



FRASER AND NEAVE, LIMITED

(Company Registration No. 18980001R)
(Incorporated in the Republic of Singapore)

RESULTS FOR THE 2ND QUARTER ENDED 31 MARCH 2015 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 2015.

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 31/3/2015 \$'000	2nd Quarter to 31/3/2014 \$'000 (Restated)*	Change %	6 Months to 31/3/2015 \$'000	6 Months to 31/3/2014 \$'000 (Restated)*	Change %
Revenue	608,255	589,424	3.2	1,263,235	1,185,971	6.5
Cost of sales	(392,296)	(387,110)	1.3	(820,011)	(777,564)	5.5
Gross profit	215,959	202,314	6.7	443,224	408,407	8.5
Other income (net)	1,349	26,539	(94.9)	3,624	17,524	(79.3)
Operating expenses						
- Distribution	(48,692)	(49,083)	(0.8)	(99,243)	(95,395)	4.0
- Marketing	(64,742)	(61,814)	4.7	(130,066)	(120,667)	7.8
- Administration	(38,196)	(36,497)	4.7	(73,384)	(70,070)	4.7
	(151,630)	(147,394)	2.9	(302,693)	(286,132)	5.8
Trading profit	65,678	81,459	(19.4)	144,155	139,799	3.1
Share of joint venture company's losses	(121)	(160)	(24.4)	(204)	(160)	27.5
Share of associated companies' profits	770	1,670	(53.9)	1,904	3,908	(51.3)
Gross income from investments	-	3,810	NM	128	3,941	(96.8)
Profit before interest and taxation ("PBIT")	66,327	86,779	(23.6)	145,983	147,488	(1.0)
Finance income	2,059	2,764	(25.5)	3,037	19,000	(84.0)
Finance cost	(2,138)	(2,793)	(23.5)	(3,154)	(9,874)	(68.1)
Net finance (cost)/income	(79)	(29)	172.4	(117)	9,126	NM
Profit before taxation and exceptional items	66,248	86,750	(23.6)	145,866	156,614	(6.9)
Exceptional items	848	(3,717)	NM	(189)	(3,717)	(94.9)
Profit before taxation	67,096	83,033	(19.2)	145,677	152,897	(4.7)
Taxation	(15,760)	(18,014)	(12.5)	(33,671)	(31,435)	7.1
Profit from continuing operations, net of tax	51,336	65,019	(21.0)	112,006	121,462	(7.8)
Discontinued operations						
Profit from discontinued operations, net of tax	-	-	-	-	138,121	NM
Loss on distribution of discontinued operations	-	(17,661)	NM	-	(17,661)	NM
Profit after taxation	51,336	47,358	8.4	112,006	241,922	(53.7)
Attributable profit to:						
Shareholders of the Company						
- Before exceptional items						
Continuing operations	25,662	38,078	(32.6)	61,399	74,106	(17.1)
Discontinued operations	-	-	-	-	119,018	NM
	25,662	38,078	(32.6)	61,399	193,124	(68.2)
- Loss on distribution of discontinued operations	-	(17,661)	NM	-	(17,661)	NM
- Exceptional items						
Continuing operations	498	(3,717)	NM	(79)	(3,717)	(97.9)
Discontinued operations	-	-	-	-	1,798	NM
	498	(3,717)	NM	(79)	(1,919)	(95.9)
	26,160	16,700	56.6	61,320	173,544	(64.7)
Non-controlling interests						
Continuing operations	25,176	30,658	(17.9)	50,686	51,073	(0.8)
Discontinued operations	-	-	-	-	17,305	NM
	25,176	30,658	(17.9)	50,686	68,378	(25.9)
	51,336	47,358	8.4	112,006	241,922	(53.7)

NM – Not meaningful

* Restated upon the adoption of FRS 111 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 31/3/2015 \$'000	2nd Quarter to 31/3/2014 \$'000 (Restated)	Change %	6 Months to 31/3/2015 \$'000	6 Months to 31/3/2014 \$'000 (Restated)	Change %
Operating expenses						
Included in operating expenses are:						
Depreciation & amortisation	(20,195)	(19,611)	3.0	(43,645)	(42,427)	2.9
Write back of/(Allowance for) bad and doubtful debts	264	(1,329)	NM	(241)	(2,050)	(88.2)
Allowance for inventory obsolescence	(2,290)	(726)	NM	(3,615)	(1,300)	178.1
Employee share-based expenses	(1,423)	(2,199)	(35.3)	(2,990)	(2,790)	7.2
Other income (net)						
(Loss)/Gain on disposal of fixed assets	(76)	91	NM	(16)	402	NM
Foreign exchange gain/(loss)	346	(269)	NM	(240)	(10,679)	(97.8)
Taxation						
Over/(Under) provision of prior year taxation	2,205	(1,926)	NM	2,258	1,582	42.7
Exceptional items						
Impairment reversal/(loss) on fixed assets relating to flood	848	-	NM	(189)	-	NM
Corporate and debt restructuring expenses	-	(3,717)	NM	-	(3,717)	NM
	<u>848</u>	<u>(3,717)</u>	NM	<u>(189)</u>	<u>(3,717)</u>	(94.9)
PBIT as a percentage of revenue	<u>10.9%</u>	<u>14.7%</u>		<u>11.6%</u>	<u>12.4%</u>	

