

MAKING TOMORROW TODAY

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Directors' Report

Your directors have pleasure in submitting their report and the audited financial statements of the Company and of the Group for the financial year ended 30 September 2009.

1. DIRECTORATE

The directors of the Company in office at the date of this report are:

Mr Lee Hsien Yang (Chairman)
Mr Timothy Chia Chee Ming
Mr Ho Tian Yee
Mr Simon Israel
Mr Koh Beng Seng
Mr Soon Tit Koon
Mr Tan Chong Meng
Mr Nicky Tan Ng Kuang

At the forthcoming Annual General Meeting, the following directors retire and, being eligible, offer themselves for re-election:

- By rotation pursuant to Article 117 of the Company's Articles of Association:
 - Mr Timothy Chia Chee Ming
 - Mr Simon Israel
 - Mr Nicky Tan Ng Kuang

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of, nor at any time during the financial year did there subsist any arrangements to which the Company or the Group is a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors who held office at the end of the financial year and their beneficial or deemed interests in the issued capital of the Company and its related corporations as recorded in the register required to be kept under Section 164 of the Companies Act, Cap. 50 were as follows:

	ORDINARY SHARE OF THE COMPANY/ OTHER SECURITIES OF GROUP COMPANIES	
	As at 1 Oct 2008	As at 30 Sep 2009
Lee Hsien Yang		
- Fraser and Neave, Limited Ordinary Shares	180,000	588,240
- Frasers Commercial Trust Units	-	3,000,000
Timothy Chia Chee Ming	Nil	Nil
Ho Tian Yee	Nil	Nil
Simon Israel		
- Frasers Centrepoint Trust Units	Nil	700,000
Koh Beng Seng	Nil	Nil
Soon Tit Koon	Nil	Nil
Tan Chong Meng	Nil	Nil
Nicky Tan Ng Kuang		
- Frasers Centrepoint Trust Units	300,000	300,000

Directors' Report

4. DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or has become entitled to receive a benefit required to be disclosed by Section 201(8) of the Companies Act, Cap. 50 by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he had a substantial financial interest.

5. SHARE OPTIONS AND SHARE PLANS

(a) Share Options pursuant to the Fraser and Neave, Limited Executives' Share Option Scheme Approved by Shareholders on 30 September 1999 ("the 1999 Scheme")

The 1999 Scheme expired on 30 September 2009 but Options already granted under this Scheme remain exercisable until the end of the relevant Option Period.

The Scheme is administered by the Remuneration & Staff Establishment Committee which comprises the following three non-executive directors who do not participate in the Schemes:

Mr Timothy Chia Chee Ming (Chairman)
Mr Ho Tian Yee
Mr Soon Tit Koon

No options have been granted to controlling shareholders or their associates, or parent group employees and no employee has received 5% or more of the total options available under the schemes.

Year 10 Options of the 1999 Scheme

During the financial year ended 30 September 2009, in consideration of the payment of \$1 for each offer accepted, offers of options were granted pursuant to the 1999 Scheme in respect of 14,051,865 unissued ordinary shares of the Company at an exercise price of \$2.86 per share.

Information pertaining to Outstanding Options

At the end of the financial year, there were 47,724,935 unissued ordinary shares of the Company under Options granted pursuant to the Schemes. Details of the options to subscribe for ordinary shares in the capital of the Company granted to executives pursuant to the Schemes are as follows:

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
1999 Scheme						
2002 (Year 3)	08.10.2001	128,960	(111,455)	17,505	\$1.40	09.07.2004 to 08.09.2011
2003 (Year 4)	01.10.2002	561,125	(186,285)	374,840	\$1.51	01.07.2005 to 31.08.2012
2004 (Year 5)	08.10.2003	3,197,485	(1,531,835)	1,665,650	\$2.12	08.07.2006 to 07.09.2013
2005 (Year 6)	08.10.2004	5,499,105	(1,713,505)	3,785,600	\$2.82	08.07.2007 to 07.09.2014
2006 (Year 7)	10.10.2005	8,666,190	(435,590)	8,230,600	\$3.46	10.07.2008 to 09.09.2015
2007 (Year 8)	10.10.2006	9,208,703	(208,573)	9,000,130	\$4.22	10.07.2009 to 09.09.2016
2008 (Year 9)	10.10.2007	10,965,601	(237,985)	10,727,616	\$5.80	10.07.2010 to 09.09.2017
2009 (Year 10)	25.11.2008	14,051,865	(128,871)	13,922,994	\$2.86	25.08.2011 to 24.10.2018
		52,279,034	(4,554,099)*	47,724,935		

* Exercised (3,887,340)
Lapsed due to Resignations and Non-acceptance (666,759)

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

Statutory and other information regarding the Options

- (i) The Exercise Price is equal to the market value of a share based on the average of the last done price on the Singapore Exchange Securities Trading Limited for the five market days preceding the option Offer Date.
- (ii) The grantee may exercise an option during the Exercise Period (which commences 33 months after the Offer Date) by notice in writing accompanied by a remittance for the number of options at the full amount of the Exercise Price.
- (iii) Options expire 119 months after the Offer Date unless an option has previously lapsed by reason of the resignation of the grantee from employment with the Group after the grant of an option and before its exercise.
- (iv) The number of shares which may be acquired by a grantee and the Exercise Price are subject to adjustment, as confirmed by the auditors of the Company that such adjustment is fair and reasonable, by reason of any issue of additional shares in the Company by way of rights or capitalisation of profits or reserves, or repayment and reduction of capital or subdivision or consolidation of shares, made while an option remains unexercised.
- (v) The persons to whom the options have been issued have no right to participate by virtue of the options in any share issue of any other company.

(b) Share Options pursuant to the Asia Pacific Breweries Limited Executives' Share Option Scheme ("APBL Scheme")

The APBL Scheme expired in July 2004 but options already granted under that Scheme remains exercisable until the end of the relevant Option Period. The Phantom Share Option Plan approved by the Remuneration Committee of APBL on 24 September 2004 and endorsed by the APBL Board succeeded the APBL Scheme.

Information pertaining to Outstanding Options

At the end of the financial year, 65,210 unissued ordinary shares of APBL were under options granted pursuant to the APBL Scheme. Details of the options to subscribe for ordinary shares in the capital of APBL granted to executives pursuant to the APBL Scheme are as follows:

Options	Offer Date	Balance as at 1.10.2008	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
1999	23.12.1998	3,898	(3,898)	-	\$3.61	22.09.2001 to 21.11.2008
2000	22.12.1999	10	-	10	\$4.28	21.09.2002 to 20.11.2009
2001	20.12.2000	2,750	-	2,750	\$3.91	19.09.2003 to 18.11.2010
2002	08.10.2001	5,650	-	5,650	\$3.79	08.07.2004 to 07.09.2011
2003	15.10.2002	18,000	-	18,000	\$4.79	15.07.2005 to 14.09.2012
2004	08.10.2003	40,800	(2,000)	38,800	\$6.29	08.07.2006 to 07.09.2013
		71,108	(5,898) *	65,210		

* Exercised (2,000)
Lapsed due to Expiry (3,898)

Statutory and other information regarding the APBL Options

The statutory and other information provided above at paragraph 5(a), sub-paragraphs (i) to (v) inclusive in respect of the Fraser and Neave, Limited Executives' Share Option Scheme, apply also to the APBL options.

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

(c) (i) Share Options pursuant to the Fraser & Neave Holdings Bhd Executives' Share Option Scheme ("F&NHB Scheme")

The F&NHB Scheme expired on 12 November 2006 but Options already granted under that Scheme remain exercisable until the end of the relevant Option Period.

Information pertaining to Outstanding Options

At the end of the financial year, 905,400 F&NHB ordinary shares held by Fraser and Neave, Limited were under Options granted pursuant to the F&NHB Scheme.

Details of the options granted to executives pursuant to the F&NHB Scheme to acquire ordinary shares of RM1 each in the capital of F&NHB from Fraser and Neave, Limited are as follows:

Options	Offer Date	Balance as at 1.10.2008	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
Old Scheme						
2004	24.11.2003	27,500	(27,500)	-	RM3.83	24.08.2006 to 23.10.2008
2005	24.11.2004	223,700	(216,700)	7,000	RM4.89	24.08.2007 to 23.10.2009
2006	26.08.2005	747,000	(618,700)	128,300	RM5.54	27.05.2008 to 26.07.2010
2007	26.09.2006	1,988,000	(1,217,900)	770,100	RM6.12	27.06.2009 to 26.08.2011
		<u>2,986,200</u>	<u>(2,080,800)*</u>	<u>905,400</u>		

* Exercised (1,963,200)
Lapsed due to Expiry and Resignations (117,600)

Statutory and other information regarding the F&NHB Options

The statutory and other information provided above at paragraph 5(a), sub-paragraphs (i) to (v) inclusive in respect of the Fraser and Neave, Limited Executives' Share Option Scheme, apply to the F&NHB options except that Singapore Exchange Securities Trading Limited should be replaced by Bursa Malaysia Securities Bhd and that all options expire 59 months after the option offer date.

(ii) Share Options pursuant to the Fraser & Neave Holdings Bhd Executives' Share Option Scheme Approved by Shareholders on 5 April 2007 ("F&NHB 2007 Scheme")

The F&NHB 2007 Scheme succeeded the F&NHB Scheme.

Information pertaining to Outstanding Options

At the end of the financial year, 5,188,600 F&NHB unissued ordinary shares of F&NHB under Options were granted pursuant to the F&NHB 2007 Scheme.

Details of the options granted to executives pursuant to the F&NHB 2007 Scheme to acquire ordinary shares of RM1 each in the capital of F&NHB are as follows:

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
New Scheme						
2008	20.11.2007	2,504,300	(127,000)	2,377,300	RM7.77	20.08.2010 to 19.10.2012
2009	19.11.2008	2,916,100	(104,800)	2,811,300	RM8.46	19.08.2011 to 18.10.2013
		<u>5,420,400</u>	<u>(231,800)*</u>	<u>5,188,600</u>		

* Lapsed due to Resignations, Terminations and Non-Acceptance

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

Statutory and other information regarding the F&NHB Options

The main features of the F&NHB 2007 Scheme are outlined below:

- The maximum number of new ordinary shares of RM1.00 each in the company which may be issued on the exercise of the F&NHB 2007 Scheme shall not exceed 10% of the issued and paid-up share capital of F&NHB at any point of time throughout the duration of the F&NHB 2007 Scheme.
- Eligible full-time executives of the group and executive directors of the company with at least one year service shall be eligible to participate in the F&NHB 2007 Scheme.
- The allotment of an eligible executive shall not exceed the maximum limits for any specific job grade in any one financial year and 1,000,000 new shares of the company during the tenure of the F&NHB 2007 Scheme, subject to the limits below:
 - (i) not more than 50% of the new shares of F&NHB available under the F&NHB 2007 Scheme shall be allocated, in aggregate, to the directors and senior management of the group; and
 - (ii) not more than 10% of the new shares of the company available under the F&NHB 2007 Scheme shall be allocated to any individual eligible executive who, either singly or collectively through persons connected to that eligible executive, holds 20% or more of the issued and paid-up share capital of the company.

The option price shall be the five days weighted average market price of the company's shares as quoted on Bursa Malaysia Securities Bhd immediately preceding the date of the offer, or the par value of the shares of F&NHB, whichever is higher.

The F&NHB 2007 Scheme shall be in force for a period of 10 years from the effective date for the implementation of the F&NHB 2007 Scheme.

(d) Share Options pursuant to Frasers Property (China) Limited Share Option Scheme ("FPCL Scheme")

Frasers Property (China) Limited ("FPCL") has in place a share option scheme, FPCL Scheme, since 20 May 2003 and, unless otherwise cancelled or amended will remain in force for 10 years from that date.

2008 Options

During the financial year ended 30 September 2009, offers of options were granted pursuant to the Scheme in respect of 17,050,000 unissued ordinary shares of HK\$0.10 each of FPCL at an exercise price of HK\$0.10 per share.

Information pertaining to Outstanding Options

At the end of the financial year, there were 84,026,154 unissued ordinary shares of FPCL under Options granted pursuant to the FPCL Scheme. Details of the options to subscribe for ordinary shares of HK\$0.10 each in the capital of FPCL granted to employees pursuant to the FPCL Scheme are as follows:

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
2003	31.12.2003	9,965,658	(88,327)	9,877,331	HK\$0.1580	31.12.2004 to 30.12.2013
2004	31.12.2004	11,474,439	-	11,474,439	HK\$0.1547	31.12.2005 to 30.12.2014
2005	30.12.2005	13,773,647	-	13,773,647	HK\$0.1343	30.12.2006 to 29.12.2015
2006	13.11.2006	15,300,737	-	15,300,737	HK\$0.1670	13.11.2007 to 12.11.2016
2007	09.11.2007	16,550,000	-	16,550,000	HK\$0.3370	09.11.2008 to 08.11.2017
2008	14.11.2008	17,050,000	-	17,050,000	HK\$0.1000	14.11.2009 to 13.11.2018
		84,114,481	(88,327)*	84,026,154		

* Lapsed due to resignations (88,327)

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

Statutory and other information regarding the FPCL Options

- (i) The Exercise Price will be determined by FPCL Board, but shall not be less than the highest of:
- (1) the closing price as stated in the daily quotation sheet of the Stock Exchange of Hong Kong Limited ("HKEX") on the date of grant, which must be a trading day;
 - (2) the average closing prices as stated in the HKEX's daily quotation sheets for the five trading days immediately preceding the date of grant; and
 - (3) the nominal value of FPCL share.
- (ii) The exercise period of the FPCL options granted is determinable by the FPCL Board, and commences on a specified date and ends on a date which is not later than 10 years from the date of grant of the FPCL options.
- (iii) The vesting period of the share options is in the following manner:

Vesting Schedule	Percentage of shares over which a share option is exercisable	
	Granted before 2004 (%)	Granted on or after 2004 (%)
Before the first anniversary of the date of grant	Nil	Nil
On or after the first but before the second anniversary of the date of grant	25	40
On or after the second but before the third anniversary of the date of grant	25	30
On or after the third but before the fourth anniversary of the date of grant	25	30
On or after the fourth anniversary of the date of grant	25	NA

In relation to the FPCL options, if the grantee, during any of the periods specified above, exercised share options for such number of shares which, in aggregate, represents less than the number of shares for which the eligible participant may exercise in respect of such period, the balance of the shares comprised in that share option for which the grantee could have exercised (but did not exercise) in that period shall be carried forward and added to the number of shares which the grantee may exercise in the next succeeding period or periods.

Directors' Report

5. SHARE OPTIONS AND SHARE PLANS (cont'd)

(e) Share Plans

At an Extraordinary General Meeting held on 22 January 2009, the shareholders of the Company approved the adoption of the F&N Restricted Share Plan and the F&N Performance Share Plan. These plans succeeded the 1999 Scheme and no awards have been granted in this financial year.

(f) Other than those reported in this paragraph 5, no shares of the Company or any corporation in the Group were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group, whether granted before or during that financial year.

(g) Other than those reported in this paragraph 5, there were no unissued shares of the Company or any corporation in the Group under options as at the end of the financial year to which this report relates.

6. AUDIT COMMITTEE

At a series of meetings convened during the twelve months up to the date of this report, the Audit Committee reviewed reports prepared respectively by the external and the internal auditors and approved proposals for improvement in internal controls. The announcement of quarterly results and the financial statements of the Company and of the Group and the audit report thereon for the full year were also reviewed prior to consideration and approval of the Board.

The Audit Committee has nominated Ernst & Young LLP for re-appointment by shareholders as auditor for the ensuing financial year.

7. AUDITORS

The auditors, Ernst & Young LLP, has expressed willingness to accept re-appointment.

8. OTHER INFORMATION REQUIRED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

(a) The interests of the directors of the Company in the share capital of the Company and of its related companies as at the 21st day after the end of the financial year remained unchanged from those at 30 September 2009 as set out at paragraph 3 hereof.

(b) Since the end of the previous financial year, the Company and its subsidiary companies did not enter into any material contracts involving interests of the directors or controlling shareholders and no such material contracts still subsist at the end of the financial year, except for those disclosed in this Directors' Report and in the Financial Statements.

On behalf of the Board

LEE HSIEN YANG

Director

KOH BENG SENG

Director

Singapore,
12 November 2009

Statement by Directors

We, **LEE HSIEN YANG** and **KOH BENG SENG**, being two of the Directors of Fraser and Neave, Limited, do hereby state that in the opinion of the Directors:

- (i) the balance sheets, profit statements, statements of changes in equity and consolidated cash flow statement together with the notes thereto, set out on pages 83 to 181, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 30 September 2009 and of the results of the businesses and changes in equity of the Company and of the Group and the cash flows of the Group for the year ended 30 September 2009; and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board

LEE HSIEN YANG
Director

KOH BENG SENG
Director

Singapore,
12 November 2009

Independent Auditors' Report

TO THE MEMBERS OF FRASER AND NEAVE, LIMITED

We have audited the accompanying financial statements of Fraser and Neave, Limited ("the Company") and its subsidiaries (collectively, "the Group") set out on pages 83 to 181, which comprise the balance sheets of the Group and the Company as at 30 September 2009, and the profit statements, statements of changes in equity of the Group and the Company, and cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (a) the consolidated financial statements of the Group and the balance sheet, profit statement and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 September 2009 and the results and changes in equity of the Group and the Company and cash flows of the Group for the year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

ERNST & YOUNG LLP

Public Accountants and
Certified Public Accountants

Singapore,
12 November 2009

Profit Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2009

	Notes	THE GROUP		THE COMPANY	
		2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
			(Restated)		
REVENUE	3	5,332,567	4,990,067	4,458	4,439
Cost of sales		(3,557,525)	(3,316,321)	-	-
Gross profit		1,775,042	1,673,746	4,458	4,439
Other income/(expenses) (net)	4(a)	17,414	24,533	27	(214)
Operating expenses					
- Distribution		(221,103)	(211,451)	-	-
- Marketing		(465,897)	(427,829)	-	-
- Administration		(320,247)	(329,073)	(5,536)	(9,728)
		(1,007,247)	(968,353)	(5,536)	(9,728)
TRADING PROFIT/(LOSS)		785,209	729,926	(1,051)	(5,503)
Gross dividends from subsidiary and joint venture companies	6	-	-	293,133	355,639
Share of joint venture companies' profits		12,731	11,708	-	-
Share of associated companies' (losses)/profits		(858)	14,907	-	-
Gross income from investments	7	13,539	9,241	425	728
PROFIT BEFORE INTEREST AND TAXATION ("PBIT")		810,621	765,782	292,507	350,864
Interest income		22,367	31,551	5,777	9,716
Interest expense		(88,711)	(96,140)	(13,708)	(21,353)
Net interest expense	4(b)	(66,344)	(64,589)	(7,931)	(11,637)
PROFIT BEFORE IMPAIRMENT, FAIR VALUE ADJUSTMENT, TAXATION AND EXCEPTIONAL ITEMS		744,277	701,193	284,576	339,227
Impairment on investments		(7,292)	(47,955)	-	(11,413)
Fair value adjustment of investment properties (net)	4(c)	(122,597)	71,846	-	-
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS	4(d)	614,388	725,084	284,576	327,814
Exceptional items	8	1,440	12,057	-	-
PROFIT BEFORE TAXATION		615,828	737,141	284,576	327,814
Taxation	9	(173,451)	(169,429)	(9,940)	(9,936)
PROFIT AFTER TAXATION		442,377	567,712	274,636	317,878
ATTRIBUTABLE PROFIT TO:					
Shareholders of the Company					
- Before fair value adjustment and exceptional items		466,457	371,844	274,636	317,878
- Fair value adjustment of investment properties (net)		(113,488)	44,245	-	-
- Exceptional items		6,565	19,738	-	-
		359,534	435,827	274,636	317,878
Minority interests		82,843	131,885	-	-
		442,377	567,712	274,636	317,878
Earnings per share attributable to the shareholders of the Company	11				
Basic					
- before fair value adjustment and exceptional items		33.5 cts	26.8 cts		
- after fair value adjustment and exceptional items		25.9 cts	31.4 cts		
Fully diluted					
- before fair value adjustment and exceptional items		33.5 cts	26.6 cts		
- after fair value adjustment and exceptional items		25.8 cts	31.2 cts		

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Balance Sheet

AS AT 30 SEPTEMBER 2009

	Notes	THE GROUP		THE COMPANY	
		2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
SHARE CAPITAL AND RESERVES					
Share capital	12	1,341,707	1,330,297	1,341,707	1,330,297
Reserves	12	4,243,017	3,952,977	2,470,937	2,348,272
		5,584,724	5,283,274	3,812,644	3,678,569
MINORITY INTERESTS					
		1,098,731	1,135,242	-	-
		6,683,455	6,418,516	3,812,644	3,678,569
Represented by:					
NON-CURRENT ASSETS					
Fixed assets	13	1,239,721	1,231,828	-	-
Investment properties	14	3,444,233	3,558,922	-	-
Properties held for development	15	169,801	162,297	-	-
Subsidiary companies	16	-	-	3,544,830	3,752,960
Joint venture companies	17	89,487	60,639	434,421	408,921
Associated companies	18	635,869	638,234	82,383	83,541
Intangible assets	19	376,680	357,530	-	-
Brands	23	43,127	48,139	-	-
Other investments	21	465,213	152,442	8,309	8,085
Other receivables	26	54,106	19,204	-	-
Deferred tax assets	33	22,951	17,844	-	-
		6,541,188	6,247,079	4,069,943	4,253,507
CURRENT ASSETS					
Properties held for sale	24	4,007,448	4,576,737	-	-
Inventories	25	423,507	468,502	-	-
Trade receivables	26	734,167	714,058	-	-
Other receivables	26	237,096	291,420	2,594	3,204
Subsidiary companies	16	-	-	85,010	72,509
Joint venture companies	17	11,666	26,559	-	-
Associated companies	18	5,105	910	-	-
Short term investments	28	254,696	141,111	-	-
Bank fixed deposits	22	1,269,499	629,882	52,092	39,200
Cash and bank balances	22	373,809	403,057	470	356
		7,316,993	7,252,236	140,166	115,269
Assets held for sale	29	9,387	27,086	-	-
		7,326,380	7,279,322	140,166	115,269
Deduct: CURRENT LIABILITIES					
Trade payables	30	681,508	576,592	-	-
Other payables	30	760,470	668,475	5,971	11,303
Subsidiary companies	16	-	-	26,680	18,938
Joint venture companies	17	3,055	4,066	-	-
Associated companies	18	1,035	17,545	-	-
Borrowings	31	1,692,726	2,079,576	199,914	299,960
Provision for taxation		298,142	247,417	14,609	9,925
		3,436,936	3,593,671	247,174	340,126
NET CURRENT ASSETS/(LIABILITIES)		3,889,444	3,685,651	(107,008)	(224,857)
Deduct: NON-CURRENT LIABILITIES					
Other payables	30	9,334	10,037	-	-
Borrowings	31	3,608,299	3,355,259	150,000	349,814
Provision for employee benefits	32	19,303	18,764	-	-
Deferred tax liabilities	33	110,241	130,154	291	267
		3,747,177	3,514,214	150,291	350,081
		6,683,455	6,418,516	3,812,644	3,678,569

