transaction.
- 2.10 **Termination Rights.** The APIPL Agreement may be terminated at any time prior to Completion by:
- 2.10.1 the Company, if the approval of the Shareholders is not obtained for the Proposed Transaction;
 - 2.10.2 a non-defaulting party to the APIPL Agreement, if the other party is in material breach of any provision of the Agreements or has failed to perform and comply in any material respect with any of the representations and warranties in any of the Agreements on or prior to Completion; or
 - 2.10.3 either party to the APIPL Agreement on the Long Stop Date, if any relevant authorities takes, institutes, or implements any action, proceeding, suit, investigation or makes, proposes or enacts any statute, regulation, ruling, statement or order which would make the Proposed Transaction void, illegal and/or unenforceable or otherwise restrict or frustrate or be adverse to the same and the parties not being able to find a mutually acceptable solution to proceeding with the Proposed Transaction after having consulted with each other in good faith.

3. INFORMATION ON APBL AND APIPL

3.1 **APBL.** APBL is a company listed on the mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and is one of the key players in the beer industry. APBL currently operates an extensive global marketing network which spreads across 60 countries and is supported by 30 breweries in 14 countries.

3.2 **APIPL.** APIPL is an investment holding company established as a joint venture between the Company and Heineken. As at the date of this Announcement (“**Announcement Date**”), each of the Company and Heineken hold 50 per cent. of the issued shares of APIPL. As at the Announcement Date, APIPL holds 167,333,732 APBL Shares, representing approximately 64.8 per cent. of the total issued shares of APBL as at the Announcement Date, and certain other non-APBL assets.

3.3 **Asset Value.** Based on the latest unaudited consolidated accounts of the F&N Group for the nine months ended 30 June 2012:

3.3.1 the book value and the net asset value (“**NAV**”) of the APIPL Sale Shares was S\$538.100 million; and

3.3.2 the book value of the APBL Sale Shares was S\$165.558 million.

As at 16 August 2012, being the last trading day in the APBL Shares prior to the Announcement Date, the open market value of the APBL Sale Shares was S\$947.986 million based on a weighted average price of S\$50.5488 for each APBL Share on 16 August 2012.

3.4 **Net Profits.** The net profits before income tax, non-controlling interests and exceptional items attributable to the Sale Interests by the Company for (a) the financial year ended 30 September 2011 (“**FY2011**”) is S\$337.192 million and (b) the nine months ended 30 June 2012 is S\$331.474 million.

3.5 **Gain on Disposal.** Assuming the Proposed Transaction was completed on 30 June 2012 and there is no adjustment to the Consideration, the Company’s gain on disposal from the Proposed Transaction is approximately S\$5,146.679 million and the gain on disposal for the F&N Group is approximately S\$4,769.808 million

4. RATIONALE AND USE OF PROCEEDS

The Board is of the view that the consideration offered for the Company’s direct and indirect interests in APBL represents an attractive premium to the historical trading price of the APBL Shares and will allow the Company to immediately unlock substantial value in the beer business of the Company. The proceeds (net of transaction costs) from the Proposed Transaction represents an excess of S\$4,877.442 million over the aggregate book value of the APIPL Sale Shares and the APBL Sale Shares as at 30 June 2012.

The proceeds from the Proposed Transaction will further strengthen the financial position of the Company and allow it to focus its resources on existing investments and future business opportunities for the Company, and enable the Company to achieve its aim of maximising shareholder returns. The Company is also considering possible options to distribute part of the proceeds from the Proposed Transaction to the Shareholders (which may include a return of capital) and will update the Shareholders in due course.

5. FINANCIAL EFFECTS

5.1 **Assumptions.** The pro forma financial effects on the NAV per share, the earnings per share and the share capital of the F&N Group are set out below. The pro forma financial effects have been prepared based on figures derived from the unaudited restated consolidated financial results of the F&N Group for FY2011³ as disclosed in the Appendix of this Announcement, and are purely for illustration purposes only and do not reflect the actual financial position of the F&N Group after Completion.