NM - Not meaningful

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

	2nd Quarter to 31/3/2015 \$'000	2nd Quarter to 31/3/2014 \$'000 (Restated)	6 Months to 31/3/2015 \$'000	6 Months to 31/3/2014 \$'000 (Restated)
Revenue				
By Business Activity				
Beverages	250,572	239,613	517,952	473,766
Dairies	275,249	269,027	574,277	540,073
Printing & publishing	82,094	80,699	170,598	171,990
Others	340	85	408	142
	<u>608,255</u>	<u>589,424</u>	<u>1,263,235</u>	<u>1,185,971</u>
By Territory				
Singapore	112,999	109,782	235,279	228,601
Malaysia	228,522	247,514	494,678	506,732
Other ASEAN	244,427	209,510	488,603	406,172
North/South Asia	20,218	21,049	40,483	41,431
Outside Asia	2,089	1,569	4,192	3,035
	<u>608,255</u>	<u>589,424</u>	<u>1,263,235</u>	<u>1,185,971</u>
PBIT				
By Business Activity				
Beverages	49,778	45,148	103,432	89,166
Dairies	19,918	16,952	39,435	33,320
Printing & publishing	(1,791)	(909)	(2,442)	830
Others	(1,578)	25,588	5,558	24,172
	<u>66,327</u>	<u>86,779</u>	<u>145,983</u>	<u>147,488</u>
By Territory				
Singapore	(1,900)	3,025	8,539	4,550
Malaysia	17,952	44,857	40,920	71,119
Other ASEAN	52,918	40,428	100,550	73,158
North/South Asia	(1,424)	(804)	(2,587)	(197)
Outside Asia	(1,219)	(727)	(1,439)	(1,142)
	<u>66,327</u>	<u>86,779</u>	<u>145,983</u>	<u>147,488</u>
Attributable profit				
By Business Activity				
Beverages	18,972	19,421	42,716	37,709
Dairies	8,760	7,566	17,182	15,512
Printing & publishing	(2,498)	(1,244)	(4,317)	704
Others	428	12,335	5,818	20,181
Continuing operations	25,662	38,078	61,399	74,106
Discontinued operations*	-	-	-	119,018
Loss on distribution of discontinued operations	-	(17,661)	-	(17,661)
Exceptional items				
- Continuing operations	498	(3,717)	(79)	(3,717)
- Discontinued operations	-	-	-	1,798
	<u>26,160</u>	<u>16,700</u>	<u>61,320</u>	<u>173,544</u>

* Refers to the demerger of Frasers Centrepoint Limited.

1(a)(iv) STATEMENT OF COMPREHENSIVE INCOME

	Group			
	2nd Quarter to 31/3/2015 \$'000	2nd Quarter to 31/3/2014 \$'000	6 Months to 31/3/2015 \$'000	6 Months to 31/3/2014 \$'000
Profit after taxation	51,336	47,358	112,006	241,922
Other comprehensive income:				
<u>Items that may be reclassified subsequently to profit statement</u>				
Share of other comprehensive income of associated companies	397	1,885	846	(3,856)
Realisation of reserves on distribution <i>in specie</i> of subsidiary companies	-	17,661	-	17,661
Realisation of reserves on liquidation of subsidiary and joint venture companies	(7)	-	(716)	-
Net fair value changes on derivative financial instruments	-	-	-	706
Realisation of hedging loss from derivative financial instruments	-	-	-	5,707
Net fair value changes on available-for-sale financial assets	95,494	26,800	51,488	3,146
Currency translation difference	2,278	7,628	(9,297)	(23,364)
	98,162	53,974	42,321	-
Total comprehensive income for the period	149,498	101,332	154,327	241,922
Total comprehensive income attributable to:				
Shareholders of the Company				
Continuing operations	124,876	68,477	110,323	80,459
Discontinued operations	-	-	-	97,694
	124,876	68,477	110,323	178,153
Non-controlling interests	24,622	32,855	44,004	63,769
	149,498	101,332	154,327	241,922