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Statement of Changes in Equity

THE GROUP

Notes	Fair Value		Employee		Dividend	Minority	Total	Minority	Total		
	Share Capital Reserve	Revenue Reserve	Exchange Reserve	Adjustment Reserve						Hedging Reserve	Share Option Reserve
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)		
YEAR ENDED 30 SEPTEMBER 2009											
Balance at 1 October 2008	1,330,297	271,656	3,588,773	(112,567)	64,222	-	22,774	118,119	5,283,274	1,135,242	6,418,516
Share of associated companies' reserves	-	(1,799)	-	4,071	251	(530)	-	-	1,993	-	1,993
Transfer of distributable reserves by overseas subsidiary companies in compliance with statutory requirements	-	440	(440)	-	-	-	-	-	-	-	-
Realisation of reserves on disposal of subsidiary companies	-	(183)	183	3,308	-	-	-	-	3,308	-	3,308
Change in minority interests' in reserves upon the issue of shares by subsidiary companies	-	-	(645)	-	-	-	-	-	(645)	645	-
Net fair value changes on derivative financial instruments	-	-	-	-	-	(18,696)	-	-	(18,696)	(1,916)	(20,612)
Net fair value changes on available-for-sale financial assets	-	-	-	-	113,579	-	-	-	113,579	-	113,579
Currency translation difference	-	-	-	(17,436)	-	-	-	-	(17,436)	(10,900)	(28,336)
Net (expenses)/income recognised directly in equity	-	(1,542)	(902)	(10,057)	113,830	(19,226)	-	-	82,103	(12,171)	69,932
Profit after taxation	-	-	359,534	-	-	-	-	-	359,534	82,843	442,377
Total recognised (expenses)/income for the year	-	(1,542)	358,632	(10,057)	113,830	(19,226)	-	-	441,637	70,672	512,309
Employee share-based expense	-	-	-	-	-	-	9,895	-	9,895	37	9,932
Issue of shares in the Company upon exercise of share options	12	11,410	-	-	-	-	(1,679)	-	9,731	-	9,731
Contribution of capital by minority interests	-	-	-	-	-	-	-	-	-	1,135	1,135
Change of interests in subsidiary and joint venture companies	-	-	-	-	-	-	-	-	-	(20,865)	(20,865)
Dividends	10										
Dividend to minority interests	-	-	-	-	-	-	-	-	-	(87,490)	(87,490)
Dividend to shareholders, paid	-	-	(41,694)	-	-	-	-	(118,119)	(159,813)	-	(159,813)
Dividend to shareholders, proposed	-	-	(146,320)	-	-	-	-	146,320	-	-	-
Balance at 30 September 2009	1,341,707	270,114	3,759,391	(122,624)	178,052	(19,226)	30,990	146,320	5,584,724	1,098,731	6,683,455

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Statement of Changes in Equity

	THE GROUP										
	Notes	Share	Capital	Revenue	Exchange	Fair Value	Employee	Dividend	Minority	Total	
		Capital	Reserve	Reserve	Reserve	Adjustment	Share Option	Reserve			Reserve
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	
YEAR ENDED 30 SEPTEMBER 2008											
Balance at 1 October 2007		1,313,915	1,146,500	2,431,588	(29,164)	225,246	14,916	117,596	5,220,597	1,161,447	6,382,044
Effects of adopting FRS 40		-	(871,148)	903,713	-	-	-	-	32,565	21,533	54,098
Balance at 1 October 2007, restated		1,313,915	275,352	3,335,301	(29,164)	225,246	14,916	117,596	5,253,162	1,182,980	6,436,142
Share of associated companies' reserves		-	577	-	(6,084)	(37)	-	-	(5,544)	-	(5,544)
Transfer on disposal of subsidiary company		-	(4,273)	5,940	(1,667)	-	-	-	-	-	-
Change in minority interests' in reserves upon the issue of shares by subsidiary companies		-	-	(229)	-	-	-	-	(229)	229	-
Change of interest in subsidiary due to treasury share buy-back		-	-	(131)	-	-	-	-	(131)	(94)	(225)
Net fair value changes on available-for-sale financial assets		-	-	-	-	(160,987)	-	-	(160,987)	(401)	(161,388)
Currency translation difference		-	-	-	(75,652)	-	-	-	(75,652)	(41,863)	(117,515)
Net (expenses)/income recognised directly in equity		-	(3,696)	5,580	(83,403)	(161,024)	-	-	(242,543)	(42,129)	(284,672)
Profit after taxation		-	-	435,827	-	-	-	-	435,827	131,885	567,712
Total recognised (expenses)/income for the year		-	(3,696)	441,407	(83,403)	(161,024)	-	-	193,284	89,756	283,040
Employee share-based expense		-	-	-	-	-	9,865	-	9,865	63	9,928
Issue of shares in the Company upon exercise of share options	12	16,382	-	-	-	-	(2,007)	-	14,375	-	14,375
Contribution of capital by minority interests		-	-	-	-	-	-	-	-	5,623	5,623
Change of interests in subsidiary and joint venture companies		-	-	-	-	-	-	-	-	(58,031)	(58,031)
Dividends	10										
Dividend to minority interests		-	-	-	-	-	-	-	-	(85,149)	(85,149)
Dividend to shareholders, paid		-	-	(69,816)	-	-	-	(117,596)	(187,412)	-	(187,412)
Dividend to shareholders, proposed		-	-	(118,119)	-	-	-	118,119	-	-	-
Balance at 30 September 2008		1,330,297	271,656	3,588,773	(112,567)	64,222	22,774	118,119	5,283,274	1,135,242	6,418,516

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Statement of Changes in Equity

THE COMPANY

		Share Capital	Capital Reserve	Revenue Reserve	Fair Value Adjustment Reserve	Employee Share Option Reserve	Dividend Reserve	Total
Notes	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
YEAR ENDED 30 SEPTEMBER 2009								
Balance at 1 October 2008		1,330,297	1,039,274	1,168,822	1,218	20,839	118,119	3,678,569
Net fair value changes on available-for-sale financial assets		-	-	-	201	-	-	201
Net income recognised directly in equity		-	-	-	201	-	-	201
Profit after taxation		-	-	274,636	-	-	-	274,636
Total recognised income for the year		-	-	274,636	201	-	-	274,837
Employee share-based expense		-	-	-	-	9,320	-	9,320
Issue of shares in the Company upon exercise of share options	12	11,410	-	-	-	(1,679)	-	9,731
Dividends	10							
Dividend to shareholders, paid		-	-	(41,694)	-	-	(118,119)	(159,813)
Dividend to shareholders, proposed		-	-	(146,320)	-	-	146,320	-
Balance at 30 September 2009		1,341,707	1,039,274	1,255,444	1,419	28,480	146,320	3,812,644
YEAR ENDED 30 SEPTEMBER 2008								
Balance at 1 October 2007		1,313,915	1,039,274	1,038,879	1,997	13,503	117,596	3,525,164
Net fair value changes on available-for-sale financial assets		-	-	-	(779)	-	-	(779)
Net expense recognised directly in equity		-	-	-	(779)	-	-	(779)
Profit after taxation		-	-	317,878	-	-	-	317,878
Total recognised income/(expenses) for the year		-	-	317,878	(779)	-	-	317,099
Employee share-based expense		-	-	-	-	9,343	-	9,343
Issue of shares in the Company upon exercise of share options	12	16,382	-	-	-	(2,007)	-	14,375
Dividends	10							
Dividend to shareholders, paid		-	-	(69,816)	-	-	(117,596)	(187,412)
Dividend to shareholders, proposed		-	-	(118,119)	-	-	118,119	-
Balance at 30 September 2008		1,330,297	1,039,274	1,168,822	1,218	20,839	118,119	3,678,569

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2009

	THE GROUP	
	2009	2008
	(\$'000)	(\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and exceptional items	614,388	725,084
Adjustments for:		
Depreciation of fixed assets	138,167	124,969
Impairment of fixed assets, intangible assets, other investments and associated companies	23,967	51,366
Impairment reversal of fixed assets and intangible assets	(1,534)	(1,582)
Provision for employee benefits	4,776	5,072
Write back of employee benefits	(961)	(1,031)
Allowance for foreseeable losses in properties held for sale	55,362	25,936
Loss/(Profit) on disposal of fixed assets (net)	3,083	(317)
Amortisation of brands and intangible assets	28,459	24,431
Interest expenses (net)	66,344	64,589
Share of joint venture companies' profits	(12,731)	(11,708)
Share of associated companies' losses/(profits)	858	(14,907)
Investment income	(13,539)	(9,241)
Profit on properties held for sale	(347,845)	(307,088)
Employee share-based expense	10,187	9,781
Fair value adjustment of financial instruments	11,692	2,015
Fair value adjustment of investment properties	122,597	(71,846)
Loss on disposal of financial instruments	1,971	309
Operating cash before working capital changes	705,241	615,832
Change in inventories	29,745	13,346
Change in receivables	(14,078)	356,392
Change in joint venture and associated companies' balances	(6,713)	(16,968)
Change in payables	26,946	24,293
Currency realignment	(8,661)	(10,804)
Cash generated from operations	732,480	982,091
Interest expenses paid	(76,933)	(61,349)
Income taxes paid	(142,176)	(151,335)
Payment of employee benefits	(2,606)	(2,858)
Payment of cash-settled options	(559)	(854)
Progress payment received/receivable on properties held for sale	1,625,303	1,109,298
Development expenditure on properties held for sale	(959,526)	(1,578,355)
Net cash from operating activities	1,175,983	296,638
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends from joint venture and associated companies	41,870	19,134
Investment income	13,539	9,241
Proceeds from sale of fixed assets and properties	15,018	15,466
Proceeds from sale of other and short term investments	6,137	25,215
Proceeds/(Outflow) from disposal of subsidiary and joint venture companies	155,299	(2,335)
Purchase of fixed assets and properties	(368,103)	(453,404)
Purchase of other investments	(84)	(105,759)
Acquisition of minority interests in subsidiary companies	(35,940)	(65,057)
Acquisition of subsidiary companies and businesses	-	(84,558)
Payment for intangible assets	(25,232)	(23,709)
Development expenditure on properties held for development	(105,817)	(29,532)
Investments in joint venture and associated companies	(58,604)	(120,792)
Repayment/(Additional) of trade advances	1,663	(60)
Net cash used in investing activities	(360,254)	(816,150)

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Cash Flow Statement

FOR THE YEAR ENDED 30 SEPTEMBER 2009

	THE GROUP	
	2009	2008
	(\$'000)	(\$'000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from term loans and bank borrowings	39,824	676,463
Repayment of loan from minority interests	(1,403)	-
Share buy-back by a subsidiary company	-	(225)
Proceeds from issue of shares:		
- by subsidiary companies to minority interests	1,135	5,623
- by the Company to shareholders	9,731	14,375
Payment of dividends:		
- by subsidiary companies to minority interests	(87,490)	(85,149)
- by the Company to shareholders	(159,813)	(187,412)
Net cash (used in)/from financing activities	(198,016)	423,675
Net increase/(decrease) in cash and cash equivalents	617,713	(95,837)
Cash and cash equivalents at beginning of year	1,020,068	1,138,186
Effects of exchange rate changes on cash and cash equivalents	(13,871)	(22,281)
Cash and cash equivalents at end of year	1,623,910	1,020,068
Cash and cash equivalents at end of year comprise:		
Cash and bank deposits (Note 22)	1,643,308	1,032,939
Bank overdrafts (Note 31)	(19,398)	(12,871)
	1,623,910	1,020,068
Analysis of acquisition, restructuring and disposal of subsidiary and joint venture companies		
Net assets acquired:		
Fixed assets	2,478	4,511
Other non-current assets	1,958	68,626
Properties held for sale	-	25,137
Current assets	283	12,421
Current liabilities	(3,613)	(31,946)
Non-current liabilities	-	(7,130)
Minority interests	(455)	(1,416)
Cash	-	8,051
	651	78,254
Cost of investment as an associated company	-	(945)
Goodwill on acquisition (net)	2,523	15,300
Consideration	3,174	92,609
Funded by minority interests	(242)	-
Cash injection by joint venture company	(2,932)	-
Less: Cash of subsidiary companies and businesses	-	(8,051)
Cash outflow on acquisition net of cash and cash equivalents acquired	-	84,558
Net assets disposed:		
Fixed assets	(17,796)	(79,587)
Current assets	(131,917)	(25,624)
Non-current liabilities	-	2,657
Current liabilities	32,109	12,732
Minority interests	3,273	-
Cash	(13,083)	-
	(127,414)	(89,822)
Translation difference	(2,491)	(1,148)
Cost of investment in associated company	-	90,356
Provision for cost of disposal	(16,273)	6,217
Gain on disposal	(22,204)	(3,268)
Consideration (received)/paid	(168,382)	2,335
Less: Cash of subsidiary companies and business	13,083	-
Cash (inflow)/outflow on disposal net of cash and cash equivalents disposed	(155,299)	2,335

The Notes on pages 90 to 181 form an integral part of the Financial Statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

The following Notes form an integral part of the Financial Statements on pages 83 to 89.

1. GENERAL

Fraser and Neave, Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The registered office of the Company is located at 438 Alexandra Road, #21-00 Alexandra Point, Singapore 119958.

The principal activities of the Group consist of:

- (a) production and sale of soft drinks, beer, stout, dairy products and glass containers;
- (b) development of and investment in property; and
- (c) 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.

There were no significant changes in the nature of these principal activities during the financial year.

The Company's operation is managed through a wholly-owned subsidiary company.

The financial statements of the Company and the consolidated financial statements of the Group were authorised for issue in accordance with a resolution of the Directors on 12 November 2009.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") as required by the Companies Act, Cap. 50. The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars and all values are rounded to the nearest thousand (\$'000) unless otherwise stated.

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year and are consistent with those used in the previous financial year, except as disclosed below.

During the year, the Group and the Company adopted the following INT FRS that are applicable in the current financial year.

INT FRS 104	Determining whether an Arrangement contains a Lease
INT FRS 113	Customer Loyalty Programmes
INT FRS 114	FRS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the above INT FRS has no material effect on the financial statements of the Group and the Company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.2 Basis of Consolidation

The Company's investments in subsidiary companies are stated at cost less accumulated impairment losses.

Subsidiary companies are those companies controlled by the Group. Subsidiary companies are consolidated from the effective date of acquisition and up to the effective date of disposal. The financial year of the Company and all its subsidiary companies ends on 30 September unless otherwise stated. The consolidated financial statements of the Group incorporate the financial statements of the Company and all its subsidiary companies made up to 30 September. The financial statements of subsidiary companies are prepared using consistent accounting policies. Adjustments are made to any dissimilar material accounting policies to conform to the Group's significant accounting policies.

Acquisitions of subsidiary companies are accounted for using the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The accounting policy on goodwill on acquisition of subsidiary companies is included in Note 2.12 (b).

All intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred.

Minority interest is that part of the net results of operations and of net assets of a subsidiary attributable to interests which are not owned directly or indirectly by the Group. It is measured as the minorities' share of the fair value of the subsidiary companies' identifiable assets and liabilities at the date of acquisition by the Group and the minorities' share of changes in equity since the date of acquisition, except when the losses applicable to the minority in a subsidiary exceed the minority interest in the equity of that subsidiary company. In such cases, the excess and further losses applicable to the minority are attributed to the Company, unless the minority has a binding obligation to make good the losses. When that subsidiary company subsequently reports profits, the profits applicable to the minority are attributed to the Company until the minority's share of losses previously absorbed by the Company has been recovered.

A list of the Company's subsidiary companies is shown in Note 43.

2.3 Joint Venture Companies

A joint venture company (not being a subsidiary company) is a company in which the Group has a long-term interest of not more than 50% of the equity and has a contractual agreement to jointly share the control with one or more parties in the joint venture company's commercial and financial affairs.

The Group recognises its interest in joint venture companies using proportionate consolidation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint venture companies with the similar items, line by line, in its consolidated financial statements.

The joint venture is proportionately consolidated until the date on which the Group ceases to have joint control over the joint venture. Joint venture companies ("JVC") that are held by the Group's joint venture companies are equity accounted for in accordance with the accounting policies of these joint venture companies. No adjustments have been made at the Group to recognise the interest of these JVC using proportionate consolidation as the contribution of these JVC to the Group are not material. Details of the Group's share of the consolidated results, assets and liabilities of the JVC held by the Group's joint venture companies can be found in Note 17.

In the Company's separate financial statements, interests in joint venture company is carried at cost less impairment losses.

A list of the Company's joint venture companies is shown in Note 43.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.4 Associated Companies

An associated company (not being a subsidiary company or joint venture company) is a company in which the Group exercises significant influence over the financial and operating policy decisions.

The Group's investments in associated companies are recorded at cost less accumulated impairment losses and adjusted to recognise the Group's share of post-acquisition reserves of the associated companies. Investments in associated companies include goodwill.

When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

The Group's share of the operating results, exceptional items and fair value adjustment of investment properties of associated companies are shown separately in the profit statement. Net assets of the associated companies are included in the consolidated financial statements under the equity method based on their latest audited financial statements except where their financial periods do not end on 30 September, then management accounts to 30 September are used.

Where an investment in an associated company is acquired or sold during the year, its results are included from the date of acquisition or excluded from the date of sale.

A list of the Company's associated companies is shown in Note 43.

2.5 Revenue Recognition

Revenue from the sale of goods is recognised upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold.

Rental income is accounted for on a straight-line basis over the lease terms on ongoing leases.

Revenue on development properties held for sale represents the proportion of sales proceeds of the actual floor area sold at the balance sheet date based on the percentage of completion method.

Revenue from completed properties held for sale is recognised upon signing of the sale and purchase agreement.

Interest income is taken up on an accrual basis (using the effective interest method).

Dividend income is recognised when the Group's right to receive payment is established.

Other categories of revenue are taken up on an accrual basis.

2.6 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.7 Taxation

The tax charge is based on the profit for the year, as adjusted for tax purposes, together with a charge or credit for deferred taxation.

(a) Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

(b) Deferred tax

Deferred income tax is provided in full, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at or subsequently enacted after the balance sheet date.

Deferred income tax is provided on all temporary differences arising on investments in subsidiary, joint venture and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is charged or credited directly to equity if the tax relates to items that are charged or credited, in the same or a different period, directly to equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.8 Fixed Assets

Fixed assets are carried at cost or valuation less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of fixed assets if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and replacements are capitalised and expenditure for maintenance and repairs are charged to the profit statement. Subsequent expenditure relating to fixed assets that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits will flow to the Group and the cost can be reliably measured. The carrying amount of the replaced parts is derecognised.

When assets are sold or retired, their cost or valuation and accumulated depreciation are removed from the financial statements and any gain or loss resulting from their disposal is included in the profit statement. Any amount in revaluation reserve relating to that asset is transferred to revenue reserves.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.8 Fixed Assets (cont'd)

When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset. Any surplus on revaluation is credited to asset revaluation reserve unless it offsets previous revaluation losses of the same asset that were taken to the profit statement. A decrease in net carrying amount arising on revaluation of fixed assets is charged to the profit statement to the extent that it exceeds any surplus held in asset revaluation reserve relating to previous revaluations of the same class of assets.

Depreciation is calculated on the straight-line method to write off the cost or valuation of fixed assets less residual value over their estimated useful lives. No depreciation is charged for freehold land and uncommissioned capital work-in-progress. The residual values, depreciation method and useful lives are reviewed and adjusted as appropriate at each balance sheet date. The annual depreciation rates applied to write down the fixed assets over their estimated useful lives are as follows:

Leasehold land	- Lease term (ranging from 10 to 99 years)
Building	- 2% to 5%
Plant, machinery and equipment	- 2.5% to 33%
Motor, vehicle and forklift	- 10% to 20%
Postmix and vending machine	- 10% to 20%
Furniture and fitting, computer equipment and beer cooler	- 5% to 100%

Capital Work-in-Progress includes fixed assets under construction and advance payments and progress payments made for fixed assets and is not depreciated until each stage of development is completed and becomes operational.

The carrying amounts of fixed assets are reviewed for impairment when events or circumstances indicate that the carrying value may not be recoverable.

2.9 Investment Properties

Investment properties include those portions of office buildings that are held for long term rental yields and/or for capital appreciation.

Investment properties are initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers. Changes in fair values are recognised in the profit statement.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as addition and the carrying amounts of the replaced components are written off to the profit statement. The cost of maintenance, repairs and minor improvements is charged to the profit statement when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in the profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.10 Properties Held for Development

Properties held for development are stated at cost (or directors' valuation based on an independent professional valuation, when applicable) less provision for foreseeable losses. The cost of properties held for development includes cost of land and construction, related overhead expenditure and financing charges incurred up to the completion of construction.