5.2 **NAV.** For illustrative purposes only and assuming the Proposed Transaction had been completed on 30 September 2011, the pro forma financial effects on the restated consolidated NAV of the F&N Group for FY2011 are as follows:

	Before Completion	After Completion
NAV (S\$ million)	6,843.369	11,700.025
NAV per share (S\$)	4.85	8.29

5.3 **Earnings.** For illustrative purposes only and assuming that the Proposed Transaction had been completed on 1 October 2010, the pro forma financial effects on the restated consolidated earnings of the F&N Group for FY2011 are as follows:

	Before Completion	After Completion
Profit after Tax and Non-Controlling Interest (before fair value adjustment and exceptional items) (S\$ million)	642.950	541.975
Profit after Tax and Non-Controlling Interest (after fair value adjustment and exceptional items) (S\$ million)	897.830	5,529.287
Earnings per share (before fair value adjustment and exceptional items) (cents)	45.7	38.5
Earnings per share (after fair value adjustment and exceptional items) (cents)	63.8	392.8

5.4 **Share Capital.** The Proposed Transaction will not have any impact on the issued and paid-up share capital of the Company.

³ The F&N Group has adopted INT FRS 115 Agreements for the Construction of Real Estate from 1 October 2011, resulting in a restatement of consolidated financial results of the F&N Group for FY2011.

6. SHAREHOLDERS' APPROVAL

6.1 **Major Transaction.** The relative figures for the Proposed Transaction computed on the bases set out in Rule 1006 ("Rule 1006") of the Listing Manual of the SGX-ST ("Listing Manual") are as follows:

Rule 1006	Bases	Sale Interests (\$ million)	F&N Group (\$ million)	Relative Figures (%)
(a)	Net asset value of the Sale Interests compared with the F&N Group's net asset value as at 30 June 2012	1,486.086 ⁽¹⁾	7,874.526 ⁽²⁾	18.9
(b)	Net profits attributable to the Sale Interests compared with the F&N Group's net profits before income tax, non-controlling interests and exceptional items for the nine months ended 30 June 2012	331.474	687.542	48.2
(c)	Consideration ⁽⁴⁾ for the Sale Interests compared with the Company's market capitalisation ⁽³⁾	5,591.300	11,953.855	46.8

Notes:

- (1) For the purposes of Rule 1006(a), (i) the net asset value of the APBL Sale Shares is determined with reference to the market value of the APBL Sale Shares based on the weighted average price of S\$50.5488 for each APBL Share on 16 August 2012, being the last market day on which APBL Shares were traded prior to the Announcement Date and (ii) the net asset value of the APIPL Sale Shares is determined with reference to the net asset value of the APIPL Sale Shares as derived from the consolidated accounts of the F&N Group for the nine months ended 30 June 2012.
- (2) For the purposes of Rule 1006(a), the net asset value of the F&N Group means total assets less total liabilities, as derived from the consolidated accounts of the F&N Group for the nine months ended 30 June 2012.
- (3) The Company's market capitalisation is based upon 1,423,806,812 shares of the Company ("F&N Shares") in issue as at 16 August 2012, excluding treasury shares, being the last market day on which F&N Shares were traded prior to the Announcement Date, at a weighted average price of S\$8.3957 per F&N Share.
- (4) The Consideration has been determined on the basis that no adjustment is required under the terms of the Agreements.

As the relative figures under Rules 1006(b) and 1006(c) exceed 20 per cent., the Proposed Transaction constitutes a major transaction as defined in Chapter 10 of the Listing Manual. Accordingly, the Proposed Transaction is subject to the approval of Shareholders.

6.2 **EGM.** The circular to Shareholders setting out information on the Proposed Transaction, together with a notice of the EGM to be convened, will be despatched to the Shareholders in due course. The Board recommends that the Shareholders vote in favour of the resolution to approve the Proposed Transaction at the EGM. In the meantime, Shareholders who are in any doubt as to the action that they should take should consult their stockbroker, bank manager, accountant, solicitor or other professional advisers immediately.

7. FURTHER INFORMATION

- 7.1 **Directors' Service Contracts.** No person is proposed to be appointed as a director of the Company in connection with the Proposed Transaction and accordingly, no service contract is proposed to be entered into between the Company and any such person.
- 7.2 **Interests of Directors' and Controlling Shareholders.** None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Transaction.
- 7.3 **Documents for Inspection.** A copy of each of the Agreements is available for inspection during normal business hours at the registered office of the Company at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119558, for a period of three months commencing from the Announcement Date.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Company (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and the directors of the Company jointly and severally accept full responsibility accordingly.