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 31/3/2015 \$'000	As at 30/9/2014 \$'000 (Restated)*	As at 31/3/2015 \$'000	As at 30/9/2014 \$'000
SHARE CAPITAL AND RESERVES				
Share capital	849,301	844,585	849,301	844,585
Treasury shares	(23)	(23)	(23)	(23)
Reserves	825,663	760,268	51,169	66,547
	1,674,941	1,604,830	900,447	911,109
NON-CONTROLLING INTERESTS				
	421,993	396,115	-	-
	2,096,934	2,000,945	900,447	911,109
Represented by:				
NON-CURRENT ASSETS				
Fixed assets	658,203	661,116	-	-
Investment properties	39,807	40,702	-	-
Properties held for development	20,544	21,276	-	-
Subsidiary companies	-	-	786,007	800,712
Joint venture companies	47,873	49,358	-	-
Associated companies	49,179	49,866	18,100	18,100
Intangible assets	89,697	93,039	-	-
Brands	29,647	31,033	212	212
Other investments	753,153	701,613	107,781	100,779
Other receivables	1,216	1,295	-	-
Deferred tax assets	22,322	25,872	-	-
Bank fixed deposits	4,462	4,672	-	-
	1,716,103	1,679,842	912,100	919,803
CURRENT ASSETS				
Inventories	310,872	274,245	-	-
Trade receivables	288,157	309,187	-	-
Other receivables	93,799	50,437	338	855
Related parties	3,523	5,163	1	1
Subsidiary companies	-	-	3,220	8,349
Joint venture companies	739	741	-	-
Associated companies	13	5	-	-
Short term investments	-	1	-	-
Bank fixed deposits	96,151	91,003	-	266
Cash and bank balances	270,847	264,178	3,322	3,898
	1,064,101	994,960	6,881	13,369
Deduct: CURRENT LIABILITIES				
Trade payables	199,189	198,261	-	-
Other payables	197,111	225,282	9,006	10,260
Related parties	4,084	2,888	-	-
Subsidiary companies	-	-	1,817	950
Associated companies	1,789	1,854	-	-
Borrowings	57,082	22,990	-	-
Provision for taxation	51,747	42,456	6,345	9,494
	511,002	493,731	17,168	20,704
NET CURRENT ASSETS/(LIABILITIES)				
	553,099	501,229	(10,287)	(7,335)
Deduct: NON-CURRENT LIABILITIES				
Other payables	15,815	15,114	-	-
Related parties	1,265	1,265	1,265	1,265
Borrowings	113,159	118,753	-	-
Provision for employee benefits	18,677	19,495	-	-
Deferred tax liabilities	23,352	25,499	101	94
	172,268	180,126	1,366	1,359
	2,096,934	2,000,945	900,447	911,109

*Restated upon adoption of FRS 111 as detailed in paragraph 5, page 17 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 31/3/2015	As at 30/9/2014
	\$'000	\$'000
Secured :	1,408	1,817
Unsecured :	55,674	21,173
	<hr/>	<hr/>
	57,082	22,990
	<hr/>	<hr/>

Amount repayable after one year

	As at 31/3/2015	As at 30/9/2014
	\$'000	\$'000
Secured :	1,619	1,963
Unsecured :	111,540	116,790
	<hr/>	<hr/>
	113,159	118,753
	<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 31/3/2015 \$'000	2nd Quarter to 31/3/2014 \$'000 (Restated)	6 Months to 31/3/2015 \$'000	6 Months to 31/3/2014 \$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation and exceptional items from continuing operations	66,248	86,750	145,866	156,614
Profit before taxation and exceptional items from discontinued operations	-	-	-	166,197
Profit before taxation and exceptional items	66,248	86,750	145,866	322,811
Adjustments for:				
Depreciation of fixed assets	17,101	16,881	34,270	35,530
Impairment reversal of fixed assets and intangible assets (net)	(36)	(64)	(247)	(252)
Fixed assets written off	360	50	534	286
Provision for employee benefits	404	412	810	829
Valuation gain on interest retained in a joint venture company	-	(21,392)	-	(21,392)
Loss/(Gain) on disposal of fixed assets (net)	76	(91)	16	(403)
Amortisation of brands and intangible assets	3,094	2,730	9,375	8,690
Interest income	(2,059)	(3,532)	(3,037)	(8,853)
Interest expenses	2,138	2,793	3,154	12,546
Profit on properties held for sale	-	-	-	(135,735)
Share of joint venture company's losses	121	160	204	160
Share of associated companies' profits	(770)	(1,670)	(1,904)	(14,888)
Investment income	-	(3,810)	(128)	(4,066)
Employee share-based expense	1,423	2,199	2,990	3,017
Fair value adjustment of financial instruments	(146)	65	(145)	(3,732)
Loss on disposal of financial instruments	21	1,911	272	3,293
Operating cash before working capital changes	87,975	83,392	192,030	197,841
Change in inventories	(44,557)	(21,098)	(36,627)	(16,560)
Change in trade and other receivables	11,537	(1,722)	(21,014)	(110,708)
Change in prepaid land costs	-	-	-	(300,205)
Change in joint venture and associated companies' balances	(292)	(15,332)	(1,005)	(8,953)
Change in trade and other payables	(4,854)	(7,236)	(24,956)	(67,012)
Progress payment received/receivable on properties held for sale	-	-	-	605,826
Development expenditure on properties held for development/sale	(223)	(574)	(223)	(208,995)
Currency realignment	2,186	5,948	2,584	123
Cash generated from operations	51,772	43,378	110,789	91,357
Interest income received	1,985	3,494	2,887	8,550
Interest expenses paid	(2,203)	(9,020)	(3,232)	(19,988)
Income taxes paid	(8,450)	(22,542)	(22,771)	(20,884)
Payment of employee benefits	(903)	(1,033)	(1,122)	(1,078)
Net cash from operating activities	42,201	14,277	86,551	57,957
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividends from associated companies	-	450	867	15,549
Investment income	-	3,810	128	4,066
Proceeds from sale of fixed assets	226	295	487	842
Distribution <i>in specie</i> of subsidiary companies	-	(700,504)	-	(700,504)
Purchase of fixed assets and investment properties	(20,875)	(11,781)	(36,956)	(25,515)
Payment for intangible assets	(2,640)	(1,934)	(5,929)	(4,856)
Development expenditure on investment properties under construction	-	-	-	(705,772)
Repayment of loan from associated companies	-	-	-	8,071
Investments in associated companies	-	-	-	(2,526)
Net cash used in investing activities	(23,289)	(709,664)	(41,403)	(1,410,645)