Allowance for foreseeable losses of property held for development is made when it is anticipated that the net realisable value has fallen below cost.

Properties held for development are considered completed and are transferred to investment properties when they are ready for their intended use.

2.11 Borrowing Costs

Borrowing costs are generally expensed as incurred. However, borrowing costs that are directly attributable to acquisition and construction are capitalised as part of the cost of fixed assets, properties held for sale or properties held for development. Capitalisation of borrowing costs commences when activities to prepare the assets are in progress until the asset is ready for its intended use. Borrowing costs capitalised in property held for sale are after netting off interest income earned from progress billings received and placed on fixed deposits.

2.12 Intangible Assets

Intangible assets acquired separately are capitalised at cost. Intangible assets from a business acquisition are capitalised at fair value as at the date of acquisition. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and any accumulated impairment loss.

The useful lives of these intangible assets are assessed to be either finite or indefinite. Amortisation charged on finite intangible assets is taken to the profit statement as amortisation expense.

Internally generated goodwill and internally generated intangible asset arising from research are not capitalised and the expenditure is charged to the profit statement when it is incurred. Deferred development costs arising from deferred expenditure is recognised when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditure during the development.

Intangible assets are tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

- (a) Deferred publishing development costs are amortised in accordance with their estimated economic useful lives, upon completion of published products as follows:

	Curriculum	General	Reference
1st year	33%	50%	33%
2nd year	33%	30%	27%
3rd year	34%	20%	20%
4th year	-	-	13%
5th year	-	-	7%

At each balance sheet date, the Group assesses whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.12 Intangible Assets (cont'd)

- (b) Goodwill on acquisition is identified as being the excess of the cost of acquisition over the Group's share of net fair value of the identifiable assets, liabilities and contingent liabilities acquired as at the date of acquisition. Where the cost of acquisition is lower than the Group's share of net fair value of the identifiable assets, liabilities and contingent liabilities acquired, the difference is recognised as negative goodwill. Negative goodwill is recognised immediately in the profit statement.

Positive goodwill is carried at cost less any accumulated impairment loss. Goodwill is subjected to impairment test annually or more frequently if events or changes in circumstances indicate that the carrying value might be impaired.

Positive goodwill acquired is allocated to the cash-generating units ("CGU") expected to benefit from the acquisition synergies. An impairment loss is recognised in the profit statement when the carrying amount of the CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount is the higher of the CGU's fair value less costs to sell and its value in use.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rated on the basis of the carrying amount of each asset in the CGU.

Impairment loss on goodwill is not reversed in a subsequent period.

- (c) Management contracts with finite useful lives are amortised on a straight line basis over an estimated useful life of 8 years. Management contracts with indefinite useful lives are not amortised.
- (d) Other intangible assets comprise licenses, web-content, customer relationships, and publishers and distributor relationships. The licenses are amortised based on the remaining lives of the licensing arrangements with the respective licensors. Customers, publishers and distributors relationships are amortised over the remaining useful lives.

2.13 Brands

Brands with finite lives are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated to write off their cost over their estimated useful lives of up to 15 years on a straight-line method.

Brands with indefinite lives are stated at cost less any impairment loss. The useful life of the brand is estimated to be indefinite because based on the current market share of the brand, management believes there is no foreseeable limit to the period over which the brand is expected to generate net cash flows to the Group. The brand is tested for impairment annually or more frequently when indicators of impairment are identified.

Internally generated brands are not capitalised and the expenditure is charged against profit in the year in which the expenditure is incurred.

2.14 Properties Held For Sale

(a) Development Properties Held for Sale

Development properties held for sale are stated at cost (or directors' valuation based on an independent professional valuation, when applicable) less allowance for foreseeable losses. The cost includes cost of land and construction, related overhead expenditure and financing charges incurred up to the completion of construction.

Allowance for foreseeable losses is made when it is anticipated that the net realisable value has fallen below cost.

Developments are considered complete upon the issue of Temporary Occupation Permit. When completed, development properties held for sale are transferred to completed properties held for sale.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.14 Properties Held For Sale (cont'd)

(a) Development Properties Held for Sale (cont'd)

Profit on development properties held for sale is recognised on partly completed projects which have been sold and is based on the percentage of completion and of sales method. The percentage of completion is deemed to be the construction and related overhead costs incurred to the balance sheet date divided by the expected construction and related costs of the project. The percentage of sales is deemed to be the floor area sold at the balance sheet date divided by the floor area in the project offered for sale. Profit is taken up on the basis of the total expected profit of the area sold multiplied by the percentage of completion, less profit if any, taken up in previous financial periods. The expected profit is assessed having regard to the sale proceeds less attributable total costs including the cost of land, construction and interest and after making due allowance for known potential cost over-runs and allowance for contingencies.

Revenue on development represents the proportion of sales proceeds of the actual floor area sold to the balance sheet date based on the percentage of completion.

Progress payments received from purchasers are shown as a deduction from the cost of the development property held for sale.

(b) Completed Properties Held for Sale

Completed properties held for sale are stated at the lower of cost and net realisable value. Cost includes cost of land and construction, related overhead expenditure, and financing charges and other net costs incurred during the period of development.

Allowance for impairment is made when it is anticipated that the net realisable value has fallen below cost.

Revenue from completed properties held for sale is recognised upon execution of Sale and Purchase Agreements.

2.15 Inventories

All inventories including containers (comprising returnable bottles, cases and pallets) are stated at the lower of cost and net realisable value. The net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses.

Cost in respect of raw materials, consumable stores and goods purchased for resale is stated based on first-in-first-out, weighted average or standard cost (which approximates average actual cost). Cost in respect of manufactured inventories and work-in-progress includes attributable production overheads. Engineering and other inventories are valued on the weighted average cost basis less appropriate allowances for obsolete items.

Soft drink container inventories comprise both containers on hand and those estimated to be in the market at deposit values. Cost is amortised to deposit value over a period up to the container's expected useful life of 36 months for returnable bottles and 96 months for plastic crates.

Beer containers comprise returnable bottles and crates. Returnable bottles are valued at repurchase price/deposit value (including freight where significant; and the difference between the original cost and repurchase price/deposit value is written off over a period not exceeding 5 years) and crates are amortised over a period not exceeding 8 years; alternatively these assets are valued at net realisable value, if lower. Abnormally large purchases of bottles are accounted for by writing off, based on the estimated lifespan, a portion of the costs in excess of repurchase prices.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.16 Trade and Other Receivables

Trade and other receivables including receivables from related parties are classified and accounted for as loans and receivables under FRS 39. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is recognised in the profit statement. Bad debts are written off as incurred.

2.17 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in bank, deposits with financial institutions and bank overdrafts. Bank overdrafts are included in bank borrowings on the balance sheet.

Cash on hand and in banks and fixed deposits are classified and accounted for as loans and receivables under FRS 39. The accounting policy is stated in Note 2.25.

2.18 Financial Liabilities

Financial liabilities include trade payables, other payables, payables to related parties and interest-bearing loans and borrowings. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit statement when the liabilities are derecognised as well as through the amortisation process. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.19 Employee Benefits

(a) Retirement Benefits

Provision for retirement benefits is made in accordance with:

- (i) the terms of agreements concluded with various categories of employees, or
- (ii) pension and retirement benefit schemes, or
- (iii) defined contribution plans under statutory regulations in the country, where applicable.

Retirement Benefits in accordance with agreements

The provisions represent the present value of the amounts likely to become payable in respect of services already rendered. An independent actuarial calculation of the provision is made every three years. Internal calculation of the provision is made each intervening year on the same basis as those used for the independent actuarial calculation.

Pension and Retirement Benefit Schemes

Certain companies within the Group operate pension and retirement benefit schemes. The cost of retirement benefits is determined by using accrued or projected benefit valuation methods as appropriate. Actuarial gains and losses are recognised as income or expenses when the cumulative unrecognised actuarial gains or losses for each plan exceeds the greater of 10% of present value of the obligation and 10% of the fair value of plan assets. These gains or losses are recognised over the average remaining working lives of the employees participating in the plans.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.19 Employee Benefits (cont'd)

(a) Retirement Benefits (cont'd)

Defined contribution plans under statutory regulations

As required by the law in certain countries, companies within the Group make contribution to the state pension scheme. The companies pay fixed contributions into separate entities and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Contributions to state pension schemes are recognised as compensation expense in the profit statement in the same period as the employment that gives rise to the contribution.

(b) Share Options

The Company and certain listed subsidiary companies have in place Executives' Share Option Scheme for the granting of options to eligible executives of the Group to subscribe for shares or to acquire shares in the companies under the respective schemes.

(i) *Equity-settled transactions*

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense in the profit statement with a corresponding increase in the employee share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options on the date of grant. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on vesting date. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable on the vesting date. It recognises the impact of the revision of original estimates, if any, in the profit statement, and a corresponding adjustment to equity over the remaining vesting period.

When the options are exercised and new ordinary shares issued, the proceeds received (net of any directly attributable transaction costs) and the corresponding share option reserve is credited to share capital. For certain listed subsidiary companies which have treasury shares, the proceeds received (net of any directly attributable transaction costs) and the corresponding share option reserve is credited to the 'treasury share' account when treasury shares purchased are re-issued to the employees.

(ii) *Cash-settled transactions*

The cost of phantom share options granted is measured initially at fair value at the grant date taking into account the terms and conditions upon which the options were granted. Until the liability is settled, it is remeasured at each reporting date and the fair value is expensed over the period till vesting with recognition of a corresponding liability.

(c) Accrued Annual Leave

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for employee entitlements to annual leave as a result of services rendered by employees up to the balance sheet date.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.20 Functional and Foreign Currencies

(a) Functional Currency

The currency of the primary economic environment in which the Company operates ("the functional currency") is Singapore Dollars. The consolidated financial statements are presented in Singapore Dollars, which is the Company's functional and presentation currency.

(b) Foreign Currency Transactions

Foreign currency transactions are recorded in the functional currencies of the Company and the respective subsidiary companies at rates of exchange approximating those ruling at transaction date. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the rates ruling at that date. Exchange differences are dealt with in the profit statement except where exchange differences arise on foreign currency monetary items that in substance form part of the Group's net investment in the foreign entity. These exchange differences are taken to exchange reserve as a separate component of the shareholders' funds until the disposal of the net investment at which time they are recognised in the profit statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined.

Currency translation differences on non-monetary items, such as equity investments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Currency translation differences on non-monetary items, such as equity investments classified as available-for-sale financial assets, are included in the fair value reserve within equity.

Currency translation differences arising from events which are treated as exceptional are dealt with as exceptional items in the profit statement.

(c) Foreign Currency Translations

On consolidation of subsidiary companies, proportionate consolidation for joint venture companies and equity accounting for associated companies, profit statement items are translated into presentation currency at average exchange rates ruling during the year and assets and liabilities are translated into presentation currency at exchange rates ruling at the balance sheet date. Exchange differences arising from translation of foreign subsidiary companies, joint venture companies and associated companies are taken directly to exchange reserve as a separate component of the shareholders' funds.

On disposal of a foreign operation, the cumulative amount of exchange differences deferred in equity relating to that foreign operation is recognised in the profit statement as a component of the gain or loss on disposal.

2.21 Exceptional Items

Exceptional items are items of income and expense of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group and Company for the year.

2.22 Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in the profit statement over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is recognised as deferred capital grant and is amortised to the profit statement over the expected useful life of the relevant asset by equal annual installments.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.23 Leases

(a) As Lessee

A finance lease which effectively transfers to the Group substantially all the risks and benefits incidental to ownership of the leased item is capitalised at the lower of the fair value of the leased item and the present value of the minimum lease payments at the inception of the lease term and disclosed as fixed asset. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit statement. Contingent rents, if any, are expensed in the periods in which they are incurred.

A lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item is classified as an operating lease. Operating lease payments are recognised as an expense in the profit statement on a straight-line basis over the lease term.

(b) As Lessor

A lease whereby the lessor effectively retains substantially all the risks and benefits of ownership of the leased item is classified as an operating lease. Properties leased out under operating leases are included in investment properties and are stated at revalued amounts and not depreciated. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Contingents rents, if any, are recorded as income in the periods in which they are earned.

2.24 Impairment of Non-Financial Assets

The carrying amounts of the Group's assets are reviewed at each reporting date or when annual impairment testing is required, to determine whether there is any indication of impairment. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss is charged to the profit statement unless it reverses a previous revaluation in which case it will be charged to equity.

Reversal of impairment losses previously recognised is recorded when the decrease in impairment loss can be objectively related to an event occurring after the write down. The carrying amount is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortised or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised in the profit statement, a reversal of that impairment is also recognised in the profit statement

Impairment loss on goodwill is not reversed in a subsequent period.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.25 Financial Assets

(a) Classification

The classification of financial assets is determined at initial recognition and re-evaluated at every reporting date, with the exception that the designation of financial assets at fair value through profit or loss is irrevocable. The Group classifies its investments in financial assets in the following categories:

(i) *Financial assets at fair value through profit or loss*

Derivative financial instruments whose fair value is positive are classified as financial assets at fair value through profit or loss. The accounting policy for derivative financial instruments is included in Note 2.26.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity. The Group's held-to-maturity investments include investments in corporate bonds.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless there is intention to dispose of the assets within 12 months after the balance sheet date.

(b) Recognition and Derecognition

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when all risks and rewards of ownership have been substantially transferred. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss recognised directly in equity is recognised in the profit statement.

(c) Initial Measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

(d) Subsequent Measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are included in the profit statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in the fair value reserve within equity.

When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments in the fair value reserve within equity will be released through the profit statement.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.25 Financial Assets (cont'd)

(e) Determinaton of Fair Value

The fair values of quoted financial assets are based on current bid prices. Unquoted investments that do not have quoted market prices in an active market nor methods of reasonably estimating the fair value, are carried at cost.

(f) Impairment

(i) *Assets carried at amortised cost*

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the profit statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the profit statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) *Assets carried at cost*

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) *Available-for-sale financial assets*

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the profit statement is removed from the fair value reserve within equity and recognised in the profit statement. Impairment losses recognised in the profit statement on equity investments are not reversed through the profit statement.

2.26 Derivative Financial Instruments

The Group uses derivative financial instruments to hedge against risks associated with foreign currency and interest rate fluctuations. Foreign exchange forward contracts are used to hedge its risks associated primarily with foreign currency fluctuations. Interest rate swap contracts are used to hedge its risks associated with interest rate fluctuations. It is the Group's policy not to trade in derivative financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The changes in fair value of any derivative instrument that do not qualify for hedge accounting are recognised directly in the profit statement.

The fair value of forward foreign currency contracts is calculated by reference to current forward foreign exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

Derivative instruments that qualify for hedge accounting are classified either as cash flow hedge or fair value hedge.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.26 Derivative Financial Instruments (cont'd)

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges which meet the criteria for hedge accounting are accounted for as follows:

(a) Cash Flow Hedges

Cash flow hedges are hedges of the exposure to the variability of cash flow that is attributable to a particular risk associated with a recognised asset or liability that could affect the profit statement.

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in hedging reserves within equity, while the ineffective portion is recognised in the profit statement.

Amounts taken to hedging reserves are transferred to the profit statement when the hedged transaction affects the profit statement, such as when the hedged financial income or financial expense is recognised or when a forecast sale or purchase occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts taken to hedging reserves are transferred to the initial carrying amount of the non-financial asset or liability.

If the forecast transaction is no longer expected to occur, amounts previously recognised in hedging reserves are transferred to the profit statement. If the hedging instrument expires or is sold, terminated, or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in hedging reserves remain in hedging reserves until the forecast transaction occurs. If the related transaction is not expected to occur, the amount is taken to the profit statement.

(b) Fair Value Hedges

Fair value hedges are hedges of the exposure to the variability of fair value that is attributable to a particular risk associated with a recognised asset or liability that could affect the profit statement.

For fair value hedges, the gain or loss on the hedging instrument is recognised directly in the profit statement. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised to profit statement.

2.27 Significant Accounting Estimates and Judgements

Estimates and assumptions concerning the future are made in the preparation of the financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an ongoing basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements (cont'd)

(a) Key Sources of Estimation Uncertainty (cont'd)

(i) *Impairment of non-financial and financial assets*

Development/completed properties held for sale

The Group assesses whether there are any indicators of impairment for non-financial assets at each reporting date. In particular, allowance for foreseeable losses/impairment is made for development/completed properties held for sale when the net realisable value has fallen below cost. In arriving at estimates of net realisable values, management considered factors such as current market conditions, recent selling prices of the development properties and comparable development properties. The allowance for foreseeable losses has been disclosed in Note 4.

Goodwill, brands and management contracts

Goodwill, brands and management contracts are tested for impairment at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill and brands are allocated. Estimating the value in cash requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the goodwill, brands and management contracts at balance sheet date is disclosed in Note 19, Note 20 and Note 23.

Investment in associated companies

The Group assesses whether at each reporting date whether there is any objective evidence that investment in associated companies are impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based the higher of the value-in-use and the fair value less costs to sell. Estimating the value in use requires the Group to make an estimate of the expected future cash flows to be generated by the associated companies and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The impairment on investment in associated companies has been disclosed in Note 4.

Investment in available-for-sale financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that any available-for-sale financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the market condition and whether there is a significant prolonged decline in the values of these financial assets.

Where there is objective evidence of impairment for quoted available-for-sale financial assets, the difference between the cost and current fair value is recognised as impairment loss. Where there is objective evidence of impairment for unquoted available-for-sale financial assets, the recoverable value is estimated based on the amount and timing of the future cash flows.

Loans and receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a loan or receivable is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.27 Significant Accounting Estimates and Judgements (cont'd)

(a) Key Sources of Estimation Uncertainty (cont'd)

(ii) *Income taxes*

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of taxation and deferred taxation at balance sheet date are disclosed in the balance sheet.

(iii) *Revenue recognition*

The Group recognises revenue and cost of sales from partly completed development properties held for sale based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in Note 2.14. Estimates are required in determining the total estimated development costs which will affect the stage of completion. In making the assumption, the Group relies on past experiences and the work of specialists.

(iv) *Depreciation of fixed assets*

Fixed assets are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 1 to 99 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(v) *Valuation of investment properties*

The Group's investment properties are stated at their estimated market values, which are determined annually based on independent professional valuations. These estimated market values may differ from the prices at which the Group's investment properties could be sold at a particular time, since actual selling prices are negotiated between willing buyers and sellers. Also, certain estimates require an assessment of factors not within the directors' control, such as overall market conditions. As a result, actual results of operations and realisation of these investment properties could differ from the estimates set forth in these financial statements, and the differences could be significant.

(b) Critical Judgements Made in Applying Accounting Policies

Management is of the opinion that the instances of application of judgement are not expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimates.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

2. ACCOUNTING POLICIES (cont'd)

2.28 Assets and Liabilities Held for Sale

A component of the Group is classified as a 'discontinued operation' when the criteria to be classified as held-for-sale have been met or it has been disposed of and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale. A component is deemed to be held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Immediately before the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the assets (or all the assets and liabilities in the group) are measured in accordance with the applicable FRSs. Upon classification as held for sale, non-current assets and disposal groups are measured at the lower of carrying amount and fair value less costs to sell. Any differences are recognised in the profit statement.

3. REVENUE

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
		(Restated)		
Sale of properties	1,486,954	1,172,107	-	-
Sale of goods	3,277,648	3,271,846	-	-
Sale of services	176,521	212,943	-	-
Gross rental income	326,024	284,978	-	-
Others	65,420	48,193	4,458	4,439
Total revenue	5,332,567	4,990,067	4,458	4,439

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
(a) Included in Other Income/(Expenses) (net):				
Loss on disposal of derivatives	(1,971)	(309)	-	-
Fair value (loss)/gain on derivatives	(10,049)	1,225	-	-
Exchange gain/(loss)	10,212	6,514	226	(218)
Rental income	4,666	6,379	-	-
Sale of non-stock/scrap items	1,820	1,843	-	-
(Loss)/Profit on disposal of fixed assets	(3,083)	317	-	-
Job Credit allowance	6,046	-	-	-
(b) Net Interest Expense:				
Interest income				
Subsidiary companies	-	-	2,889	8,664
Bank and other deposits	16,132	27,675	131	479
Interest rate swap contracts	2,757	1,576	2,757	573
Others	3,478	2,300	-	-
	22,367	31,551	5,777	9,716
Interest expense				
Bank and other borrowings	(83,857)	(90,745)	(13,708)	(21,353)
Interest rate swap contracts	(4,400)	(4,816)	-	-
Others	(454)	(579)	-	-
	(88,711)	(96,140)	(13,708)	(21,353)
	(66,344)	(64,589)	(7,931)	(11,637)

(c) Fair value adjustment of investment properties (net):

The fair value adjustment of investment properties is analysed as follows:

	THE GROUP			
	2009		2008	
	Gross (\$'000)	Attributable to shareholders of the Company (\$'000)	Gross (\$'000)	Attributable to shareholders of the Company (\$'000)
Subsidiary companies	(77,159)	(66,505)	61,037	37,063
Associated companies	(45,438)	(46,983)	10,809	7,182
	(122,597)	(113,488)	71,846	44,245

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

4. PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS (cont'd)

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
(d) Profit before taxation and exceptional items have been arrived at after charging:				
Depreciation of fixed assets	138,167	124,969	-	-
Impairment of fixed assets	3,571	2,977	-	-
Impairment of investment in associated companies	7,292	47,955	-	11,400
Impairment of investment in subsidiary companies	-	-	-	13
Impairment of brands	2,560	-	-	-
Impairment of intangibles	8,804	412	-	-
Allowance for foreseeable losses on properties held for sale	55,362	25,936	-	-
Amortisation of brands	591	729	-	-
Amortisation of intangibles	27,868	23,702	-	-
Intangible assets written off	1,740	156	-	-
Allowance for doubtful trade debts and bad debts	6,587	6,457	-	-
Allowance for doubtful other receivables	15,849	-	-	-
Allowance for inventory obsolescence	16,166	10,790	-	-
Provision for employee benefits	4,776	5,072	-	-
Directors of the Company:				
Fee	2,188	2,157	1,912	1,890
Remuneration of members of Board committees	275	211	275	211
Retired Directors of the Company:				
Fee	24	107	24	62
Remuneration of members of Board committees	24	8	24	8
Remuneration of executive directors	-	5,269	-	-
Central Provident Fund contribution of executive directors	-	3	-	-
Consultancy fees	-	73	-	-
Share option expense	-	248	-	-
Key executive officers:				
Remuneration	6,678	8,085	-	-
Provident Fund contribution	23	162	-	-
Share option expense	1,826	1,417	-	-
Staff costs (exclude directors and key executives)	381,569	382,974	-	-
Defined contribution plans				
(exclude directors and key executives)	24,654	25,729	-	-
Share option expense (exclude directors and key executives)	8,361	8,116	704	1,607
Auditors' remuneration:				
Auditor of the Company	769	1,245	213	208
Other auditors	2,123	2,695	-	-
Professional fees paid to:				
Auditor of the Company	126	58	2	-
Other auditors	421	413	-	-
and crediting:				
Write back of provision for employee benefits	961	1,031	-	-
Write back of allowance for doubtful trade debts and bad debts	3,593	3,844	-	-
Reversal of impairment of fixed assets	1,346	1,582	-	-
Reversal of impairment of intangibles	188	-	-	-

5. SEGMENT INFORMATION

The Group's operating businesses are organised and managed separately according to the nature of activities. The Group's operating business segments are namely soft drinks, dairies, breweries, printing and publishing, glass containers, investment property, development property and others. The Group operates in seven main geographical areas, namely Singapore, Malaysia, Rest of South East Asia, North East Asia, South Asia, South Pacific, and Europe and USA. Geographical segment revenue are based on geographical location of the Group's customers.