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

BY ORDER OF THE BOARD

Anthony Cheong Fook Seng
Company Secretary
18 August 2012

Appendix

Restated Unaudited Consolidated Results of the F&N Group for the financial year ended 30 September 2011

GROUP PROFIT STATEMENT

For the year ended 30 September 2011

	2011 Unaudited As Restated \$'000	2011 Audited As Reported \$'000
Revenue	6,366,375	6,274,289
Cost of sales	(4,185,549)	(4,162,147)
Gross profit	<u>2,180,826</u>	<u>2,112,142</u>
Other income (net)	39,689	39,689
Operating expenses		
- Distribution	(230,078)	(230,078)
- Marketing	(542,920)	(499,761)
- Administration	(351,269)	(351,269)
	<u>(1,124,267)</u>	<u>(1,081,108)</u>
Trading profit	1,096,248	1,070,723
Share of joint venture companies' profits	17,342	17,342
Share of associated companies' profits	51,937	51,937
Gross income from investments	11,549	11,549
Profit before interest and taxation ("PBIT")	<u>1,177,076</u>	<u>1,151,551</u>
Finance income	17,704	17,704
Finance expense	(71,562)	(71,562)
Net finance cost	(53,858)	(53,858)
Profit before fair value adjustment, taxation and exceptional items	<u>1,123,218</u>	<u>1,097,693</u>
Fair value adjustment of investment properties (net)	140,057	140,057
Profit before taxation and exceptional items	<u>1,263,275</u>	<u>1,237,750</u>
Exceptional items	175,129	175,129
Profit before taxation	<u>1,438,404</u>	<u>1,412,879</u>
Taxation	(306,681)	(298,527)
Profit after taxation	<u>1,131,723</u>	<u>1,114,352</u>
Attributable profit to:		
Shareholders of the Company		
- Before fair value adjustment and exceptional items	642,950	620,552
- Fair value adjustment of investment properties (net)	112,925	112,925
- Exceptional items	141,955	141,955
	<u>897,830</u>	<u>875,432</u>
Non-controlling interests	233,893	238,920
	<u>1,131,723</u>	<u>1,114,352</u>

BALANCE SHEET
As at 30 September 2011

	2011 Unaudited As Restated \$'000	2011 Audited As Reported \$'000
SHARE CAPITAL AND RESERVES		
Share capital	1,417,404	1,417,404
Reserves	5,425,965	5,464,806
	<u>6,843,369</u>	<u>6,882,210</u>
NON-CONTROLLING INTERESTS		
	831,204	838,814
	<u>7,674,573</u>	<u>7,721,024</u>
Represented by:		
NON-CURRENT ASSETS		
Fixed assets	1,188,098	1,187,048
Investment properties	2,476,740	2,476,740
Joint venture companies	60,101	60,101
Associated companies	1,382,200	1,382,200
Intangible assets	569,609	570,565
Brands	73,519	72,452
Other investments	404,583	404,583
Other receivables	65,212	65,212
Other assets	41,000	41,000
Deferred tax assets	14,649	14,649
	<u>6,275,711</u>	<u>6,274,550</u>
CURRENT ASSETS		
Properties held for sale	4,037,836	4,103,882
Inventories	373,497	373,405
Trade receivables	961,457	961,457
Other receivables	317,142	317,142
Joint venture companies	6,117	6,117
Associated companies	13,181	13,181
Short term investments	3,604	3,604
Bank fixed deposits	1,180,935	1,180,935
Cash and bank balances	418,672	418,672
	<u>7,312,441</u>	<u>7,378,395</u>
Assets held for sale	119,542	119,542
	<u>7,431,983</u>	<u>7,497,937</u>
Deduct: CURRENT LIABILITIES		
Trade payables	673,442	673,442
Other payables	737,503	748,468
Joint venture companies	14,263	14,263
Associated companies	3,043	3,043
Borrowings	747,546	747,546
Provision for taxation	310,240	317,648
	<u>2,486,037</u>	<u>2,504,410</u>
Liabilities held for sale	38,292	38,292
	<u>2,524,329</u>	<u>2,542,702</u>
NET CURRENT ASSETS		
	4,907,654	4,955,235
Deduct: NON-CURRENT LIABILITIES		
Other payables	97,740	96,214
Borrowings	3,215,900	3,215,900
Provision for employee benefits	20,405	20,405
Deferred tax liabilities	174,747	176,242
	<u>3,508,792</u>	<u>3,508,761</u>
	<u>7,674,573</u>	<u>7,721,024</u>