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

	2nd Quarter to 31/3/2015 \$'000	2nd Quarter to 31/3/2014 \$'000 (Restated)	6 Months to 31/3/2015 \$'000	6 Months to 31/3/2014 \$'000 (Restated)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from/(Repayment of) term loans and bank borrowings	29,167	(1,222,592)	34,737	(1,056,461)
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	1,600	3,495	2,044	6,336
Payment of dividends:				
- by subsidiary companies to non-controlling interests	(19,933)	(27,314)	(19,933)	(29,973)
- by the Company to shareholders	(43,412)	(173,388)	(43,412)	(173,388)
Net cash (used in)/from financing activities	(32,578)	270,084	(26,564)	436,397
Net (decrease)/increase in cash and cash equivalents	(13,666)	(425,303)	18,584	(916,291)
Cash and cash equivalents at beginning of period	381,194	747,080	354,325	1,943,070
Effects of exchange rate changes on cash and cash equivalents	(1,423)	1,676	(6,804)	(2,822)
Reclassified from assets held for sale	-	700,504	-	-
Reclassified to investment in joint venture companies	-	(605)	-	(605)
Cash and cash equivalents at end of period	366,105	1,023,352	366,105	1,023,352
Cash and cash equivalents at end of period comprise:				
Cash and bank deposits	366,998	1,024,506	366,998	1,024,506
Bank overdrafts	(893)	(1,154)	(893)	(1,154)
	366,105	1,023,352	366,105	1,023,352
Analysis of distribution <i>in specie</i> of subsidiary companies				
Net assets distributed:				
Investment properties	-	(4,084,506)	-	(4,084,506)
Properties held 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 and cash equivalents	-	(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
Net cash outflow on distribution <i>in specie</i> of subsidiary companies	-	700,504	-	700,504

- 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 2015												
Balance at 1 January 2015	844,585	(23)	8,785	326,162	(109,496)	466,380	(605)	12,590	43,347	1,591,725	416,051	2,007,776
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	46	351	-	-	-	-	397	-	397
Realisation of reserves on liquidation of subsidiary and joint venture companies	-	-	-	-	(7)	-	-	-	-	(7)	-	(7)
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	95,494	-	-	-	95,494	-	95,494
Currency translation difference	-	-	-	-	2,832	-	-	-	-	2,832	(554)	2,278
Other comprehensive income for the period	-	-	-	46	3,176	95,494	-	-	-	98,716	(554)	98,162
Profit for the period	-	-	-	26,160	-	-	-	-	-	26,160	25,176	51,336
Total comprehensive income for the period	-	-	-	26,206	3,176	95,494	-	-	-	124,876	24,622	149,498
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	1,124	-	1,124	281	1,405
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	-	-	(4,716)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,600	1,600
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(19,933)	(19,933)
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	-	-	65	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(43,412)	(43,412)	-	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	-	-	28,941	-	-	-
Total contributions by and distributions to owners	4,716	-	-	(29,006)	-	-	-	(3,592)	(14,406)	(42,288)	(18,052)	(60,340)
Changes in ownership interests												
Change of interests in a subsidiary company	-	-	-	628	-	-	-	-	-	628	(628)	-
Total changes in ownership interests	-	-	-	628	-	-	-	-	-	628	(628)	-
Total transactions with owners in their capacity as owners	4,716	-	-	(28,378)	-	-	-	(3,592)	(14,406)	(41,660)	(18,680)	(60,340)
Balance at 31 March 2015	849,301	(23)	8,785	323,990	(106,320)	561,874	(605)	8,998	28,941	1,674,941	421,993	2,096,934