Geographical segment assets are based on geographical location of the Group's assets. Segment accounting policies are the same as the policies described in Note 2, inter-segment sales are based on terms determined on a commercial basis.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2009

The following table presents financial information regarding business segments:

Business Segment	Soft Drinks (\$'000)	Dairies (\$'000)	Breweries (\$'000)	Printing & Publishing (\$'000)	Glass Containers (\$'000)	Investment Property (\$'000)	Development Property (\$'000)	Others (\$'000)	Elimination (\$'000)	Group (\$'000)
Revenue - external	542,154	977,857	1,352,391	417,123	164,152	334,836	1,503,735	40,319	-	5,332,567
Revenue - inter-segment	-	62	-	306	28,809	4,874	-	202,764	(236,815)	-
Total revenue	542,154	977,919	1,352,391	417,429	192,961	339,710	1,503,735	243,083	(236,815)	5,332,567
Subsidiary companies	60,467	63,315	196,066	(3,490)	16,805	190,460	264,390	10,735	-	798,748
Joint venture and associated companies	-	(2,192)	10,840	2,647	-	(4,796)	5,374	-	-	11,873
PBIT	60,467	61,123	206,906	(843)	16,805	185,664	269,764	10,735	-	810,621
Interest income										22,367
Interest expense										(88,711)
Profit before taxation and exceptional items										744,277
Impairment on investments										(7,292)
Fair value adjustment of investment properties										(122,597)
Exceptional items										1,440
Profit before taxation										615,828
Taxation										(173,451)
Profit after taxation										442,377
Minority interest, net of taxes										(82,843)
Attributable profit										359,534
Assets	255,606	507,980	1,098,832	734,692	275,029	4,038,961	4,365,240	924,969	-	12,201,309
Tax assets										22,951
Bank deposits & cash balances										1,643,308
Total assets										13,867,568
Liabilities	123,625	154,100	287,345	106,058	25,126	252,631	144,839	380,981	-	1,474,705
Tax liabilities										408,383
Borrowings										5,301,025
Total liabilities										7,184,113
Other segment information:										
Capital expenditure	16,207	84,994	61,749	37,163	22,926	161,470	4,813	3,900	-	393,222
Depreciation & amortisation	14,647	19,278	50,232	49,356	23,591	3,046	99	6,377	-	166,626
Impairment and foreseeable losses	1,137	914	4,055	9,337	-	6,759	55,362	25	-	77,589
Negative goodwill	-	-	-	(620)	-	(27,542)	-	-	-	(28,162)
Reversal of impairment losses	(279)	(174)	(632)	(290)	(59)	-	-	(100)	-	(1,534)
Attributable profit before fair value adjustment and exceptional items	23,842	23,520	77,227	(729)	9,258	94,493	230,627	8,219	-	466,457
Fair value adjustment of investment properties (net)	-	-	-	(1,294)	-	(112,194)	-	-	-	(113,488)
Exceptional items	(1,691)	(8,085)	5,713	(9,961)	(2,430)	21,974	18,187	(17,142)	-	6,565
Attributable profit	22,151	15,435	82,940	(11,984)	6,828	4,273	248,814	(8,923)	-	359,534

The following table presents financial information regarding geographical segments:

Geographical Segment	Singapore (\$'000)	Malaysia (\$'000)	Rest of South East Asia (\$'000)	North East Asia (\$'000)	South Asia (\$'000)	South Pacific (\$'000)	Europe & USA (\$'000)	Group (\$'000)
Total revenue	1,940,845	1,088,862	997,975	647,137	31,730	556,545	69,473	5,332,567
PBIT	497,427	114,906	180,223	68,133	(4,627)	64,202	(109,643)	810,621
Other geographical information:								
Assets	6,027,935	773,760	1,257,847	1,924,392	52,202	1,581,747	583,426	12,201,309
Capital expenditure	173,064	38,804	109,675	27,976	1,231	27,897	14,575	393,222

Rest of South East Asia: Myanmar, Thailand, Cambodia, Vietnam, Philippines and Laos

North East Asia: China, Taiwan, Japan, Korea and Mongolia

South Asia: India and Sri Lanka

South Pacific: Australia, New Zealand and Papua New Guinea

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

5. SEGMENT INFORMATION (cont'd)

Year ended 30 September 2008

The following table presents financial information regarding business segments:

Business Segment	Soft Drinks	Dairies	Breweries	Printing & Publishing	Glass Containers	Investment Property	Development Property	Others	Elimination	Group
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Revenue - external	506,403	1,040,148	1,291,442	475,997	166,842	294,600	1,179,438	35,197	-	4,990,067
Revenue - inter-segment	95	-	-	283	30,260	4,884	-	152,624	(188,146)	-
Total revenue	506,498	1,040,148	1,291,442	476,280	197,102	299,484	1,179,438	187,821	(188,146)	4,990,067
Subsidiary companies	52,538	35,578	175,330	17,776	17,007	161,348	280,078	(488)	-	739,167
Joint venture and associated companies	-	58	10,341	11,632	-	2,997	1,683	(96)	-	26,615
PBIT	52,538	35,636	185,671	29,408	17,007	164,345	281,761	(584)	-	765,782
Interest income										31,551
Interest expense										(96,140)
Profit before taxation and exceptional items										701,193
Impairment on investments										(47,955)
Fair value adjustment of investment properties										71,846
Exceptional items										12,057
Profit before taxation										737,141
Taxation										(169,429)
Profit after taxation										567,712
Minority interest, net of taxes										(131,885)
Attributable profit										435,827
Assets	226,463	468,379	1,116,313	819,366	267,652	4,135,418	4,899,330	542,697	-	12,475,618
Tax assets										17,844
Bank deposits & cash balances										1,032,939
Total assets										13,526,401
Liabilities	126,016	160,144	255,835	129,381	34,591	331,784	224,768	32,960	-	1,295,479
Tax liabilities										377,571
Borrowings										5,434,835
Total liabilities										7,107,885
Other segment information:										
Capital expenditure	12,699	37,749	74,895	54,687	56,187	229,031	3,742	8,123	-	477,113
Depreciation & amortisation	16,506	19,185	41,713	44,393	18,936	3,359	37	5,271	-	149,400
Impairment and foreseeable losses	218	20,120	21,097	9,440	386	-	25,936	105	-	77,302
Negative goodwill	-	-	-	-	-	(54,998)	-	-	-	(54,998)
Reversal of impairment losses	(913)	(412)	(224)	-	-	-	-	(33)	-	(1,582)
Attributable profit before fair value adjustment and exceptional items	20,814	(9,258)	50,834	18,022	6,081	84,385	214,371	(13,405)	-	371,844
Fair value adjustment of investment properties (net)	-	-	-	3,626	-	40,619	-	-	-	44,245
Exceptional items	45	-	(5,523)	(9,599)	(730)	54,998	(38)	(19,415)	-	19,738
Attributable profit	20,859	(9,258)	45,311	12,049	5,351	180,002	214,333	(32,820)	-	435,827

The following table presents financial information regarding geographical segments:

Geographical Segment	Singapore	Rest of South East Asia	North East Asia	South Asia	South Pacific	Europe & USA	Group
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total revenue	1,827,955	1,087,516	972,219	372,252	26,791	609,763	4,990,067
PBIT	395,912	98,684	145,416	7,839	(5,529)	110,139	765,782
Other geographical information:							
Assets	6,240,457	751,158	1,074,675	2,162,628	44,299	1,392,708	12,475,618
Capital expenditure	62,553	60,024	49,506	263,676	9,557	18,615	477,113

Rest of South East Asia: Myanmar, Thailand, Cambodia, Vietnam, Philippines and Laos

North East Asia: China, Taiwan, Japan, Korea and Mongolia

South Asia: India and Sri Lanka

South Pacific: Australia, New Zealand and Papua New Guinea

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
6. GROSS DIVIDENDS FROM SUBSIDIARY AND JOINT VENTURE COMPANIES				
Quoted subsidiary companies			39,997	46,235
Quoted joint venture company			6,001	6,001
Unquoted subsidiary companies			230,793	303,403
Unquoted joint venture companies			16,342	-
			293,133	355,639
7. GROSS INCOME FROM INVESTMENTS				
Interest income	3,996	3,678	255	530
Dividend income	9,543	5,563	170	198
	13,539	9,241	425	728
8. EXCEPTIONAL ITEMS				
Provision for impairment of assets held for sale	(4,109)	(4,577)	-	-
Provision for impairment in value of investments	(27,387)	(27,780)	-	-
Gain on disposal of subsidiary and joint venture companies	30,529	3,268	-	-
Loss on change in interest in subsidiary and associated companies	(6,029)	(820)	-	-
Negative goodwill on change in interest in associated companies	28,162	54,998	-	-
Write off of goodwill on acquisition of a subsidiary company	-	(9,862)	-	-
(Loss)/Profit on disposal of properties	(3,336)	4,389	-	-
Provision for restructuring and re-organisation costs of operations	(23,453)	(5,187)	-	-
Provision for professional fee	(206)	(2,372)	-	-
Share of exceptional items of an associated company	1,054	-	-	-
Profit on disposal of other investment	270	-	-	-
Compensation fee	5,945	-	-	-
	1,440	12,057	-	-
9. TAXATION				
Based on profit for the year:				
Singapore tax	83,042	71,732	1,484	2,972
Overseas tax				
- current year	113,434	91,494	9,999	10,951
- withholding tax	10,327	12,405	198	185
Deferred tax				
- current year	(16,259)	18,674	-	-
- adjustment of tax rate	(2,849)	-	-	-
	187,695	194,305	11,681	14,108
Overprovision in preceding years				
- current income tax	(5,609)	(20,269)	(1,741)	(4,172)
- deferred tax	(8,635)	(4,607)	-	-
	173,451	169,429	9,940	9,936

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

9. TAXATION (cont'd)

A reconciliation of the statutory tax rate to the Company's and Group's effective tax rate applicable to profit for the year is as follows:

	THE GROUP		THE COMPANY	
	2009	2008	2009	2008
	%	%	%	%
Singapore statutory rate	17.0	18.0	17.0	18.0
Effect of different tax rates of other countries	4.3	4.6	1.1	1.0
Effect of tax losses of subsidiary and joint venture companies not available for set-off against profits of other companies within the group	4.6	2.4	-	-
Income not subject to tax (tax incentive/exemption)	(3.0)	(6.2)	(15.2)	(17.3)
Expenses not deductible for tax purposes	6.2	6.7	1.2	2.5
Utilisation of previously unrecognised tax losses in determining taxable profit	(1.2)	(2.7)	-	-
Over provision in prior years	(2.3)	(3.4)	(0.6)	(1.3)
Adjustment due to change in tax rate	(0.5)	-	-	-
Tax effect of fair value adjustments	2.3	2.0	-	-
Other reconciliation items	0.8	1.6	-	0.1
	28.2	23.0	3.5	3.0

As at 30 September 2009, certain Singapore subsidiary companies have unutilised tax losses carried forward of approximately \$36,296,000 (2008: \$38,699,000), unutilised investment allowances of approximately \$4,579,000 (2008: \$7,433,000) and unabsorbed capital allowances of \$314,000 (2008: \$224,000) available for set off against future profits. In addition, certain overseas subsidiary companies have unutilised tax losses carried forward of approximately \$346,052,000 (2008: \$312,219,000), unutilised investment allowances of approximately \$46,343,000 (2008: \$22,646,000) and unabsorbed capital allowances of \$38,409,000 (2008: \$32,751,000). The availability of these losses and capital allowances to set off against future profits is subject to the meeting of certain statutory requirements by those subsidiary companies in their countries of tax residence. The deferred tax benefits of these losses recognised in the financial statements are disclosed in Note 33.

For the year of assessment ("YA") 2009 certain subsidiaries have transferred loss items of \$7,061,000 (YA 2008: \$18,468,000) to offset against the taxable income of other companies in the Group. Tax benefits of \$3,406,000 (YA 2008: \$14,497,000) were recognised on the tax losses utilised under the group relief systems. Tax benefits of \$2,406,000 (YA 2008: \$6,115,000) arising from the utilisation of group relief are not recognised as they are subject to compliance with the relevant tax legislation governing group relief and agreement of the Inland Revenue Authority of Singapore.

On 22 January 2009, the Government announced a 1% point reduction in statutory corporate tax rate from Year of Assessment 2010. This financial effect of the reduction in tax rate was reflected in the current financial year. The aggregate adjustments of the prior year's deferred tax assets and liabilities was \$2,849,000 (2008: \$Nil) for the Group.

10. DIVIDENDS

	THE GROUP & THE COMPANY	
	2009	2008
	(\$'000)	(\$'000)
Interim paid of 3 cents per share (2008: 5 cents per share)	41,694	69,816
Final proposed of 10.5 cents per share (2008: 8.5 cents per share)	146,320	118,119
	188,014	187,935

The final dividend is proposed by the Directors after the balance sheet date and subject to the approval of shareholders at the next annual general meeting of the Company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

11. EARNINGS PER SHARE

(a) Basic Earnings Per Share

Basic earnings per share is computed by dividing the Group attributable profit to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Group attributable profit to shareholders of the Company		
- before fair value adjustment and exceptional items	466,457	371,844
- after fair value adjustment and exceptional items	359,534	435,827
	— No. of shares —	
Weighted average number of ordinary shares in issue	1,390,571,720	1,388,365,973
Earnings Per Share (Basic)		
- before fair value adjustment and exceptional items	33.5 cts	26.8 cts
- after fair value adjustment and exceptional items	25.9 cts	31.4 cts

(b) Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the Group adjusted attributable profit to shareholders of the Company by the adjusted weighted average number of ordinary shares in issue during the year.

For diluted earnings per share, the Group attributable profit to shareholders of the Company is adjusted for changes in subsidiary companies attributable profit resulting from exercise of all dilutive share options. The reconciliation of the Group adjusted attributable profit to shareholders of the Company used to compute diluted earnings per share is as follows:

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Group attributable profit to shareholders of the Company		
before fair value adjustment and exceptional items	466,457	371,844
Change in attributable profit due to dilutive share options	(300)	(550)
Group adjusted attributable profit to shareholders of the Company		
before fair value adjustment and exceptional items	466,157	371,294
Group attributable profit to shareholders of the Company		
after fair value adjustment and exceptional items	359,534	435,827
Change in attributable profit due to dilutive share options	(274)	(558)
Group adjusted attributable profit to shareholders of the company		
after fair value adjustment and exceptional items	359,260	435,269

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

11. EARNINGS PER SHARE (cont'd)

(b) Diluted Earnings Per Share (cont'd)

The weighted average number of ordinary shares is adjusted to assume exercise of all dilutive share options of the Company. The reconciliation of the weighted average number of ordinary shares used to compute diluted earnings per share is as follows:

	THE GROUP	
	2009	2008
	— No. of shares —	
Weighted average number of ordinary shares used to compute the basic earnings per share	1,390,571,720	1,388,365,973
Effect of dilutive share options	1,259,808	8,017,728
Weighted average number of ordinary shares used to compute diluted earnings per share	1,391,831,528	1,396,383,701
Earnings Per Share (Fully diluted)		
- before fair value adjustment and exceptional items	33.5 cts	26.6 cts
- after fair value adjustment and exceptional items	25.8 cts	31.2 cts

41,881,340 (2008:10,965,601) share options granted to employees under share option plans have been excluded in the computation of diluted earnings per share because these options were anti-dilutive for the current financial year.

12. SHARE CAPITAL AND RESERVES

	THE GROUP & THE COMPANY			
	2009		2008	
	No. of shares	(\$'000)	No. of shares	(\$'000)
SHARE CAPITAL				
Ordinary shares issued and fully paid up				
Balance at beginning of year	1,389,632,895	1,330,297	1,383,483,685	1,313,915
Issued during the year				
- Pursuant to the exercise of Executives' Share Options	3,887,340	11,410	6,149,210	16,382
Balance at end of year	1,393,520,235	1,341,707	1,389,632,895	1,330,297

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

The Company has 2 employee share option plans (Note 32) under which options to subscribe for the Company's ordinary shares have been granted to employees.

During the year, the consideration received following the exercise of Executives' Share Options was \$11,410,000 (2008: \$16,382,000).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

12. SHARE CAPITAL AND RESERVES (cont'd)

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
RESERVES				
The reserves comprise the following:				
Capital Reserve	270,114	271,656	1,039,274	1,039,274
Fair Value Adjustment Reserve	178,052	64,222	1,419	1,218
Hedging Reserves	(19,226)	-	-	-
Employee Share Option Reserve	30,990	22,774	28,480	20,839
Revenue Reserve	3,759,391	3,588,773	1,255,444	1,168,822
Dividend Reserve	146,320	118,119	146,320	118,119
Exchange Reserve	(122,624)	(112,567)	-	-
Total reserves	4,243,017	3,952,977	2,470,937	2,348,272

Capital reserve of the Company comprises mainly surplus from revaluation of investments. The capital reserve of the Group comprises statutory reserve and asset revaluation reserve of subsidiary companies.

Fair value adjustment reserve comprises the cumulative fair value changes of available-for-sale financial assets until they are derecognised or impaired.

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments related to hedged transactions that have not yet occurred.

Employee share option reserve represents the equity-settled options granted to employees and is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options.