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
<u>2nd Quarter ended</u>												
<u>31 March 2014</u>												
Balance at 1 January 2014	1,451,446	(23)	3,463	313,224	(128,066)	568,466	581	14,578	173,388	2,397,057	403,185	2,800,242
Effects of adopting FRS111	-	-	-	2	-	-	-	-	-	2	2	4
Balance at 1 January 2014, restated	1,451,446	(23)	3,463	313,226	(128,066)	568,466	581	14,578	173,388	2,397,059	403,187	2,800,246
<u>Comprehensive income</u>												
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
<u>Contributions by and distributions to owners</u>												
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)
<u>Changes in ownership interests</u>												
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	336,004	(102,145)	595,087	(248)	11,602	28,898	2,329,406	373,134	2,702,540

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 2015								
Balance at 1 January 2015	844,585	(23)	(2,814)	31,456	(21,451)	9,174	43,347	904,274
<u>Comprehensive income</u>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	13,052	-	-	13,052
Other comprehensive income for the period	-	-	-	-	13,052	-	-	13,052
Profit for the period	-	-	-	25,762	-	-	-	25,762
Total comprehensive income for the period	-	-	-	25,762	13,052	-	-	38,814
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	771	-	771
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	(4,716)	-	-
Dividends								
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	65	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(43,412)	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	28,941	-
Total contributions by and distributions to owners	4,716	-	-	(29,006)	-	(3,945)	(14,406)	(42,641)
Total transactions with owners in their capacity as owners	4,716	-	-	(29,006)	-	(3,945)	(14,406)	(42,641)
Balance at 31 March 2015	849,301	(23)	(2,814)	28,212	(8,399)	5,229	28,941	900,447
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
<u>Comprehensive income</u>								
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
<u>Contributions by and distributions to owners</u>								
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

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 2015												
Balance at 1 October 2014	844,585	(23)	8,785	290,828	(103,797)	510,386	(605)	11,322	43,347	1,604,828	396,113	2,000,941
Effects of adopting FRS 111	-	-	-	2	-	-	-	-	-	2	2	4
Balance at 1 October 2014, restated	844,585	(23)	8,785	290,830	(103,797)	510,386	(605)	11,322	43,347	1,604,830	396,115	2,000,945
Comprehensive income												
Share of other comprehensive income of associated companies	-	-	-	38	808	-	-	-	-	846	-	846
Realisation of reserves on liquidation of subsidiary and joint venture companies	-	-	-	-	(716)	-	-	-	-	(716)	-	(716)
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	51,488	-	-	-	51,488	-	51,488
Currency translation difference	-	-	-	-	(2,615)	-	-	-	-	(2,615)	(6,682)	(9,297)
Other comprehensive income for the period	-	-	-	38	(2,523)	51,488	-	-	-	49,003	(6,682)	42,321
Profit for the period	-	-	-	61,320	-	-	-	-	-	61,320	50,686	112,006
Total comprehensive income for the period	-	-	-	61,358	(2,523)	51,488	-	-	-	110,323	44,004	154,327
Contributions by and distributions to owners												
Employee share-based expense	-	-	-	-	-	-	-	2,392	-	2,392	571	2,963
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	-	-	(4,716)	-	-	-	-
Contribution of capital by non-controlling interests	-	-	-	-	-	-	-	-	-	-	2,044	2,044
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(19,933)	(19,933)
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	-	-	65	-	-	-
Final dividend for the previous year, paid	-	-	-	-	-	-	-	-	(43,412)	(43,412)	-	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	-	-	28,941	-	-	-
Total contributions by and distributions to owners	4,716	-	-	(29,006)	-	-	-	(2,324)	(14,406)	(41,020)	(17,318)	(58,338)
Changes in ownership interests												
Change of interests in subsidiary company	-	-	-	808	-	-	-	-	-	808	(808)	-
Total changes in ownership interests	-	-	-	808	-	-	-	-	-	808	(808)	-
Total transactions with owners in their capacity as owners	4,716	-	-	(28,198)	-	-	-	(2,324)	(14,406)	(40,212)	(18,126)	(58,338)
Balance at 31 March 2015	849,301	(23)	8,785	323,990	(106,320)	561,874	(605)	8,998	28,941	1,674,941	421,993	2,096,934

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	6,374,386	(98,421)	592,145	(5,521)	24,129	172,982	8,504,660	373,223	8,877,883
Effects of adopting Revised FRS 111	-	-	-	2	-	-	-	-	-	2	2	4
Balance at 1 October 2013, restated	1,441,520	(23)	3,463	6,374,388	(98,421)	592,145	(5,521)	24,129	172,982	8,504,662	373,225	8,877,887
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 in specie 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 in specie of subsidiary companies	-	-	-	-	-	-	-	(4,861)	-	(4,861)	-	(4,861)
Dividends:												
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(29,973)	(29,973)
Distribution in specie	-	-	-	(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 in specie	-	-	-	-	-	-	-	-	-	-	(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	336,004	(102,145)	595,087	(248)	11,602	28,898	2,329,406	373,134	2,702,540