Exchange reserve comprises the exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Dividend reserve relates to proposed final dividend of 10.5 cents (2008: 8.5 cents) per share.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

13. GROUP FIXED ASSETS

		Freehold	Leasehold		Plant &	Capital	Other	Total
	Note	Land	Land	Building	Machinery	Work-in-	Assets	
		(\$'000)	(\$'000)	(\$'000)	(\$'000)	Progress	(\$'000)	(\$'000)
						(\$'000)		
For the year ended 30 September 2009								
At cost/valuation								
Balance at beginning of year		53,697	102,623	414,392	1,323,991	93,447	378,049	2,366,199
Currency realignment		(98)	(2,003)	(4,713)	(11,462)	(1,627)	(3,061)	(22,964)
Additions		3,942	88	5,755	31,762	127,010	39,781	208,338
Acquisition of joint venture companies		-	-	-	2,478	-	-	2,478
Disposals of subsidiary company		-	(7,533)	(8,130)	(2,834)	-	(549)	(19,046)
Disposals		(1,395)	(175)	(14,774)	(63,106)	(261)	(32,597)	(112,308)
Reclassification		3,164	130	13,176	60,323	(73,550)	(3,243)	-
Reclassified to assets held for sale	29	-	(8,570)	(8,174)	-	-	-	(16,744)
Transfer from/(to) investment properties		-	5,301	(544)	-	-	-	4,757
Transfer to intangibles		-	-	-	-	-	(307)	(307)
Transfer from current assets		-	-	-	729	-	-	729
Balance at end of year		59,310	89,861	396,988	1,341,881	145,019	378,073	2,411,132
Analysis of cost/valuation								
At cost		36,150	80,291	376,046	1,335,658	145,019	378,073	2,351,237
At directors valuation 1983		1,038	-	550	-	-	-	1,588
At directors valuation 1988		-	-	2,457	6,223	-	-	8,680
At directors valuation 1996		22,122	9,570	17,935	-	-	-	49,627
		59,310	89,861	396,988	1,341,881	145,019	378,073	2,411,132
Accumulated depreciation and impairment								
Balance at beginning of year		964	26,520	128,695	739,194	-	238,998	1,134,371
Currency realignment		(14)	(690)	(1,208)	(5,905)	-	(1,863)	(9,680)
Depreciation charge for the year		-	2,136	11,950	85,791	-	38,290	138,167
Impairment charge for the year		-	404	2,146	4,428	-	702	7,680
Impairment reversal for the year		-	(5)	(136)	(791)	-	(414)	(1,346)
Disposals of subsidiary company		-	(287)	(468)	(365)	-	(142)	(1,262)
Disposals		-	(20)	(1,993)	(57,595)	-	(29,463)	(89,071)
Reclassification		-	-	125	(379)	-	254	-
Reclassified to assets held for sale	29	-	(3,472)	(3,885)	-	-	-	(7,357)
Transfer to investment properties		-	-	(26)	-	-	-	(26)
Transfer to intangibles		-	-	-	-	-	(65)	(65)
Balance at end of year		950	24,586	135,200	764,378	-	246,297	1,171,411
Net book value at end of year		58,360	65,275	261,788	577,503	145,019	131,776	1,239,721

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

13. GROUP FIXED ASSETS (cont'd)

	Freehold Land (\$'000)	Leasehold Land (\$'000)	Building (\$'000)	Plant & Machinery (\$'000)	Capital Work-in- Progress (\$'000)	Other Assets (\$'000)	Total (\$'000)
For the year ended 30 September 2008							
At cost/valuation							
Balance at beginning of year	54,800	86,388	399,876	1,235,635	127,745	359,219	2,263,663
Currency realignment	(3,310)	(1,374)	(12,504)	(43,679)	(9,005)	(17,440)	(87,312)
Additions	812	21	8,062	76,664	90,487	59,907	235,953
Acquisition of subsidiary companies/ business assets	-	-	653	2,511	-	1,347	4,511
Acquisition of joint venture companies	-	-	-	2,262	-	-	2,262
Disposals	-	(1,789)	(4,168)	(22,128)	(233)	(37,073)	(65,391)
Reclassification	-	14,349	15,748	72,726	(114,912)	12,089	-
Transfer to intangibles	-	-	-	-	(635)	-	(635)
Transfer from/(to) investment properties	-	5,028	(7,818)	-	-	-	(2,790)
Reclassified from assets held for sale	1,395	-	14,543	-	-	-	15,938
Balance at end of year	53,697	102,623	414,392	1,323,991	93,447	378,049	2,366,199
Analysis of cost/valuation							
At cost	30,167	92,742	391,774	1,317,379	93,447	378,049	2,303,558
At directors valuation 1983	1,055	-	559	-	-	-	1,614
At directors valuation 1988	-	-	2,611	6,612	-	-	9,223
At directors valuation 1996	22,475	9,881	19,448	-	-	-	51,804
	53,697	102,623	414,392	1,323,991	93,447	378,049	2,366,199
Accumulated depreciation and impairment							
Balance at beginning of year	1,013	25,383	123,100	717,483	-	239,046	1,106,025
Currency realignment	(49)	(767)	(3,489)	(29,271)	-	(11,154)	(44,730)
Depreciation charge for the year	-	1,857	10,872	74,995	-	37,245	124,969
Impairment charge for the year	-	-	105	803	-	2,069	2,977
Impairment reversal for the year	-	(4)	(53)	(638)	-	(887)	(1,582)
Disposals	-	(169)	(1,966)	(18,994)	-	(32,392)	(53,521)
Reclassification	-	220	(107)	(5,184)	-	5,071	-
Transfer to investment properties	-	-	(1,235)	-	-	-	(1,235)
Reclassified from assets held for sale	-	-	1,468	-	-	-	1,468
Balance at end of year	964	26,520	128,695	739,194	-	238,998	1,134,371
Net book value at end of year	52,733	76,103	285,697	584,797	93,447	139,051	1,231,828

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

13. GROUP FIXED ASSETS (cont'd)

- (a) The valuations for 1983, 1988 and 1996 were made by the directors of the respective subsidiary companies and were based on appraisals by independent valuers. The valuations were done based on permitted accounting standards at the relevant time.
- (b) Other assets comprise motor vehicle, postmix and vending machine, beer cooler, fixture and fitting and computer equipment.
- (c) If the fixed assets stated at revaluation had been included in the financial statements at cost less depreciation, the net book value would have been as follows:

	Freehold Land (\$'000)	Leasehold Land (\$'000)	Building (\$'000)	Plant & Machinery (\$'000)	Capital Work-in- Progress (\$'000)	Other Assets (\$'000)	Total (\$'000)
At 30 September 2009	22,343	7,211	13,235	-	-	-	42,789
At 30 September 2008	22,699	7,572	14,758	-	-	-	45,029

- (d) Additions in the consolidated financial statements include \$216,000 (2008: \$710,000 of Plant & Machinery) of Other Assets acquired under finance leases. The carrying amount of assets held under finance leases at 30 September 2009 amounted to \$2,805,000 (2008: \$3,674,000).
- (e) The net book value of fixed assets pledged to financial institutions as security for borrowings are as follows:

	2009 (\$'000)	2008 (\$'000)
Plant and machinery	76,393	69,750
Building	10,759	10,241
Freehold and leasehold land	4,384	4,331
Capital work-in-progress	7	313
Other fixed assets	99	895

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

14. GROUP INVESTMENT PROPERTIES

	2009 (\$'000)	2008 (\$'000)
Balance at beginning of year, as previously reported	3,558,922	3,224,389
Effects of adopting FRS 40	-	68,239
Balance at beginning of year, as restated	3,558,922	3,292,628
Currency realignment	(13,065)	(15,396)
Subsequent expenditure	159,765	217,451
Disposals	(334,226)	(950)
Net fair value (loss)/gain recognised in the income statement	(72,659)	62,643
Transfer from properties held for development	105,383	991
Transfer from properties held for sale	44,896	-
Transfer (to)/from fixed assets	(4,783)	1,555
Balance at end of year	3,444,233	3,558,922
At valuation:		
Freehold properties	915,287	2,274,908
Leasehold properties	2,528,946	1,284,014
	3,444,233	3,558,922

Investment properties comprise serviced residences and commercial properties that are leased mainly to third parties under operating leases (Note 35).

The following amounts are recognised in the income statement:

	2009 (\$'000)	2008 (\$'000)
Rental income	326,024	284,978
Direct operating expenses arising from:		
- Rental generating properties	49,652	42,713

Investment properties are carried at fair values at the balance sheet date as determined annually by independent professional valuers with recent experience in the location and category of the properties being valued.

The valuations are based on a combination of the Direct Comparison Method, Income Approach and Discounted Cash Flow Analysis. In relying on the valuation reports, management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

14. GROUP INVESTMENT PROPERTIES (cont'd)

Independent professional valuations were carried out by the following valuers:

Valuers	Valuation Date
DTZ Debenham Tie Leung (SEA) Pte Ltd	September 2009
DTZ Debenham Tie Leung Limited	September 2009
Jones Lang LaSalle Property Consultants Pte Ltd	September 2009
Knight Frank LLP	September 2009
BEM Property Consultants Pty Limited	September 2009
CB Richard Ellis Limited	September 2009
Asian Appraisal Company, Inc.	September 2009
Cushman & Wakefield (VN) Ltd	September 2009
CB Richard Ellis Hotels Limited	September 2009
CB Richard Ellis (Pte) Ltd	September 2009
Associated Property Consultants Pte. Ltd.	September 2009

Investment properties amounting to \$114,167,000 (2008: \$101,122,000) are secured for credit facilities with a bank for which certain covenants were breached as at 30 September 2009 (Note 16(f)).

15. GROUP PROPERTIES HELD FOR DEVELOPMENT

	2009 (\$'000)	2008 (\$'000)
Properties held for development comprise:		
Freehold land, at cost	3,599	1,530
Leasehold land, at cost	116,141	99,446
Building	8,453	4,051
Development expenditure	40,459	55,376
Interest cost	300	620
Property tax	849	1,274
	169,801	162,297

Properties held for development include:

Singapore

- (1) Leasehold land (99-year tenure commencing 15 March 1978) at Lots 10283 PT (Plot 1) and 10283 PT (Plot 2) of Mukim 27 at 799 and 795 New Upper Changi Road for the development of a commercial building with five levels of retail space including a retail basement floor and a basement carpark.
- (2) 50% proportionate share of a leasehold land (60-year tenure commencing 30 April 2008) in Changi Business Park comprising Lots 10603X and 10610W of Mukim 27 for the proposed development of a mixed use business park with retail and hotel components.

Malaysia

- (3) Freehold land at Jalan Yew, Kuala Lumpur, Malaysia for the development of commercial buildings with retail space, city campus and hostel, hotels and carparks.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

16. SUBSIDIARY COMPANIES

	THE COMPANY	
	2009 (\$'000)	2008 (\$'000)
Quoted shares at cost	257,848	260,300
Unquoted shares at cost	2,924,143	2,759,141
	3,181,991	3,019,441
Amounts owing by subsidiary companies (unsecured)	387,057	753,359
Amounts owing to subsidiary companies (unsecured)	(24,218)	(19,840)
	3,544,830	3,752,960
MARKET VALUE		
Quoted shares	859,319	772,879

The Company's investments in subsidiary companies include an interest in 57.37% (2008: 57.92%) of the issued ordinary shares of Fraser & Neave Holdings Bhd ("F&NHB").

The amounts owing by subsidiary companies are due on loan account, not repayable within the next 12 months and are interest-free except for amounts of \$386,050,000 (2008: \$726,863,000) which bear interest at an average rate of 0.91% (2008: 1.38%) per annum.

The amounts owing from and to subsidiary companies disclosed under current assets and current liabilities are unsecured, non-trade in nature, interest-free, no fixed repayment term and to be settled in cash.

The carrying amounts of the amounts owing from and to subsidiary companies are largely denominated in Singapore Dollars.

(a) During the financial year, the Group incorporated the following subsidiary companies:

Name of Company	Country of incorporation and place of business	Equity interest held %	Date of incorporation
Fraser's Homes WA Pty Limited	Australia	56.3	7 November 2008
Coast Homes Limited	New Zealand	67.5	16 March 2009

(b) During the financial year, the Group acquired additional interest in the following subsidiary companies:

Soft Drinks

- (i) On 7 September 2009, the Group's subsidiary company, F&NHB acquired the remaining 10% of the equity interest in F&NCC Beverages Sdn Bhd ("F&NCCB") and F&N Coca-Cola (Malaysia) Sdn Bhd ("F&NCC(M)") from The Coca Cola Company at purchase price of RM78.8 million. As a result, F&NCCB and F&NCC(M) became wholly owned subsidiaries of F&NHB.

(c) During the financial year, the Group disposed the following companies:

Properties

- (i) On 18 September 2009, the Group, through Fraser's Centrepoint Limited ("FCL")'s subsidiary company, FCL China Development Pte Ltd, disposed of its entire shareholding interest in Metro Charm Holdings Limited at a gain of \$28,123,000.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

16. SUBSIDIARY COMPANIES (cont'd)

(c) During the financial year, the Group disposed the following companies (cont'd)

Dairies

- (i) On 21 August 2009, the Group's subsidiary company, F&N Dairy Investments Pte Ltd ("F&NDI") sold its entire shareholding interest in Tien Chun Pte Ltd ("TC") to China Dairy Group Ltd, together with an assignment of all shareholder's loans owing by TC to F&NDI at a gain of \$420,000.

Printing and Publishing

- (i) During the year, the Group's subsidiary company, Times Publishing Limited ("TPL") disposed of its subsidiaries Educational Associates Limited and TPL Printers (UK) Limited via liquidation. The disposals resulted in a net loss of \$2,513,000.

The effect of the above disposals are disclosed in the Consolidated Cash Flow Statement.

(d) During the financial year, the Group disposed the following business assets:

Printing and Publishing

- (i) During the year, TPL disposed of the distribution business in Rainbow Products Pty Limited and the English Language Training business in Marshall Cavendish Limited at a loss of \$5,812,000.

The effect of the disposal is disclosed in the Consolidated Cash Flow Statement.

(e) Payment of Management Fees and Acquisition Fees by way of Units in Frasers Centrepoint Trust ("FCT")

The Group, through FCL's subsidiary company, Frasers Centrepoint Assets Management Ltd, received 5,596,027 Units (total value of \$4,074,592) in FCT in payment for 65% of its management fees.

(f) Breach of bank covenants by Frasers Property (UK) Limited ("FPUK")

As at 30 September 2009, FPUK, a 51% subsidiary, located in the United Kingdom, has not complied with certain covenants of its credit facilities agreements with a bank and the bank has the right to recall and demand repayment of the outstanding amounts. FPUK and the bank are currently in the process of a consensual restructuring of these facilities. FPUK and its subsidiaries ("FPUK group") and Frasers St. Giles Street (Edinburgh) Limited ("Frasers St. Giles"), a 51% subsidiary (collectively referred to as "UK sub-group") are reliant on these credit facilities for their continuing operations.

These factors indicate the existence of a material uncertainty which may cast significant doubt on the UK sub-group's ability to continue as a going concern. The financial statements of the UK sub-group for the financial year ended 30 September 2009 are prepared on a going concern basis on the assumption that the working capital and banking facilities currently available would continue to be available for the next 12 months and would be sufficient for its requirements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

16. SUBSIDIARY COMPANIES (cont'd)

(f) Breach of bank covenants by Frasers Property (UK) Limited ("FPUK") (cont'd)

The aggregate amounts of the UK sub-group's current assets, non-current assets, current liabilities and non-current liabilities included in the Group's balance sheets are as follows:

	2009 (\$'000)	2008 (\$'000)
Non-current assets		
Investment properties	114,167	101,122
Other non-current assets	25,230	24,848
Current assets		
Development properties held for sale	357,804	524,639
Trade receivables	6,643	4,819
Cash and cash equivalents	74,058	72,894
Other current assets	15,319	22,344
Total Assets	593,221	750,666
Bank borrowings - current	523,280	108,709
Other current liabilities	36,602	41,652
Non-current liabilities	17,526	446,301
Total Liabilities	577,408	596,662
Net Asset Value	15,813	154,004
Group's effective share	8,634	90,352

If the UK sub-group is unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised at amounts which could differ significantly from the amounts at which they are currently recorded. No such adjustments have been made to these financial statements.

If the current renegotiation of these banking facilities do not lead to a satisfactory resolution for all interested parties and the Group loses control of the UK sub-group, the UK sub-group may need to be deconsolidated. In that event, the Group's share of net assets of the UK sub-group calculated based on the financial position as at 30 September 2009 would be \$8,634,000.

Details of significant subsidiaries are included in Note 43.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

17. JOINT VENTURE COMPANIES

		THE COMPANY	
		2009	2008
		(\$'000)	(\$'000)
(a)	Unquoted investment, at cost	301,626	276,126
	Quoted investment, at cost	132,795	132,795
		434,421	408,921

MARKET VALUE

Quoted shares	225,047	202,542
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Details of joint venture companies are included in Note 43.

- (b) The following amounts represent the Group's share of the revenue, expenses, assets and liabilities of the joint venture companies and are included in the consolidated profit statement and balance sheet using the line-by-line format of proportionate consolidation.

- (i) The Group's share of the consolidated results of the joint venture companies for the year is as follows:

		THE GROUP	
		2009	2008
		(\$'000)	(\$'000)
	Revenue	1,343,985	1,278,253
	Profit before taxation and exceptional items	131,624	143,040
	Exceptional items	(8,898)	(14,532)
	Taxation	(54,262)	(56,872)
	Minority interests	(55,485)	(44,210)

- (ii) The Group's share of the consolidated assets and liabilities of the joint venture companies is as follows:

Non-current assets	807,019	818,314
Current assets	920,737	832,449
Current liabilities	(803,836)	(731,641)
Long term liabilities	(129,332)	(159,751)
	794,588	759,371

- (iii) The share of the results, assets and liabilities as stated in paragraphs (a) and (b) above is based on the accounts of the joint venture companies to 30 September 2009.
- (iv) The amounts owing from/to joint venture companies classified under current assets and current liabilities are unsecured, trade in nature, interest-free, to be settled in cash and are denominated mostly in Singapore Dollars, United States Dollars and Thai Bahts.
- (v) The Group's and the Company's share of capital commitments of the joint venture companies as at 30 September 2009 is \$39,299,000 (2008: \$30,824,000).
- (vi) The Group's and the Company's share of contingent liabilities of the joint venture companies as at 30 September 2009 is \$327,000 (2008: \$258,000).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

17. JOINT VENTURE COMPANIES (cont'd)

(c) Joint Venture Company's Investment in Joint Venture

Joint venture companies ("JVC") that are held directly by the Group's joint venture companies are equity accounted for in accordance with the accounting policies of the Group's joint venture companies. No adjustments have been made in the Group consolidated financial statements to recognise the interests of these JVC using proportionate consolidation as the contribution of these JVC to the Group are not material. In the previous financial year, the Group's joint venture company entered into a conditional agreement to sell its entire shareholding interest in its joint venture company and the investment was reclassified from investment in joint venture company to assets held for sale. Subsequently in March 2009, the sale and purchase agreement relating to the intended sale has expired and the asset held for sale was reinstated as a joint venture company of the Group.

Investments in and share of the results, assets and liabilities of the joint venture companies, are as follows:

	THE GROUP	
	2009	2008
	(\$'000)	(\$'000)
Investment in joint venture companies, at cost	72,275	29,172
Acquisition of interests	1,126	9,959
Provision for impairment	(4,539)	-
Share of net post acquisition reserves	20,622	21,505
	89,484	60,636
Loans owing from joint venture companies (unsecured)	3	3
	89,487	60,639

(i) The Group's share of the consolidated results of the JVC for the year is as follows:

Revenue	248,401	234,082
Profit before exceptional items	12,731	11,708
Exceptional items	-	(165)

(ii) The Group's share of the consolidated assets and liabilities of the JVC is as follows:

Non-current assets	77,864	51,408
Current assets	85,651	66,210
Current liabilities	(45,493)	(29,046)
Long term liabilities	(28,535)	(27,933)
	89,487	60,639

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

18. ASSOCIATED COMPANIES

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Unquoted investments, at cost	40,678	39,919	-	-
Quoted investments, at cost	523,841	265,127	93,783	-
Acquisition of interests	80,183	257,750	-	94,941
Provision for impairment	(55,247)	(47,955)	(11,400)	(11,400)
Share of net post acquisition reserves	25,416	94,051	-	-
	614,871	608,892	82,383	83,541
Loans owing from associated companies (unsecured)	20,998	29,342	-	-
	635,869	638,234	82,383	83,541

MARKET VALUE

Quoted shares	294,743	234,862	32,262	55,103
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- (a) The loans owing from associated companies are interest-free, non-trade in nature and are not repayable within one year. They are treated like quasi-equity loans. The fair value of the loans is not determinable as the timing of future cash flows arising from the repayment of the loans cannot be estimated reliably. Accordingly, the loans are recorded at transaction price.
- (b) The amounts due from/to associated companies classified under current assets and current liabilities are unsecured, trade in nature, interest-free, to be settled in cash and are denominated mostly in Singapore Dollars and Chinese Renminbi.
- (c) The summarised financial statements of the associated companies are as follows:

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Revenue	2,836,706	2,327,804
(Loss)/Profit before exceptional items	(263,811)	93,872
Exceptional items	3,576	-
Non-current assets	3,956,610	3,592,390
Current assets	1,151,612	1,426,849
Current liabilities	(708,550)	(1,077,503)
Long term liabilities	(1,886,241)	(1,241,980)
	2,513,431	2,699,756

- (d) The results, assets and liabilities as stated in paragraph (c) above are based on the accounts of the associated companies to 30 September 2009.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

18. ASSOCIATED COMPANIES (cont'd)

- (e) The Group's share of capital commitments of the associated companies as at 30 September 2009 is \$15,308,000 (2008: \$12,633,000).
- (f) The Group's share of contingent liabilities of the associated companies as at 30 September 2009 is \$3,110,000 (2008: \$Nil).

Impairment loss of \$7,292,000 (2008: \$47,955,000) and \$Nil (2008: \$11,400,000) relating to investment in associated companies was recognised for the current year for the Group and Company respectively. This represents the write-down of the carrying values to the recoverable amounts. The recoverable amounts were estimated based on our value-in-use. The discount rates applied is 7% (2008: 9% to 9.9%).

Details of associated companies are included in Note 43.

19. INTANGIBLE ASSETS

	THE GROUP				Total (\$'000)
	Goodwill (\$'000)	Deferred Development Costs (\$'000)	Management Contracts (\$'000)	Other Intangible Assets (\$'000)	
For the year ended 30 September 2009					
At cost					
Balance at beginning of year	238,873	109,730	66,557	25,940	441,100
Currency realignment	(2,922)	345	84	(1,934)	(4,427)
Additional expenditure during the year	-	24,258	-	861	25,119
Acquisition of subsidiary companies and additional interests in subsidiary companies	16,221	-	-	-	16,221
Acquisition of additional interests in joint venture companies	5,570	-	-	616	6,186
Reclassification	(1,334)	-	-	1,334	-
Reclassified from fixed assets	-	-	-	307	307
Reclassified from inventories	-	13,801	-	-	13,801
Write off for the year	(83)	(1,750)	-	(993)	(2,826)
Balance at end of year	256,325	146,384	66,641	26,131	495,481
Accumulated amortisation and impairment					
Balance at beginning of year	-	74,023	490	9,057	83,570
Currency realignment	-	(197)	-	(35)	(232)
Amortisation charge for the year	-	24,066	490	3,312	27,868
Impairment charge for the year	-	8,804	-	-	8,804
Impairment charge written back for the year	-	(188)	-	-	(188)
Reclassified from fixed assets	-	-	-	65	65
Write off for the year	-	(182)	-	(904)	(1,086)
Balance at end of year	-	106,326	980	11,495	118,801
Net book value	256,325	40,058	65,661	14,636	376,680

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

19. INTANGIBLE ASSETS (cont'd)

	THE GROUP				Total (\$'000)
	Goodwill (\$'000)	Deferred Development Costs (\$'000)	Management Contracts (\$'000)	Other Intangible Assets (\$'000)	
For the year ended 30 September 2008					
At cost					
Balance at beginning of year	239,085	91,319	3,848	21,000	355,252
Currency realignment	(425)	(4,004)	108	(10)	(4,331)
Additional expenditure during the year	-	22,297	-	1,412	23,709
Acquisition of subsidiary companies and additional interests in subsidiary companies	5,512	794	62,601	2,917	71,824
Acquisition of additional interests in joint venture companies	7,100	-	-	-	7,100
Disposals	(12,322)	-	-	-	(12,322)
Reclassified from fixed assets	-	-	-	635	635
Write off for the year	(77)	(676)	-	(14)	(767)
Balance at end of year	238,873	109,730	66,557	25,940	441,100
Accumulated amortisation and impairment					
Balance at beginning of year	-	56,798	-	6,050	62,848
Currency realignment	-	(2,763)	-	(18)	(2,781)
Amortisation charge for the year	-	20,173	490	3,039	23,702
Impairment charge for the year	-	412	-	-	412
Write off for the year	-	(597)	-	(14)	(611)
Balance at end of year	-	74,023	490	9,057	83,570
Net book value	238,873	35,707	66,067	16,883	357,530

All intangible assets have finite useful lives of not more than 20 years, except management contracts with a cost of \$62,601,000 (2008: \$62,601,000) are assessed to have an indefinite useful life and not amortised. This is the value ascribed to management contracts entered into between a subsidiary and an associate. Management is of the view that these intangible assets have an indefinite useful life as the contracts are contracts which go into perpetuity, and will only be terminated upon the removal of the subsidiary as the manager.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

20. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS

(a) Goodwill

The carrying value of the Group's goodwill arising from acquisitions of subsidiary and joint venture companies was assessed for impairment during the financial year.