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 2015								
Balance at 1 October 2014	844,585	(23)	(2,814)	33,138	(15,394)	8,270	43,347	911,109
<u>Comprehensive income</u>								
Net fair value changes on available-for-sale financial assets	-	-	-	-	6,995	-	-	6,995
Other comprehensive income for the period	-	-	-	-	6,995	-	-	6,995
Profit for the period	-	-	-	24,080	-	-	-	24,080
Total comprehensive income for the period	-	-	-	24,080	6,995	-	-	31,075
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	1,675	-	1,675
Issue of shares in the Company upon vesting of shares awarded	4,716	-	-	-	-	(4,716)	-	-
Dividends								
Additional dividends due to vesting of shares awarded	-	-	-	(65)	-	-	65	-
Final dividend for the previous year, paid	-	-	-	-	-	-	(43,412)	(43,412)
Interim dividend for the year, proposed	-	-	-	(28,941)	-	-	28,941	-
Total transactions with owners in their capacity as owners	4,716	-	-	(29,006)	-	(3,041)	(14,406)	(41,737)
Balance at 31 March 2015	849,301	(23)	(2,814)	28,212	(8,399)	5,229	28,941	900,447
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
<u>Comprehensive income</u>								
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
<u>Contributions by and distributions to owners</u>								
Employee share-based expense	-	-	-	-	-	2,142	-	2,142
Issue of shares in the Company upon vesting of shares awarded	9,926	-	-	-	-	(9,926)	-	-
Transfer of reserve due to distribution <i>in specie</i> of subsidiary companies	-	-	-	-	-	(4,861)	-	(4,861)
Dividends								
Distribution <i>in specie</i>	-	-	-	(2,911,034)	-	-	-	(2,911,034)
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

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 31/3/2015	1st Quarter to 31/12/2014
Issued and fully paid ordinary shares:		
As at beginning of period	1,444,910,386	1,444,910,386
Issued during the period – pursuant to share plans	2,167,368	-
As at end of period	<u>1,447,077,754</u>	<u>1,444,910,386</u>
	As at 31/3/2015	As at 31/3/2014
The number of shares awarded conditionally under Share Plans as at the end of the period	<u>2,491,114</u>	<u>4,236,983</u>
The number of issued shares excluding treasury shares at the end of the period	<u>1,447,073,654</u>	<u>1,444,906,286</u>

The Company held 4,100 treasury shares as at 31 March 2015 (31 March 2014: 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 1,447,073,654 as at 31 March 2015 and 1,444,906,286 as at 30 September 2014.

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 2015.

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 2014.

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, revised and amendments to FRS which became effective from this financial year.

Revised FRS 27	Separate Financial Statements
Revised FRS 28	Investments in Associates and Joint Ventures
FRS 110	Consolidated Financial Statements
FRS 111	Joint Arrangements
FRS 112	Disclosures of Interests in Other Entities
Amendments to FRS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to FRS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to FRS 110, FRS 111 and FRS 112	Consolidated Financial Statements, Joint Arrangements and Disclosure of interests in Other Entities: Transition Guidance
Amendments to FRS 110, FRS 112 and FRS 27	Investment Entities
Amendments to FRS 19	Defined Benefit Plans: Employee Contributions
<i>Improvements to FRSs 2014:</i>	
Amendment to FRS 102	Share Based Payment
Amendment to FRS 103	Business Combinations
Amendment to FRS 108	Operating Segments
Amendment to FRS 16	Property, Plant and Equipment
Amendment to FRS 24	Related Party Disclosures
Amendment to FRS 38	Intangible Assets
Amendment to FRS 113	Fair Value Measurement
Amendment to FRS 40	Investment Property

Except for FRS 111, the adoption of the above standards had no material effect on the financial performance or position of the Group and the Company. Upon applying FRS 111 retrospectively, the comparatives have been restated. The effects on the Group's financial statements are as follows:

GROUP PROFIT STATEMENT

	2nd Quarter to 31/3/2014 \$'000	6 months to 31/3/2014 \$'000
Increase/(Decrease) in:		
Marketing expenses	(20)	(20)
Administration expenses	(199)	(199)
Share of joint venture company's losses	160	160
Profit before interest and taxation	59	59
Finance income	(6)	(6)
Profit before taxation	53	53
Taxation	53	53
Profit after taxation	-	-

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. (cont'd)