	As at 30 Sep 2009 (\$'000)	Basis on which recoverable values are determined	Terminal growth rate	Pre-tax Discount rate
Carrying value of capitalised goodwill based on cash generating units				
Subsidiary companies:				
Printing and Publishing Group	25,997	Value-in-use	0%	5.4% - 15.6%
Dairies Group	2,604	Value-in-use	0%	8.3%
Soft Drinks Group	37,555	Value-in-use	0%	8.3%
		and Fair value less cost to sell		
	66,156			
Joint venture companies:				
Breweries Group	190,169	Value-in-use	2%	10.7% - 24.9%
		and Fair value less cost to sell		
	256,325			
	As at 30 Sep 2008 (\$'000)	Basis on which recoverable values are determined	Terminal growth rate	Pre-tax Discount rate
Carrying value of capitalised goodwill based on cash generating units				
Subsidiary companies:				
Printing and Publishing Group	27,448	Value-in-use	0%	5.5% - 12.1%
Dairies Group	2,645	Value-in-use	0%	7.6%
Soft Drinks Group	21,447	Fair value less cost to sell	-	-
	51,540			
Joint venture companies:				
Breweries Group	187,333	Value-in-use	2%	12.8% - 32.3%
		and Fair value less cost to sell		
	238,873			

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

20. IMPAIRMENT TESTS FOR INTANGIBLE ASSETS (cont'd)

(a) Goodwill (cont'd)

Goodwill is allocated for impairment testing purposes to the individual entity which is also the cash generating unit. The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 year periods. Cash flows beyond these periods are extrapolated using the estimated growth rates stated in the table above. The fair value less costs to sell calculations are based on quoted market prices obtained from active markets.

The terminal growth rate used does not exceed the long term average growth rate of the respective industry and country in which the entity operates.

The discount rates applied to the cash flow projections reflect managements' estimates of the risks specific to the respective cash generating units at the date of assessment.

No impairment loss was required for the financial years ended 30 September for the goodwill assessed as their recoverable values were in excess of their carrying values.

(b) Management contracts

The carrying value of the management contracts was assessed for impairment during the financial year.

The recoverable amount of the management contract has been determined based on value in use calculations using a projection of the management fee income covering a 5 year period. The pre-tax discount applied to the projections is 10% and the forecast growth rate used beyond the 5 year period is 2%.

No impairment loss was required for the management contracts assessed as their recoverable values were in excess of their carrying values.

(c) Deferred development costs

The carrying value of deferred development costs was assessed for impairment during the financial year.

An impairment loss of \$8,804,000 (2008: \$412,000) was recognised in the profit statement as the carrying value was assessed to be in excess of its recoverable value.

The recoverable amount of the deferred development costs has been determined based on value-in-use calculations using 5 year cash flow projection approved by management. The pre-tax discount rate applied to the cash flow projections was 5.7% (2008: 5.7%) and the terminal growth rate was 0% (2008: 0%).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

21. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Quoted				
Quoted available-for-sale financial assets				
Non-equity investments				
At fair value	25,723	25,708	-	-
Equity investments				
At fair value	6,979	8,353	5,766	5,463
Quoted total	32,702	34,061	5,766	5,463
Unquoted				
Unquoted available-for-sale financial assets				
Non-equity investments				
At cost (less impairment loss)	343,169	1,106	-	-
At fair value	301	265	-	-
Equity investments				
At cost (less impairment loss)	81,265	105,274	14	14
At fair value	2,529	2,608	2,529	2,608
Loan and receivables				
Non-equity investments in company				
	5,247	9,128	-	-
Unquoted total	432,511	118,381	2,543	2,622
Total	465,213	152,442	8,309	8,085

- (a) The quoted non-equity investments carry interest rate of 6% (2008: 6%).
- (b) The unquoted non-equity investments carry interest rates of 0% to 10.4% (2008: 0% to 10.4%).
- (c) Certain unquoted investments do not have quoted market prices in an active market nor are other methods of reasonably estimating the fair values readily available. Hence it is not practicable to determine their fair value with sufficient reliability without incurring excessive costs.
- (d) Market value of quoted investments are determined by reference to stock exchange quoted prices.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

22. CASH AND BANK DEPOSITS

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Cash and bank balances	373,809	403,057	470	356
Bank fixed deposits	1,269,499	629,882	52,092	39,200
	1,643,308	1,032,939	52,562	39,556

The weighted average effective interest rate for bank fixed deposits is 1.94% (2008: 5.37%).

Included in the Group's cash and bank balances, and bank fixed deposits are amounts of \$3,435,000 (2008: \$968,000) and \$511,242,000 (2008: \$309,156,000) respectively held under the Project Account Rules (1997 Ed), withdrawals from which are restricted to payments for development expenditure incurred on development properties held for sale.

As at 30 September 2009, the cash and bank deposits held by the Group are in the following major currencies: Chinese Renminbi - 22.1% (2008: 21.7%), United States Dollars - 14.9% (2008: 11.8%) and Sterling Pound - 4.9% (2008: 7.4%).

23. BRANDS

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
At cost				
Balance at beginning of year	61,546	65,196	8,435	8,435
Currency realignment	(1,954)	(3,650)	-	-
Balance at end of year	59,592	61,546	8,435	8,435
Accumulated amortisation and impairment				
Balance at beginning of year	13,407	12,933	8,435	8,435
Currency realignment	(93)	(255)	-	-
Amortisation for the year	591	729	-	-
Impairment for the year	2,560	-	-	-
Balance at end of year	16,465	13,407	8,435	8,435
Net book value	43,127	48,139	-	-

Included in the Group's brands are brands with indefinite useful life of carrying amount of \$42,675,000 (2008: \$44,230,000).

The value-in-use calculations apply a discounted cash flow model using cash flow projections based on financial budgets and forecasts approved by management covering 3 to 5 year periods. The growth rate used does not exceed the average growth rate of the respective industry in which the brands operate. The discount rates applied to the cash flow projections ranges from 8.3% to 20.0%.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

24. PROPERTIES HELD FOR SALE

	THE GROUP	
	2009	2008
	(\$'000)	(\$'000)
(a) Development Properties Held for Sale		
Properties in the course of development	4,656,584	4,595,376
Allowance for foreseeable losses	(107,777)	(40,938)
Allowance for amortisation	(1,000)	(1,010)
	4,547,807	4,553,428
Development profit	422,535	346,702
	4,970,342	4,900,130
Progress payments received	(1,300,156)	(746,605)
Balance at end of year	3,670,186	4,153,525
(b) Completed Properties Held for Sale		
Completed units, at cost	342,181	430,321
Allowance for foreseeable losses	(4,919)	(7,109)
Net book value	337,262	423,212
Total Properties Held for Sale	4,007,448	4,576,737

- (i) Interest capitalised during the year was \$145,760,000 (2008: \$142,813,000). A capitalisation rate of between 0.80% and 15.00% (2008: 1.62% and 14.00%) per annum was used, representing the borrowing cost of the loans used to finance the projects.
- (ii) As at 30 September 2009, the bank loans drawn down amounted to \$1,054,097,000 (2008: \$1,045,227,000).
- (iii) Development properties held for sale amounting to \$363,768,000 (2008: \$524,639,000) as described in (22) to (33) are secured for credit facilities with a bank for which certain covenants were breached as at 30 September 2009 (Note 16(f)).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include:

Singapore

- (1) St Thomas Suites – freehold land of approximately 12,991.8 sqm at Lots 99709T and 112N TS 21 situated at St Thomas Walk for the development of 176 condominium units of approximately 38,122.3 sqm of gross floor area for sale.
- (2) Clementi Woods – leasehold land (99-year tenure commencing 7 February 2006) of approximately 20,062.0 sqm at Lot 1201K MK 3 situated at 50 West Coast Road for the development of 240 condominium units of approximately 31,560.0 sqm of gross floor area for sale.
- (3) Martin Place Residences - freehold land of approximately 12,992.3 sqm at TS 21 on Lots 317K-PT, 318N-PT, 453A, 454K, 457L-PT, 752K-PT, 1090N-PT and 1111T-PT at Kim Yam Road for the development of 302 units of approximately 37,684.0 sqm of gross floor area for sale.
- (4) Soleil@Sinaran – leasehold land (99-year tenure commencing 23 October 2006) of approximately 12,468.4 sqm at Lot(s) 931T TS 29 Sinaran Drive for the development of 417 units of approximately 44,877.7 sqm of gross floor area for sale.
- (5) 50% proportionate share of a leasehold land (Plot B1 and B2 have 99-year tenure commencing 31 October 2007 while Plot A1 and A2 have 99-year tenure commencing 1 January 1985 which will be revised) of approximately 75,164.7sqm at Lots 6182W and 6183V Mukim 28 Bedok Reservoir Road for the development of approximately 1,493 units of approximately 202,716.5 sqm of gross floor area for sale. Waterfront Waves (Plot B1) comprises 405 residential units of approximately 51,233.0 sqm of gross floor area for sale whilst Waterfront Key (Plot B2) comprises 437 residential units of approximately 37,834.0 sqm of gross floor area for sale.
- (6) Freehold land of approximately 5,590.0 sqm at MK 22 on Lot 9339C Yio Chu Kang Road/Sirat Road for a residential development of approximately 81 units of approximately 7,827.0 sqm of gross floor area for sale.
- (7) Woodsville 28 – leasehold land (99-year tenure commencing 15 October 2007) of approximately 3,870.0 sqm on Lot 9684M Mukim 17 at Woodsville Close for the development of 110 condominium units of approximately 11,015.0 sqm of gross floor area for sale.
- (8) Caspian - Leasehold land (99-year tenure commencing 1 March 2008) of approximately 22,000.0 sqm on Lots 4216T, 4217A, 4218K MK 06 at Boon Lay Way/Lakeside Drive for the development of 712 condominium units of approximately 79,762.0 sqm of gross floor area for sale.
- (9) 8 @ Woodleigh – Leasehold land (99-year tenure commencing 22 September 2008) of approximately 10,774.0 sqm at Lot Q949W MK17 Woodleigh Close for the development of 330 condominium units of approximately 30,164.0 sqm of gross floor area for sale.
- (10) Freehold land of approximately 1,559.0 sqm situated at Holland Park, off Holland Road, Singapore for the development of bungalow units for sale.
- (11) Freehold land of approximately 2,801.1 sqm at Lots 3655K and 3654A Mukim 2 at Holland Park for the development of 2 good class bungalows for sale.
- (12) Freehold land of approximately 31,161.0 sqm at Lot 06495W MK27 Siglap Road for the development of approximately 393 condominium units of approximately 43,625.0 sqm of gross floor area for sale.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include: (cont'd)

Vietnam

- (13) Leasehold land (35-year tenure commencing 3 April 1995) of approximately 2,160.0 sqm at No. 3 Nguyen Sieu Street, Ho Chi Minh City, Vietnam for the development of approximately 106 residential units of approximately 11,845.0 sqm of gross floor area for sale.

Australia

- (14) Freehold land of approximately 52.2 hectares situated at Wanjeep Street, Mandurah, Western Australia for a proposed mixed development of approximately 1,200 residential and commercial units of a total of approximately 159,000.0 sqm of gross floor area for sale.
- (15) Freehold land of approximately 1.19 hectares situated at East Perth, Australia for a proposed mixed development comprising approximately 337 private apartment units, 129 serviced suites and commercial space of a total of approximately 54,000.0 sqm of strata area for sale.
- (16) Freehold land of approximately 4.8 hectares situated at Morton Street, Parramatta, Sydney, Australia for a proposed development of approximately 550 apartment units for sale.
- (17) Freehold land of approximately 0.93 hectares situated in Camperdown's City Quarter, Sydney, Australia for a proposed development of approximately 409 apartment units of a total of approximately 38,847.0 sqm of gross floor area for sale.
- (18) Freehold land of approximately 5.8 hectares situated at Broadway Sydney, Australia for a proposed mixed development comprising about 110,300.0 sqm of commercial space and about 1,300 residential apartment units of about 145,200.0 sqm gross floor area for sale.
- (19) Freehold land of approximately 6,215.0 sqm situated at 3, 5, 7 Lorne Avenue, Killara, Sydney, Australia for a proposed development comprising 66 apartment units of approximately 9,373.0 sqm of gross floor area for sale.

New Zealand

- (20) Freehold land of approximately 6,831.0 sqm in the South Island, Queenstown, New Zealand for a proposed development of 24 luxury residential apartments of approximately 6,500.0 sqm of gross floor area for sale.
- (21) Freehold land of approximately 27 hectares located in Tauranga in the Bay of Plenty, New Zealand for a proposed development of approximately 686 houses and apartments and a beach front condominium complex of approximately 136,500.0 sqm of gross floor area for sale.

United Kingdom

- (22) Freehold land of approximately 40,015.0 sqm on the south bank of River Thames, London, United Kingdom for a proposed residential and commercial development of 395 residential units and ancillary office and retail space of a total of approximately 30,800.0 sqm of gross floor area for sale for Phase 3 of the Wandsworth Riverside Development.
- (23) Freehold land of approximately 1,901.0 sqm situated at 143 - 161 Wandsworth Road, London, United Kingdom, for a proposed residential and commercial development of approximately 178 residential units and ancillary office and retail space of a total of 22,576.0 sqm of gross floor area for sale.
- (24) Freehold land of approximately 3,400.0 sqm situated at 1 - 6 Camberwell Green and 307-311 Camberwell New Road SE5, London, United Kingdom, for a proposed residential development of approximately 135 units and ancillary office and retail space of a total of approximately 13,785.0 sqm of gross floor area for sale.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include: (cont'd)

United Kingdom (cont'd)

- (25) Freehold land of approximately 5,385.0 sqm situated at Shoppenhangers Lane, Maidenhead, United Kingdom, for a proposed residential development of approximately 28 units of approximately 2,397.0 sqm of gross floor area for sale.
- (26) Freehold land of approximately 2,165.0 sqm situated at Collins Theatre, Islington, United Kingdom, for a proposed residential development of approximately 70 units and commercial space of a total of approximately 3,026.0 sqm of gross floor area for sale.
- (27) 50% proportionate share of a freehold land of approximately 26,315.0 sqm situated at Leith Walk, Edinburgh, United Kingdom, for a proposed residential and commercial development of approximately 356 residential units and ancillary office and retail space of a total of approximately 25,951.0 sqm of gross floor area for sale.
- (28) 50% proportionate share of a freehold land of approximately 8,299.0 sqm situated at Granton Harbour, Leith, United Kingdom, for a proposed residential development of approximately 120 apartments of approximately 10,648.0 sqm of gross floor area for sale.
- (29) 50% proportionate share of a freehold land of approximately 1,619.0 sqm situated at Water Street, Edinburgh, United Kingdom, for a proposed residential and commercial development of 36 refurbished apartments and 8 new build apartments, together with office space of a total of approximately 4,514.0 sqm of gross floor area for sale.
- (30) 50% proportionate share of a freehold land of approximately 26,315.0 sqm situated at Ferry Village, Renfrew, Glasgow, United Kingdom, for a proposed residential development of approximately 177 apartments and 13 townhouses of a total of approximately 16,116.0 sqm of gross floor area for sale.
- (31) 45% proportionate share of a freehold land of approximately 3,644.0 sqm situated between Wellington Street and Whitehall Road, Leeds, United Kingdom for a proposed mixed development of 608 private residential units, 206 service apartments and ancillary office and retail space for sale.
- (32) Freehold land of approximately 3,158.0 sqm situated at Brown Street, Glasgow, United Kingdom, for a proposed development of approximately 341 residential units and commercial space with a total gross floor area of 22,629.0 sqm for sale.
- (33) Freehold land of approximately 5,870.0 sqm situated at Baildon, United Kingdom, for a proposed residential development of approximately 120 units with approximately 7,264.0 sqm of gross floor area for sale.

China

- (34) Leasehold land (70-year tenure commencing 27 December 2004) of approximately 314,501.0 sqm situated in Gongye Yuan District, Nan Shi Jie Dong, Suzhou, China for a residential development of a total of approximately 555,000.0 sqm of gross floor area for sale.
- (35) Leasehold land (70-year tenure commencing 6 December 2003) of approximately 711,101.0 sqm located near the future Light Rapid Transit station at Si Chen Road in Song Jiang district, Shanghai, China for a composite development with a total of approximately 791,450.0 sqm of gross floor area for sale.
- (36) Leasehold land (50-year tenure commencing 19 September 2007) of approximately 195,846.0 sqm situated in Chengdu, China for a proposed industrial/commercial development with a total of approximately 637,445.0 sqm of gross floor area for sale.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

24. PROPERTIES HELD FOR SALE (cont'd)

(iv) Development properties held for sale include: (cont'd)

Thailand

- (37) 49% proportionate share of The Pano - freehold land of approximately 40,608.0 sqm situated at Rama III Road, Bangkok, Thailand which is separated into phase 1 of 19,062.0 sqm and phase 2 and 3 of 26,546.0 sqm. Phase 1 consists of development of 397 condominium units of approximately 62,322.0 sqm of gross floor area for sale.

Malaysia

- (38) Freehold land of approximately 25,659.0 sqm at Jalan Yew, Kuala Lumpur, Malaysia for the development of commercial buildings with retail space, city campus and hostel, hotels and carparks with a total of approximately 129,931.0 sqm of gross floor area for sale.
- (39) Freehold land of approximately 5,830.0 sqm at Jalan Ampang, Kuala Lumpur, Malaysia for a proposed development of serviced apartments and office suites.
- (40) Freehold land of approximately 245,283.0 sqm at Mukim Hulu Semenyih, District of Hulu Langat, Selangor, Malaysia for a proposed development of residential properties.
- (41) Freehold land of approximately 12,268.0 sqm at Johor Bahru, State of Johor, Malaysia for a proposed development of commercial properties.

25. INVENTORIES

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Containers	43,553	37,193
Raw materials	89,586	127,945
Manufactured inventories	157,167	146,054
Engineering spares, work-in-progress and other inventories	56,554	74,541
Packaging materials	31,322	28,251
Goods purchased for resale	45,325	54,518
	423,507	468,502

- (a) Write back of allowance for inventory obsolescence during the year amounting to \$3,011,000 (2008: \$3,190,000) was made when the inventories were sold above their carrying amounts.
- (b) Inventories of \$1,272,000 (2008: \$1,495,000) of the Group's joint venture company is secured against its bank overdrafts.
- (c) The cost of inventories recognised as expense and included in Cost of Sales amounted to \$192,501,000 (2008: \$217,342,000).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

26. TRADE RECEIVABLES AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Trade receivables	734,167	714,058	-	-
Other receivables:				
Current				
Accrued income	6,222	8,307	186	6
Prepayments	107,837	148,605	3	7
Deposits paid	9,388	11,145	-	-
Tax recoverable	22,523	23,718	-	-
Staff loans	5,237	6,171	-	-
Loans to related parties	-	7,555	-	-
Amount receivable from joint venture partners	13,172	15,347	-	-
Derivative financial instruments (Note 27)	4,036	4,605	2,405	3,188
Advanced project cost paid	2,149	5,881	-	-
Sundry debtors	28,700	28,956	-	-
Other receivables	37,832	31,130	-	3
	237,096	291,420	2,594	3,204
	971,263	1,005,478	2,594	3,204
Non current				
Prepayments	6,197	10,910	-	-
Staff loans	1,519	1,511	-	-
Loans to a minority shareholder	40,208	-	-	-
Other receivables	6,182	6,783	-	-
	54,106	19,204	-	-
	1,025,369	1,024,682	2,594	3,204

- (a) Included in trade receivables is an amount of \$293,976,000 (2008: \$229,174,000) which relates to the balance of sale proceeds from completed condominium projects which will be received upon issuance of certificate of statutory completion, notice of vacant possession, expiry of defect liability period and/or title subdivision.
- (b) As at 30 September 2009, the trade receivables and other receivables held by the Group are in the following major currencies: Malaysia Ringgit - 15.0% (2008: 17.3%), Chinese Renminbi - 12.8% (2008: 13.3%) and United States Dollars - 5.5% (2008: 7.0%).
- (c) Trade and other receivables of \$1,157,000 (2008: \$1,133,000) of the Group's joint venture company are pledged as security for bank overdraft.
- (d) At balance sheet date, trade receivables amounting to \$9,613,000 (2008: \$9,898,000) of the Group's joint venture company have been secured by collaterals provided by customers.
- (e) As at balance sheet date, the Group has provided an allowance of \$15,849,000 (2008: \$Nil) for impairment on other receivables.
- (f) Loans to a minority shareholders are non-trade related, unsecured, bears interest at 12% per annum and have no fixed repayment terms.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

26. TRADE RECEIVABLES AND OTHER RECEIVABLES (cont'd)

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to \$142,584,000 (2008: \$195,740,000) that are past due at balance sheet date but not impaired. These receivables are unsecured and the aging analysis at the balance sheet date is as follows:

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Trade receivables past due:		
1 to 30 days	64,680	141,423
31 to 60 days	30,438	21,800
61 to 90 days	12,238	11,402
91 to 120 days	5,454	6,234
more than 120 days	29,774	14,881
	142,584	195,740

Trade receivables that are impaired

The Group's trade receivables that are impaired at the balance sheet date and the movement of the allowance accounts used to record the impairment are as follows:

	THE GROUP			
	Collectively impaired		Individually impaired	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Trade receivables - nominal amounts	17,346	11,907	13,912	14,213
Less: Allowance for impairment	(632)	(2,129)	(12,219)	(10,240)
	16,714	9,778	1,693	3,973
Movement in allowance accounts:				
At 1 October	2,129	329	10,240	13,792
Charge for the year	281	1,673	6,306	4,784
Written back	(401)	(41)	(3,192)	(3,803)
Written off	(31)	(5)	(2,327)	(3,571)
Reclassification	(1,185)	-	1,185	-
Exchange difference	(161)	173	7	(962)
At 30 September	632	2,129	12,219	10,240

Receivables that are individually determined to be impaired at the balance sheet date relate to debtors that are in significant financial difficulties and have defaulted on payments.

The reclassification relates to the transfer from collectively impaired allowance to individually impaired allowance.

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FOR THE YEAR ENDED 30 SEPTEMBER 2009

27. DERIVATIVE FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Assets				
Interest rate swap	3,100	3,188	2,405	3,188
Forward currency contracts	936	1,417	-	-
	4,036	4,605	2,405	3,188
Liabilities				
Interest rate swap	29,982	7,000	-	2,218
Forward currency contracts	12,956	1,371	-	-
	42,938	8,371	-	2,218
Net position	(38,902)	(3,766)	2,405	970

The Group has applied cash flow hedge accounting for interest rate swap arrangements for which the associated floating rate loans have the same critical terms, and which have been assessed to be effective hedges. The interest on these interest rate swaps and loans are settled on a quarterly basis.

28. SHORT TERM INVESTMENTS

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Quoted				
Available-for-sale financial assets				
Equity investments at fair value	251,378	137,891	-	-
Unquoted				
Loans and receivables				
Non-equity investments at cost	3,318	3,220	-	-
Total	254,696	141,111	-	-

Included in non-equity investments are notes with interest rates of 8.9% to 11.9% (2008: 8.9% to 11.9%) per annum and maturing within the next 12 months.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

29. ASSETS AND LIABILITIES HELD FOR SALE

The assets held for sale relate to land and machineries which are available for sale following the closure of the glass packaging plant in Jalan Kilang, Petaling Jaya and land and building which are available for sale following the closure of the foods business in Vietnam.

In June 2008, the Group's joint venture company entered into an agreement to sell its entire shareholding interest in a joint venture company for a consideration of US\$38 million (approximately S\$54 million). Subsequently in March 2009, the sales and purchase agreement relating to the intended sale expired and the asset held for sale was reinstated as a joint venture company of the Group.

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Assets		
Non-current assets	9,387	-
Current assets	-	27,086
	9,387	27,086

30. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Trade payables	681,508	576,592	-	-
Other payables:				
Current				
Advances from joint venture partners	11,447	22,432	-	-
Interest payable	27,488	38,077	3,478	5,543
Accrued operating expenses	196,465	179,065	300	1,086
Sundry accruals	153,027	119,847	118	259
Sundry deposits	67,226	64,095	-	-
Staff costs payable	78,713	77,200	-	-
Accrual for unconsumed leave	9,328	11,083	-	-
Amounts due to minority shareholders of subsidiary companies	96,299	58,468	-	-
Deferred income	5,642	9,524	-	-
Provisions	1,584	9,211	-	-
Derivative financial instruments (Note 27)	42,938	8,371	-	2,218
Other payables	70,313	71,102	2,075	2,197
	760,470	668,475	5,971	11,303
	1,441,978	1,245,067	5,971	11,303
Non-current				
Amounts due to minority shareholders of subsidiary companies	864	1,404	-	-
Sundry payables	8,470	8,633	-	-
	9,334	10,037	-	-
	1,451,312	1,255,104	5,971	11,303

- (a) Advances from joint venture partners are non-trade in nature, unsecured, interest-free and have no fixed terms of repayment.
- (b) Amounts due to minority shareholders of subsidiary companies are non-trade in nature, unsecured, repayable in cash on demand and interest free, except for loans of \$8,835,000 (2008: \$18,241,000) which bear interest at 7.5% (2008: 6.0% to 7.0%) per annum.
- (c) As at 30 September 2009, the trade and other payables held by the Group are in the following major currencies: Malaysia Ringgit - 14.7% (2008: 14.4%), Chinese Renminbi - 15.4% (2008: 18.3%) and United States Dollars - 5.4% (2008: 5.7%).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

31. BORROWINGS

	Weighted average effective interest rate %	Notes	THE GROUP		THE COMPANY	
			2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Repayable within one year:						
Unsecured						
Bank loans	4.10		393,700	1,153,313	-	299,960
Bank overdrafts	10.71		19,366	12,871	-	-
			413,066	1,166,184	-	299,960
Term loans	4.02	(c)	365,324	345,679	199,914	-
Secured						
Bank loans	4.55	(b)	913,152	566,628	-	-
Bank overdrafts	13.90	(b)	32	-	-	-
			913,184	566,628	-	-
Finance leases			1,152	1,085	-	-
			1,692,726	2,079,576	199,914	299,960
Repayable after one year:						
Unsecured						
Bank loans	2.63		1,097,269	531,025	-	-
Term loans	3.82		1,959,192	1,741,260	150,000	349,814
Secured						
Bank loans	4.89	(b)	291,063	808,858	-	-
Term loans	3.98	(b)	260,000	272,902	-	-
Finance leases			775	1,214	-	-
		(e)	3,608,299	3,355,259	150,000	349,814
Total			5,301,025	5,434,835	349,914	649,774
Fair value		(d)	5,308,999	5,425,608	340,748	645,502

Notes

(a) Term loans comprise variable rate notes, medium term notes, fixed rate notes, transferable term loan, commercial papers and floating rate bonds issued by the Company and subsidiary companies.

(b) The secured bank loans, overdrafts and term loans are secured by certain subsidiary companies by way of a charge over fixed deposit, plant and machinery, pledge of shares of a subsidiary company, fixed and floating charge over certain assets and mortgages on freehold and leasehold land under development.

A subsidiary company's issue of 165,000 (2008: 330,000) redeemable non-voting Class A Preference Shares of an aggregate value of \$165,000,000 (2008: \$330,000,000) are classified as bank borrowings in the consolidated financial statements of the Group.

As disclosed in Note 16(f), as at 30 September 2009, FPUK has not complied with certain covenants of its credit facilities agreement with a bank and the bank have the right to recall and demand repayment of the outstanding amounts. FPUK and the bank are currently in the process of a consensual restructuring of these facilities. Included in Secured Bank Loans, Repayable within One Year, is an amount of \$523,280,000 relating to all outstanding bank borrowings under the breached facility. This amount is secured on fixed and floating charge over assets of FPUK group (Note 14 and 24).

(c) Included in the term loans is a loan from the Group's associated company bearing interest at 2.8% (2008: 8.7%) per annum.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

31. BORROWINGS (cont'd)

- (d) The carrying amounts of bank borrowings and finance leases approximate fair value as they bear interest at rates which approximate the current incremental borrowing rate for similar types of lending and borrowing arrangements except for bank loans of \$2,276,439,000 (2008: \$1,856,548,000) which have a fair value of \$2,284,413,000 (2008: \$1,847,321,000).

The aggregate fair value of term loans are determined by reference to market value.

- (e) Maturity of non-current borrowings is as follows:

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Between 1 and 2 years	1,432,330	1,218,535	-	199,814
Between 2 and 5 years	1,570,856	1,788,741	-	-
After 5 years	605,113	347,983	150,000	150,000
	3,608,299	3,355,259	150,000	349,814

- (f) As at 30 September 2009, the borrowings held by the Group are in the following major currencies: United States Dollars - 11.9% (2008: 11.5%), Sterling Pounds - 10.2% (2008: 10.2%) and Australia Dollars - 8.9% (2008: 10.2%).
- (g) As at 30 September 2009, the Company and Group had interest rate swaps in place, which have the economic effect of converting borrowings from fixed rates to variable rates or vice versa. The fair value of these interest rate swaps is discussed in Note 38. The weighted average effective interest rates are as at 30 September 2009 and include the effect of related interest rate swaps.

32. PROVISION FOR EMPLOYEE BENEFITS

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Balance at beginning of year	18,764	18,811
Currency realignment	(670)	(1,237)
Acquisition of subsidiary companies	-	7
Write back during the year	(961)	(1,031)
Provision for the year	4,776	5,072
Payment for the year	(2,606)	(2,858)
Balance at end of year	19,303	18,764

(a) Defined Contribution Plan

The Group makes contributions to several post employment benefit plans. Most of these plans are defined contribution plans whereby contributions are made to approved provident and superannuation funds in Singapore, Malaysia, Hong Kong, Australia, Papua New Guinea, Vietnam, Cambodia, Sri Lanka, the USA and Europe.

(b) Defined Benefit Plan

The defined benefit plans in the United Kingdom and New Zealand are funded, defined benefit pension schemes, the assets of which are held in separate trustee-administrated funds. The defined benefit plans in Malaysia do not have separately funded assets. They provide lump sum benefit at normal retirement age. The defined benefit plan in New Zealand was subsequently wound up on 31 March 2009.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(b) Defined Benefit Plan (cont'd)

The major assumptions used by the qualified independent actuaries were:

	THE GROUP	
	2009	2008
Rate of increase in salaries	3.5% to 5.0%	3.5% to 5.0%
Expected rate of return on assets	5.0% to 7.2%	5.0%
Discount rate	4.4% to 6.5%	4.5% to 6.5%

The following tables summarise the components of net benefit expense and benefit liability:

	2009 (\$'000)	2008 (\$'000)
Net benefit expense		
Benefits earned during the year	1,051	654
Interest income on benefit obligation	(843)	(651)
Amortisation of unrecognised gain	(36)	-
Net actuarial gain	1,976	1,828
Curtailment gain/(loss)	377	(31)
Transition obligation recognised	(55)	(250)
Settlement gain	24	-
Net benefit expense	2,494	1,550
Benefit liability		
Present value of benefit obligation	39,079	39,165
Fair value of plan assets	(20,542)	(21,211)
Unfunded benefit obligation	18,537	17,954
Unrecognised net actuarial gain	(3,163)	(2,867)
Unrecognised transition benefit	(306)	(498)
Provision	887	679
Benefit liability	15,955	15,268
Present value of unfunded benefit obligation	14,928	15,180
Present value of funded benefit obligation	24,151	23,985
	39,079	39,165

The following table summarises the components of benefit liabilities not taken up in the Group's consolidated financial statements:

Benefit liabilities		
Present value of benefit obligation	-	10,207
Fair value of plan assets	-	(10,325)
Unfunded benefit obligation	-	(118)
Unrecognised net actuarial loss	-	158
Benefit liabilities	-	40

(c) Long service leave/severance allowances/gratuity

Long service leave, severance allowances and gratuity are provided by joint venture companies based on the number of years of service the employees have rendered at the end of each financial year as required by local legislation in Vietnam, Papua New Guinea, Cambodia and Sri Lanka.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options

The equity-based equity-settled share option schemes of the Group are:

			Approval by Shareholders
(i)	Fraser and Neave, Limited Executives' Share Option Scheme, 1999.	("1999 Scheme")	30 September 1999
(ii)	Asia Pacific Breweries Limited Executives' Share Option Scheme.	("APBL Scheme")	21 February 1995
(iii)	Fraser & Neave Holdings Bhd Executives' Share Option Scheme.	("F&NHB Scheme")	-
(iv)	Frasers Property (China) Limited's Share Option Scheme.	("FPCL Scheme")	20 May 2003
(v)	Fraser & Neave Holdings Bhd Executives' Share Option Scheme.	("F&NHB 2007 Scheme")	5 April 2007

The options granted under the above schemes are for a term of no longer than 10 years from date of grant.

Information regarding the 1999 Scheme, APBL Scheme and F&NHB Scheme

- (i) The exercise price is equal to the market value of a share based on the average of the last done price on the exchange which the respective shares are traded, for the five market days preceding the option offer date.
- (ii) The grantee may exercise an option during the exercise period which commences 33 months after the offer date.
- (iii) Options expire 119 months after the offer date, except for F&NHB Scheme options which expire 59 months after the option offer date.

Information regarding F&NHB 2007 Scheme

- (i) The maximum number of new ordinary shares of RM1.00 each in the company which may be issued on the exercise of the F&NHB 2007 Scheme shall not exceed 10% of the issued and paid-up share capital of F&NHB at any point of time throughout the duration of the F&NHB 2007 Scheme.
- (ii) Eligible full-time executives of the group and executive directors of the company with at least one year service shall be eligible to participate in the F&NHB 2007 Scheme.
- (iii) The allotment of an eligible executive shall not exceed the maximum limits for any specific job grade in any one financial year and 1,000,000 new shares of the company during the tenure of the F&NHB 2007 Scheme, subject to the limits below:
 - (1) not more than 50% of the new shares of F&NHB available under the F&NHB 2007 Scheme shall be allocated, in aggregate, to the directors and senior management of the group; and
 - (2) not more than 10% of the new shares of the company available under the F&NHB 2007 Scheme shall be allocated to any individual eligible executive who, either singly or collectively through persons connected to that eligible executive, holds 20% or more of the issued and paid-up share capital of the company.
- (iv) The option price shall be the five days weighted average market price of the company's shares as quoted on Bursa Malaysia Securities Bhd immediately preceding the date of the offer, or the par value of the shares of F&NHB, whichever is higher.
- (v) The F&NHB 2007 Scheme shall be in force for a period of 10 years from the effective date for the implementation of the F&NHB 2007 Scheme.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Information regarding FPCL Scheme

- (i) The exercise price will be determined by FPCL Board, but shall not be less than the highest of:
- (1) the closing price as stated in the daily quotation sheet of the Stock Exchange of Hong Kong Limited ("HKEX") on the date of grant, which must be a trading day;
 - (2) the average closing prices as stated in the HKEX's daily quotation sheets for the five trading days immediately preceding the date of grant; and
 - (3) the nominal value of FPCL share.
- (ii) The exercise period of the FPCL options granted is determinable by the FPCL Board and commences on a specified date and ends on a date which is not later than 10 years from the date of grant of the FPCL options.
- (iii) The vesting period of the share options is in the following manner:

Vesting Schedule	Percentage of shares over which a share option is exercisable	
	Granted before 2004 (%)	Granted on or after 2004 (%)
Before the first anniversary of the date of grant	Nil	Nil
On or after the first but before the second anniversary of the date of grant	25	40
On or after the second but before the third anniversary of the date of grant	25	30
On or after the third but before the fourth anniversary of the date of grant	25	30
On or after the fourth anniversary of the date of grant	25	NA

In relation to the share options, if the grantee, during any of the periods specified above, exercise share options for such number of shares which, in aggregate, represents less than the number of shares for which the eligible participant may exercise in respect of such period, the balance of the shares comprised in that share option for which the grantee could have exercised (but did not exercise) in that period shall be carried forward and added to the number of shares which the grantee may exercise in the next succeeding period or periods.

Information with respect to the number of options granted under the respective share options scheme is as follows:

Fraser & Neave, Limited Executives' Share Option Schemes (1999)

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
1999 Scheme						
Year 3	08.10.2001	128,960	(111,455)	17,505	\$1.40	09.07.2004 - 08.09.2011
Year 4	01.10.2002	561,125	(186,285)	374,840	\$1.51	01.07.2005 - 31.08.2012
Year 5	08.10.2003	3,197,485	(1,531,835)	1,665,650	\$2.12	08.07.2006 - 07.09.2013
Year 6	08.10.2004	5,499,105	(1,713,505)	3,785,600	\$2.82	08.07.2007 - 07.09.2014
Year 7	10.10.2005	8,666,190	(435,590)	8,230,600	\$3.46	10.07.2008 - 09.09.2015
Year 8	10.10.2006	9,208,703	(208,573)	9,000,130	\$4.22	10.07.2009 - 09.09.2016
Year 9	10.10.2007	10,965,601	(237,985)	10,727,616	\$5.80	10.07.2010 - 09.09.2017
Year 10	25.11.2008	14,051,865	(128,871)	13,922,994	\$2.86	25.08.2011 - 24.10.2018
		52,279,034	(4,554,099) ¹	47,724,935		

The fair value of options granted during the year was \$0.75 (2008: \$1.34).

The weighted average share price for options exercised during the year was \$3.22 (2008: \$4.93).

Note:

1 Exercised (3,887,340); Lapsed due to Resignations and Non-acceptance (666,759).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Fraser & Neave Holdings Bhd Executives' Share Option Scheme

Options	Offer Date	Balance as at 1.10.2008	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
2004	24.11.2003	27,500	(27,500)	-	RM3.83	24.08.2006 - 23.10.2008
2005	24.11.2004	223,700	(216,700)	7,000	RM4.89	24.08.2007 - 23.10.2009
2006	26.08.2005	747,000	(618,700)	128,300	RM5.54	27.05.2008 - 26.07.2010
2007	26.09.2006	1,988,000	(1,217,900)	770,100	RM6.12	27.06.2009 - 26.08.2011
		2,986,200	(2,080,800) ²	905,400		

The scheme has expired and therefore no options were granted during the year.

The weighted average share price for options exercised during the year was RM8.88 (2008: RM8.31).

Fraser & Neave Holdings Bhd Executives' Share Option Scheme ("F&NHB 2007 Scheme")

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
2008	20.11.2007	2,504,300	(127,000)	2,377,300	RM7.77	20.08.2010 - 19.10.2012
2009	19.11.2008	2,916,100	(104,800)	2,811,300	RM8.46	19.08.2011 - 18.10.2013
		5,420,400	(231,800) ³	5,188,600		

The fair value of options granted during the year was RM1.03 (2008: RM0.79).

Frasers Property (China) Limited's Share Option Scheme

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
2003	31.12.2003	9,965,658	(88,327)	9,877,331	HK\$0.1580	31.12.2004 - 30.12.2013
2004	31.12.2004	11,474,439	-	11,474,439	HK\$0.1547	31.12.2005 - 30.12.2014
2005	30.12.2005	13,773,647	-	13,773,647	HK\$0.1343	30.12.2006 - 29.12.2015
2006	13.11.2006	15,300,737	-	15,300,737	HK\$0.1670	13.11.2007 - 12.11.2016
2007	09.11.2007	16,550,000	-	16,550,000	HK\$0.3370	09.11.2008 - 08.11.2017
2008	14.11.2008	17,050,000	-	17,050,000	HK\$0.1000	14.11.2009 - 13.11.2018
		84,114,481	(88,327) ⁴	84,026,154		

The fair value of options granted during the year was HK\$0.10 (2008: HK\$0.23).

The weighted average share price for options exercised during the year was HK\$Nil (2008: HK\$0.24).

Notes:

² Exercised (1,963,200); Lapsed due to Expiry and Resignations (117,600).

³ Lapsed due to Resignations, Termination and Non-acceptance (231,800).

⁴ Lapsed due to Resignations.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Asia Pacific Breweries Limited Executives' Share Option Scheme

Options	Offer Date	Balance as at 1.10.2008	Options Exercised/ Lapsed	Balance as at 30.9.2009	Exercise Price	Exercise Period
1999	23.12.1998	3,898	(3,898)	-	\$3.61	22.09.2001 - 21.11.2008
2000	22.12.1999	10	-	10	\$4.28	21.09.2002 - 20.11.2009
2001	20.12.2000	2,750	-	2,750	\$3.91	19.09.2003 - 18.11.2010
2002	08.10.2001	5,650	-	5,650	\$3.79	08.07.2004 - 07.09.2011
2003	15.10.2002	18,000	-	18,000	\$4.79	15.07.2005 - 14.09.2012
2004	08.10.2003	40,800	(2,000)	38,800	\$6.29	08.07.2006 - 07.09.2013
		71,108	(5,898) ⁵	65,210		

The scheme has expired in 2004 and therefore no options were granted during the year.
The weighted average share price for options exercised during the year was \$10.30 (2008: \$12.69).

The fair value of share options, granted during the year, (both equity-settled and cash-settled options) as at the date of grant, is determined using the Binomial valuation model, taking into account the terms and conditions upon which the options were granted. The inputs to the model used are as follows:

Fraser and Neave, Limited Executives' Share Option Schemes 1999

	Year 8	Year 9	Year 10
Dividend yield (%)	2.7%	2.4%	4.7%
Expected volatility (%)	24.4%	29.6%	40.6%
Risk-free interest rate (%)	3.0%	2.6%	1.6%
Expected life of option (years)	4.0	5.0	5.0
Share price at date of grant (S\$)	4.42	5.75	2.86
Exercise share price (S\$)	4.22	5.80	2.86

Fraser & Neave Holdings Bhd Executives' Share Option Scheme

	2005	2006	2007
Dividend yield (%)	5.1%	5.7%	5.1%
Expected volatility (%)	17.2%	12.9%	15.6%
Risk-free interest rate (%)	4.8%	3.6%	3.7%
Expected life of option (years)	4.5	4.5	4.5
Share price at date of grant (MYR)	4.86	5.35	6.15
Exercise share price (MYR)	4.89	5.54	6.12

Fraser & Neave Holdings Bhd Executives' Share Option Scheme ("F&NHB 2007 Scheme")

	2008	2009
Dividend yield (%)	4.4%	4.1%
Expected volatility (%)	14.3%	17.2%
Risk-free interest rate (%)	3.8%	3.7%
Expected life of option (years)	4.9	4.5
Share price at date of grant (MYR)	7.80	8.50
Exercise share price (MYR)	7.77	8.46

Note:

5 Exercised (2,000); Lapsed due to Expiry (3,898).

Notes to the Financial Statements

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32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(d) Share Options (cont'd)

Frasers Property (China) Limited's Share Option Scheme

	2007	2008	2009
Dividend yield (%)	-	-	-
Expected volatility (%)	72.0%	80.0%	75.0%
Risk-free interest rate (%)	3.8%	3.2%	2.0%
Expected life of option (years)	10.0	10.0	10.0
Share price at date of grant (HKD)	0.167	0.337	0.064
Exercise share price (HKD)	0.167	0.337	0.100

Asia Pacific Breweries Limited Phantom Share Option Scheme

	Phantom share option 2007	Phantom share option 2008	Phantom share option 2009
Dividend yield (%)	1.9%	2.1%	3.3%
Expected volatility (%)	24.8%	16.7%	20.8%
Risk-free interest rate (%)	3.1%	2.3%	1.7%
Expected life of option (years)	3.6	3.9	4.7
Share price at date of grant (\$)	15.50	13.40	10.32
Exercise share price (\$)	15.34	13.59	10.95

The expected life of the option is based on historical data and is not necessarily indicative of exercise patterns that may occur.