GROUP BALANCE SHEET

	As at 30/9/2014 \$'000
Increase/(Decrease) in:	
Revenue reserve	2
Non-controlling interests	2
Total equity	<u>4</u>
<u>Non-current assets</u>	
Fixed assets	(2)
Investment in joint venture companies	49,358
Deferred tax assets	(211)
	<u>49,145</u>
<u>Current assets</u>	
Properties held for sale	(48,199)
Other receivables	(43)
Joint venture companies	(24,929)
Cash and bank balances	(906)
	<u>(74,077)</u>
<u>Current liabilities</u>	
Related parties	(24,884)
Other payables	(52)
	<u>(24,936)</u>
Net current assets	(49,141)
	<u>4</u>

Due to the distribution *in specie* of Frasers Centrepoint Limited on 8 January 2014, a restated Group Balance Sheet at the start of the previous reporting period has not been presented as it would not be meaningful for analysis purposes.

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 31/3/2015	2nd Quarter to 31/3/2014	6 Months to 31/3/2015	6 Months to 31/3/2014
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before gain on disposal of discontinued operations and exceptional items	1.8	2.6	4.2	13.4
- after gain on disposal of discontinued operations and exceptional items	1.8	1.2	4.2	12.0
(b) On a fully diluted basis (cents)				
- before gain on disposal of discontinued operations and exceptional items	1.8	2.6	4.2	13.3
- after gain on disposal of discontinued operations and exceptional items	1.8	1.2	4.2	12.0
	\$'000	\$'000	\$'000	\$'000
Attributable profit	26,160	16,700	61,320	173,544
Change in attributable net profit due to dilutive share options and potential dilutive shares under share plans of a subsidiary company	(58)	(31)	(117)	(64)
Adjusted attributable profit	26,102	16,669	61,203	173,480

Continuing operations

Earnings per ordinary share:

(a) Based on the weighted average number of ordinary shares on issue (cents)				
- before exceptional items	1.8	2.6	4.2	5.1
- after exceptional items	1.8	2.4	4.2	4.9
(b) On a fully diluted basis (cents)				
- before exceptional items	1.8	2.6	4.2	5.1
- after exceptional items	1.8	2.4	4.2	4.9
	\$'000	\$'000	\$'000	\$'000
Attributable profit	26,160	34,361	61,320	70,389
Change in attributable net profit due to dilutive share options and potential dilutive shares under share plans of a subsidiary company	(58)	(31)	(117)	(64)
Adjusted attributable profit	26,102	34,330	61,203	70,325

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 31/3/2015	As at 30/9/2014	As at 31/3/2015	As at 30/9/2014
Net asset value per ordinary share based on issued share capital	\$1.16	\$1.11	\$0.62	\$0.63

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.

Profit Statement – 2nd Quarter

Group revenue increased 3% to \$608 million for the quarter ended 31 March 2015 compared to the corresponding period last year. Beverages recorded higher revenue due to increased contribution from Beer operations while Dairies recorded higher revenue contribution from its operations in Thailand. Printing and Publishing revenue increased 2% to \$82 million.

Both Group PBIT (profit before interest and tax) of \$66 million and attributable profit before exceptional items of \$26 million were 24% and 33% lower than last year, mainly due to a one-off recognition of valuation gain on interest retained in a joint venture company following the demerger of FCL in the corresponding period last year.

Beverages

Overall Beverages revenue and PBIT was 5% and 10% higher compared to the same period last year.

Soft Drinks revenue decreased by 8% as compared to the corresponding period last year. Sales revenue in Malaysia was adversely affected by inventory destocking by the trade prior to the implementation of Goods and Services Tax. The adverse impact from the flood in the east coast of Peninsular Malaysia also contributed to the decrease in revenue. The decrease was partly mitigated by the expansion of soft drinks operations in export markets. PBIT decreased by 44% mainly due to lower sales volumes, higher freight costs and higher operating cost incurred for expansion in export markets.

Breweries revenue and sales volume were 27% and 21% higher than last year. Revenue and sales volume growth was mainly driven by *Myanmar Beer*, boosted by the forthcoming Water Festival in Myanmar. Breweries' PBIT increased by 40% mainly due to higher sales volume, lower energy cost and lower marketing spend. The increases were partly off-set by increased distribution costs resulting from expansion of its operations.

Dairies

Dairies revenue was 2% higher than the corresponding period last year.

Dairies Thailand recorded revenue increase of 11% on the back of volume growth in both domestic and export markets from increased outlet penetration and effective promotional and trade management activities. Dairies Malaysia revenue decreased 4% mainly due to higher discounts and unfavourable trade offers given to narrow price competition. Dairies Malaysia revenue was also adversely affected by the appreciation of the Singapore Dollar against the Malaysian Ringgit. Dairies Singapore recorded a 5% decrease in sales revenue mainly due to lower export sales.

Dairies PBIT increased 17% as compared to the corresponding period last year. Dairies Thailand PBIT increased 56% mainly due to favourable sales mix, higher factory utilization and improved operating efficiencies. However this was partly offset by increased maintenance expenses and timing of marketing spend.

Printing and Publishing

Printing and Publishing revenue increased 2% to \$82 million driven mainly by the publishing and distribution divisions. Publishing revenue increased due to higher sales from the USA and Latin America markets coupled with new orders from the UK. Increase in distribution revenue was mainly due to improved performance by the magazine distribution division. The increases were partly offset by the printing business which was affected by lower print volume and weaker sales from the retail business.

Loss before interest and taxation increased by \$1 million to \$2 million mainly due to lower sales in the printing business and cessation of equity accounting for the investment in Fung Choi Media Group Limited. This was partially offset by PBIT gains arising from strong profit contribution from the publishing business and lower overheads.

Others

The decrease is mainly due to a one-off recognition of valuation gain on interest retained in a joint venture company following the demerger of Frasers Centrepoint Limited ("FCL") in the corresponding period last year. No such gain was recognized in the current period.

Tax

The Group effective tax rate ("ETR") of 23.5% (2014: 21.7%) is higher than the corporate tax rate of 17% as a result of the high taxes imposed on the profits of overseas subsidiaries and non-deductible expenses. This was partly compensated by the write-back of over-provision in prior years. The ETR is higher than its comparative because of the one-off non-taxable gain last year and the increased profit contribution from subsidiaries operating in high tax countries in the current period.

Balance Sheet as at 31 March 2015

The Group

The increase in Reserves was mainly due to fair value gains on the investment in Vinamilk in Vietnam and profits of \$61 million retained for the period. This was partly offset by payment of dividends and negative currency translation.

The increase in Other Investments is mainly due to the fair value gains on the investment in Vinamilk. The increase in Inventories is mainly due to release of import quota in Thailand and destocking by retailers in Malaysia prior to implementation of GST in April 2015. Other Receivables increased mainly as a result of higher prepayments made by the Beverage Group while the decrease in Other Payables is mainly due to payments made for accruals outstanding as at 30 September 2014.

Group Cash Flow Statement for Quarter Ended 31 March 2015

The cash inflows and outflows are detailed in the Group Cash Flow Statement.

Net cash inflow from operating activities of \$42 million is higher than the \$14 million for the corresponding period last year mainly due to lower tax and interest payments made in the current quarter.

Net cash outflow from investing activities of \$23 million mainly relates to payments made for purchases of fixed assets while the cash outflow of \$710 million in the corresponding period last year mainly relates to the deconsolidation of FCL's cash balances upon the demerger of FCL.

Net cash outflow from financing activities was \$33 million as compared to an inflow of \$270 million last year, as last year's inflow arose from 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 increased 7% while PBIT decreased 1% to \$146 million as compared to the corresponding period last year. The higher revenue was mainly due to better performance from Beer which recorded higher revenue and volumes, and from Dairies Singapore and Dairies Thailand which recorded higher domestic revenue. Despite increases in Beer and Dairies Thailand PBIT, PBIT decreased slightly due to last year's one-off recognition of valuation gain on interest retained in a joint venture company upon the demerger of FCL. Group attributable profit before exceptional items and basic earnings per share before exceptional items were lower by 17% at \$61 million and 18% at 4.2 cents respectively.

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.

While global economic growth is expected to pick up modestly in 2015, the pace of recovery is likely to remain uneven across the economies. The Singapore economy is projected to grow at between 2% to 4% while key ASEAN economies like Malaysia, Indonesia and Vietnam are expected to remain resilient in 2015 and continue to grow faster than the global average rate.

Although global commodity prices continues to soften, this may be offset by weaker MYR and THB which may reduce the positive impact on F&B raw material costs. Consumer sentiments in Singapore appears to be subdued due to slower economic growth. The new Malaysian GST which took effect in April 2015 has negatively affected consumer sentiments in the short term. Thailand consumer sentiments appears to be fairly positive with continued political stability. Consumer sentiments in Vietnam is also looking more positive with lower interest rates, lower inflation and a more stable VND. While Myanmar beer sales volume will continue to see double digit growth, the Group's continued ownership of Myanmar Brewery remains uncertain.

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 and develop new markets while Printing will intensify restructuring of its cost structure to remain competitive and expand non-traditional print jobs to mitigate the decline in traditional print business.

While the relatively stronger Singapore Dollar against the regional Asia Pacific currencies will alleviate some pressure on import and raw material 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 : 2.0 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 11 June 2015 (last year: 2.0 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 26 May 2015 will be registered before entitlements to the dividend are determined.

Notice is hereby given that the share registers will be closed on 27 May 2015 and 28 May 2015 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 January 2015 to 31 March 2015.

<u>Name of interested person</u>	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$
TCC Group of Companies ¹	2,880,807

¹ This refers to the companies and entities in the TCC Group which are controlled by Mr Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi.

13. **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.

14. **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

7 May 2015