The expected volatility reflects the assumptions that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

32. PROVISION FOR EMPLOYEE BENEFITS (cont'd)

(e) Phantom Shares Option Plan

Asia Pacific Breweries Limited ("APBL"), has in place an equity-based cash-settled Phantom Share Option Plan ("APBL PSOP") which succeeds their Executives Share Option Scheme. No shares will be issued and participants of the plan are not entitled to, and have no right or interest in the shares of APBL.

Information with respect to the number of options granted under the APBL PSOP is as follows:

- (i) The exercise price is equal to the average closing market price for the thirty market days immediately before the grant.
- (ii) The grantee may exercise an option during the exercise period which commences 33 months after the date of grant.
- (iii) The options expire 57 months after the offer date.
- (iv) Upon exercise of the options, an amount in cash equals to the excess (if any) of the average of the closing price for the thirty days immediately preceding the date the options are exercised over the exercise price, would be paid to the grantee. In the event the excess exceeds the exercise price, the amount payable to the grantee shall not exceed the exercise price.

Options	Offer Date	Balance as at 1.10.2008 or Offer Date if later	Options Exercised/ Lapsed	Balance at end of year	Exercise Price	Exercise Period
2005	8.10.2004	45,150	(45,150)	-	\$7.48	08.07.2007 - 07.07.2009
2006	9.11.2005	522,325	(323,600)	198,725	\$8.96	09.08.2008 - 08.08.2010
2007	7.11.2006	1,336,100	(28,450)	1,307,650	\$15.34	07.08.2009 - 06.08.2011
2008	8.11.2007	1,605,700	(57,850)	1,547,850	\$13.59	09.08.2010 - 06.08.2012
2009	8.11.2008	1,468,750	(58,450)	1,410,300	\$10.95	08.08.2011 - 07.08.2013
		4,978,025	(513,500) ⁶	4,464,525		

The fair value of options granted during the year was \$1.22 (2008: \$1.35).

The weighted average share price for options exercised during the year was \$12.20 (2008: \$12.84).

The carrying amount of the liability recognised in the Group's balance sheet relating to cash settled option granted under the PSOP as at 30 September 2009 is \$995,000 (2008: \$1,722,000).

Note:

6 Exercised (346,750); Lapsed due to Expiry and Resignation (166,750).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

33. DEFERRED TAX ASSETS AND LIABILITIES

	THE GROUP				THE COMPANY	
	Balance Sheet		Profit Statement		Balance Sheet	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Deferred tax liabilities						
Differences in depreciation	59,649	66,899	(11,305)	(548)	-	-
Tax effect on revaluation surplus	63,093	62,439	(10,157)	11,269	-	-
Provisions, expenses and income taken in a different period	10,610	11,050	(1,782)	4,654	-	-
Fair value adjustments	468	331	-	-	291	267
Other deferred tax liabilities	8,064	16,493	574	2,632	-	-
Gross deferred tax liabilities	141,884	157,212	(22,670)	18,007	291	267
Less: Deferred tax assets						
Employee benefits	(4,283)	(5,528)	1,211	(1,924)	-	-
Unabsorbed losses and capital allowances	(9,455)	(6,973)	1,339	(3,327)	-	-
Provisions, expenses and income taken in a different period	(8,415)	(4,734)	(3,689)	4,129	-	-
Other deferred tax assets	(9,490)	(9,823)	(220)	(236)	-	-
Gross deferred tax assets	(31,643)	(27,058)	(1,359)	(1,358)	-	-
Net deferred tax liabilities	110,241	130,154	(24,029)	16,649	291	267

Some overseas subsidiary companies have net deferred tax assets relating to the following:

Employee benefits	(2,184)	(1,158)	(440)	1,257	-	-
Differences in depreciation	3,813	6,883	442	(3,258)	-	-
Unabsorbed losses and capital allowances	(14,227)	(16,222)	479	(482)	-	-
Provisions	(8,348)	(5,515)	(3,376)	(861)	-	-
Tax effect on revaluation surplus	(967)	-	(967)	-	-	-
Others	(1,038)	(1,832)	148	762	-	-
Net deferred tax assets	(22,951)	(17,844)	(3,714)	(2,582)	-	-

The deferred tax taken to equity during the year relating to fair value adjustment is \$137,000 (2008: write back of \$258,000).

Deferred tax liabilities of \$5,655,000 (2008: \$7,849,000) have not been recognised in the consolidated financial statements for withholding and other taxes that would be payable on the unremitted earnings as such amounts are permanently reinvested; such unremitted earnings totalled \$33,265,000 at 30 September 2009 (2008: \$43,605,000).

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

34. FUTURE COMMITMENTS

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Commitments not provided for in the financial statements:		
(a) Commitments in respect of contract placed		
- Fixed assets	45,784	40,313
- Raw materials	106	224
- Investment properties	26,513	67,305
- Properties held for sale	1,863,527	844,673
- Share of joint venture companies' commitments	74,149	30,228
	2,010,079	982,743
(b) Other amounts approved by directors but not contracted for:		
- Fixed assets	211,342	309,571
- Properties held for sale	4,655,974	6,950,461
- Share of joint venture companies' commitments	290,000	12,398
- Investment properties	15,538	30,678
	5,172,854	7,303,108
Total	7,182,933	8,285,851

35. LEASE COMMITMENTS

Operating Leases

Lease commitments under non-cancellable operating leases where the Group is a lessee:

Payable within one year	49,816	30,436
Payable between one and five years	114,954	38,241
Payable after five years	44,604	42,121
	209,374	110,798
Operating lease expense for the year	41,114	37,574

The operating leases do not contain any escalation clauses and do not provide for contingent rents. Lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

Lease commitments under non-cancellable operating leases where the Group is a lessor:

Receivable within one year	223,259	186,570
Receivable between one and five years	238,007	232,139
Receivable after five years	4,602	6,071
	465,868	424,780

Contingent rents, generally determined based on a percentage of tenants' revenue of \$7,852,000 (2008: \$6,794,000) have been recognised as income by the Group in the profit statement during the year.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

35. LEASE COMMITMENTS (cont'd)

Finance Leases

Lease commitments under non-cancellable finance leases where the Group is a lessee:

	THE GROUP			
	2009 (\$'000)		2008 (\$'000)	
	Minimum lease payments	Present value of payments	Minimum lease payments	Present value of payments
Minimum lease payments due:				
Payable within one year	1,225	1,152	1,183	1,085
Payable between one and five years	816	775	1,281	1,214
Total minimum lease payments	2,041	1,927	2,464	2,299
Less: Future finance charges				
Payable within one year	(73)	-	(98)	-
Payable between one and five years	(41)	-	(67)	-
	(114)	-	(165)	-
	1,927	1,927	2,299	2,299

The finance leases do not contain any escalation clauses and do not provide for contingent rents. Lease terms do not contain restrictions on the Group activities concerning dividends, additional debts or entering into other leasing agreements.

36. RELATED PARTY TRANSACTIONS

The following were the significant related party transactions entered into by the Group with:

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Directors				
Sale of condominium units	-	2,659	-	-
Joint venture companies				
Rental received	1,279	1,095	-	-
Management fees received	2,218	2,418	-	-
Sales of bottles	28,020	30,007	-	-
Sale of services	40	29	-	-
Management fees paid	(473)	(387)	(473)	(387)
Purchase of cullets	(76)	(6)	-	-

These transactions were based on agreed fees or terms determined on a commercial basis.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

37. CONTINGENT LIABILITIES

The Company issued corporate guarantees to the extent of \$3,753,222,000 (2008: \$3,231,771,000) for the purpose of assisting its subsidiary companies to obtain external borrowings. Of the \$3,753,222,000 (2008: \$3,231,771,000) corporate guarantees given by the Company \$1,561,440,000 (2008: \$874,590,000) has been utilised by its subsidiaries as security for its borrowings, and these borrowings have been included as borrowings under the Group Balance Sheet. Any further borrowings by its subsidiary companies supported by the Company corporate guarantees are reported as borrowings in the Group Balance Sheet.

The Group provided an unconditional and irrevocable corporate guarantee for up to \$57,000,000 to finance the payment of development charge and construction cost of the New Wing of The Centrepoint held by The Management Corporation Strata Title Plan No. 1298 ("MCST 1298"). The corporate guarantee will only be discharged upon full repayment of the loan by the MCST 1298. The Group also provided a corporate guarantee for S\$8,400,000 (Baht 200,000,000) as security for bank facility granted to a joint venture company in respect of the acquisition of land.

The corporate guarantee on the Group and the Company are as follows:

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Contingent liabilities	65,400	65,400	3,753,222	3,231,771

38. FINANCIAL RISK MANAGEMENT

The Company and the Group are exposed to financial risks, including primarily the effects of changes in currency exchange rates and interest rates and use derivatives and other instruments in connection with their risk management activities. The Company and the Group do not hold or issue derivative financial instruments for trading purposes.

The Group has established processes to monitor and control hedging transactions in a timely and accurate manner.

These policies are reviewed regularly by the Audit and Executive Committees to ensure that the Group's policies and guidelines are adhered to. The Group's accounting policies in relation to derivatives are set out in Note 2.

Foreign Currency Risk

The Group has exposure to foreign exchange risk as a result of transactions denominated in foreign currencies, arising from normal trading and investment activities. Where exposures are certain, it is the Group's policy to hedge these risks as they arise. For those exposures less certain in their timing and extent, it is the Group's policy to cover 50% to 90% of anticipated exposures for a maximum period of 12 months forward. The Group uses foreign currency forward exchange contracts to manage these foreign exchange risks.

At 30 September 2009, the Group had entered into foreign currency forward exchange buy contracts amounting to \$23 million (2008: \$59 million) and foreign currency forward exchange sell contracts amounting to \$66 million (2008: \$59 million). The fair value adjustments of the buy contracts and sell contracts (which is the difference between the notional principal amount and market value of the contracts) are loss of \$12,649,000 (2008: \$808,000) and gain of \$629,000 (2008: \$854,000) respectively.

The fair values of foreign currency forward exchange contracts have been calculated using rates quoted by the Group's bankers to terminate the contracts at the balance sheet date.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Foreign Currency Risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's total equity and the Group's profit net of tax to a reasonably possible 10% strengthening change in the Australian Dollar, Sterling Pound, United States Dollar, Vietnamese Dong, Hong Kong Dollar, Euro and Singapore Dollar exchange rates against the respective functional currencies of the Group entities, with all other variables held constant.

	THE GROUP		THE COMPANY	
	Equity (\$'000)	Profit (\$'000)	Equity (\$'000)	Profit (\$'000)
30 September 2009				
Australian Dollar	(237)	4,559	-	-
Sterling Pound	-	119	-	-
United States Dollar	-	(18,122)	-	(856)
Vietnamese Dong	(11,437)	186	-	-
Hong Kong Dollar	-	2,457	-	-
Euro	-	1,296	-	-
Singapore Dollar	-	(1,463)	-	(292)
30 September 2008				
Australian Dollar	(234)	(541)	-	-
Sterling Pound	-	(64)	-	-
United States Dollar	-	14,086	-	(1,136)
Vietnamese Dong	(11,299)	414	-	-
Hong Kong Dollar	-	5,471	-	-
Euro	-	456	-	-
Singapore Dollar	-	297	-	476

A 10% weakening of the above currencies at the balance sheet date would have had the equal but opposite effect on the respective functional currencies of the Group entities to the amounts shown above, on the basis that all other variables remain constant.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Liquidity Risk

The Company's and the Group's exposure to liquidity risk arises in the general funding of the Company's and the Group's business activities. It includes the risks of being able to fund business activities in a timely manner.

The Group adopts a prudent approach to managing its liquidity risk. The Group always maintain sufficient cash and marketable securities, and have available funding through diverse sources of committed and uncommitted credit facilities from various banks.

The table below analyses the maturity profile of the Group's and Company's financial liabilities (including net derivative financial instruments) based on contractual undiscounted cash flows.

	Carrying amount (\$'000)	Cash Flows		
		Less than 1 year (\$'000)	Between 1 and 5 years (\$'000)	Over 5 years (\$'000)
Group				
At 30 September 2009				
Net derivative financial instruments				
Interest rate swaps	26,882	3,776	14,945	8,161
Forward currency contracts	12,020	12,020	-	-
Non-derivative financial instruments				
Trade payables	681,508	681,508	-	-
Other payables	707,304	697,970	8,470	864
Borrowings	5,301,025	1,853,788	3,230,552	665,059
Amount due to joint venture companies	3,055	3,055	-	-
Amount due to associated companies	1,035	1,035	-	-
	6,732,829	3,253,152	3,253,967	674,084
At 30 September 2008				
Net derivative financial instruments				
Interest rate swaps	3,812	3,812	-	-
Forward currency contracts	(46)	(46)	-	-
Non-derivative financial instruments				
Trade payables	576,592	576,592	-	-
Other payables	636,522	626,485	8,633	2,078
Borrowings	5,434,835	2,267,503	3,280,967	381,959
Amount due to joint venture companies	4,066	4,066	-	-
Amount due to associated companies	17,545	17,545	-	-
	6,673,326	3,495,957	3,289,600	384,037

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Liquidity Risk (cont'd)

	Carrying amount (\$'000)	Cash Flows		
		Less than 1 year (\$'000)	Between 1 and 5 years (\$'000)	Over 5 years (\$'000)
Company				
At 30 September 2009				
Net derivative financial instruments				
Interest rate swaps	(2,405)	(2,405)	-	-
Non-derivative financial instruments				
Other payables	5,630	5,630	-	-
Amount due to subsidiary companies	26,680	26,680	-	-
Borrowings	349,914	205,886	-	182,773
	379,819	235,791	-	182,773
At 30 September 2008				
Net derivative financial instruments				
Interest rate swaps	(970)	(970)	-	-
Non-derivative financial instruments				
Other payables	8,747	8,747	-	-
Amount due to subsidiary companies	18,938	18,938	-	-
Borrowings	649,774	301,309	212,706	188,203
	676,489	328,024	212,706	188,203

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Credit Risk

At the balance sheet date, the Company's and the Group's maximum exposure to credit risk in the event that the counterparties fail to perform their obligations is represented by the carrying amount of each class of financial assets recognised in the balance sheets, including derivatives with positive fair values.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and business segment profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's gross trade receivable at the balance sheet date is as follows:

	THE GROUP			
	2009		2008	
	(\$'000)	% of total	(\$'000)	% of total
By Geographical Segment:				
Singapore	396,427	54%	338,634	47%
Malaysia	156,340	21%	172,402	24%
Rest of South East Asia	53,529	7%	64,414	9%
North East Asia	45,048	6%	52,334	7%
South Asia	21,678	3%	24,377	3%
South Pacific	62,837	8%	61,705	8%
Europe & USA	11,159	1%	12,561	2%
	747,018	100%	726,427	100%
By Business Segment:				
Soft Drinks	67,056	9%	73,735	10%
Dairies	111,469	15%	141,261	19%
Breweries	92,151	12%	92,482	13%
Printing & Publishing	105,533	14%	122,768	17%
Glass Containers	32,387	4%	31,524	4%
Investment Property	13,548	2%	7,096	1%
Development Property	309,111	41%	241,569	33%
Others	15,763	3%	15,992	3%
	747,018	100%	726,427	100%

The Company and the Group have no significant concentration of credit risk. The Company and the Group have policies in place to monitor its credit risk. Contractual deposits are collected and scheduled progress payments are received from the buyers when due. Title to properties are only transferred upon full settlement. Sales of products and services are made to customers with an appropriate credit history.

Cash and fixed deposits are placed in banks and financial institutions which are regulated. The Group limits its credit risk exposure in respect of investments by only investing in liquid securities and only with counterparties that have a sound credit rating. Management does not expect any counterparty to fail to meet its obligations.

Information regarding financial assets that are either past due or impaired and aging analysis is disclosed in Note 26. Management believes that no additional credit risk beyond that provided for is inherent in the Group's trade and other receivables.

With respect to derivative financial instruments, credit risk arises from the potential failure of counterparties to meet their obligations under the contract or arrangement. The Group's maximum credit risk exposure for foreign exchange contracts and interest rate swap contracts are limited to the fair value adjustments of these contracts. It is the Company's and the Group's policy to enter into financial instruments with a diversity of credit worthy counterparties. The Company and the Group do not expect to incur material credit losses on their financial assets or other financial instruments.

The Company and the Group do not have significant exposure to any individual customer or counterparty.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Interest Rate Risk

The Company's and the Group's exposure to market risk for changes in interest rates relate primarily to debt obligation with financial institutions. The Company's and the Group's policy is to manage interest cost using a mix of fixed and variable rate debts, and interest rate economic effect of converting borrowings from fixed rates to variable rates or vice versa.

Under the interest rate swaps, the Company and the Group agree with other parties to exchange, at specified intervals mainly quarterly, the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The Company and the Group have the following interest rate swap arrangements in place:

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Notional Amount	1,168,576	1,063,566	350,000	550,000
Net Fair Value				
Fair value gain on interest rate swap contracts	3,100	3,188	2,405	3,188
Fair value loss on interest rate swap contracts	(29,982)	(7,000)	-	(2,218)

At 30 September 2009, the fixed interest rate of the outstanding interest rate swap contract is between 2% to 8% (2008: 4% to 8%), while the floating interest rates are mainly linked to Singapore Interbank Offered Rates.

The following table sets out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

	Floating rates (\$'000)	THE GROUP		
		Fixed rates		
		Less than 1 year (\$'000)	Between 1 to 5 years (\$'000)	After 5 years (\$'000)
Year ended 30 September 2009				
Assets				
Cash and bank deposits	124,685	1,321,533	-	-
Other financial assets	-	3,318	11,301	408,158
Liabilities				
Borrowings	1,200,426	957,422	2,543,600	599,577
Year ended 30 September 2008				
Assets				
Cash and bank deposits	192,860	688,070	-	-
Other financial assets	-	3,220	19,998	25,450
Liabilities				
Borrowings	1,954,922	1,021,922	2,244,104	213,887

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Interest Rate Risk (cont'd)

	Floating rates (\$'000)	THE COMPANY		
		Fixed rates		
		Less than 1 year (\$'000)	Between 1 to 5 years (\$'000)	After 5 years (\$'000)
Year ended 30 September 2009				
Assets				
Cash and bank deposits	-	52,092	-	-
Liabilities				
Borrowings	-	199,914	-	150,000
Year ended 30 September 2008				
Assets				
Cash and bank deposits	-	39,200	-	-
Liabilities				
Borrowings	299,960	-	199,814	150,000

Interest on financial instruments classified as floating rate is repriced at intervals of less than one year. Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument or for which interest rate swaps have been entered into. The other financial instruments of the Group and the Company that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

The Company and the Group are in a net interest expense position for the years ended 30 September 2009 and 2008.

Sensitivity analysis for interest rate risk

It is estimated that a hundred basis points increase/decrease in interest rate, with all other variables held constant, would decrease/increase the Group's profit after tax and net loss in hedging reserve by approximately \$8,929,000 (2008: \$14,449,000) and \$8,346,000 (2008: \$Nil) respectively, arising mainly as a result of higher/lower interest expense on net floating borrowing position and increase/decrease in the fair value of derivatives held for hedging respectively. The analysis is performed on the same basis for 2008.

Market Risk

The Company and the Group are exposed to market risk and the risk of impairment in the value of investments held. The Company and the Group manage the risk of impairment by evaluation of investment opportunities, continuously monitoring the performance of investments held and assessing market risk relevant to which the investments operate.

Sensitivity analysis for quoted investment risk

If prices for equity securities increase by 10% with all other variables including tax rate being held constant, the total equity will be:

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Equity	27,585	16,427	479	448

There will be no impact to profit after tax.

A 10% decrease in the underlying equity prices would have had the equal but opposite effect to the amounts shown above. The analysis is performed on the same basis for 2008 and assumes that all other variables remain constant.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Fair Values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

- (a) **Cash and bank balances, other receivables and other payables**
The carrying amounts of these items approximate fair value due to their short term nature.
- (b) **Trade receivables and trade payables**
The carrying amounts of receivables and payables approximate fair value because these are subject to normal trade credit terms.
- (c) **Amounts due from/to related companies**
The carrying amounts of amounts due from/to related companies in current assets and current liabilities approximate fair value due to their short term nature. For amounts due from related companies included in long term assets, no disclosure of the fair value has been made, as it is not practicable to determine the fair value with sufficient reliability since these balances have no fixed terms of repayment.
- (d) **Short term and other investments**
Market value of quoted investment is determined by reference to stock exchange quoted prices.

Certain unquoted investments do not have quoted market prices in an active market nor are there other methods of reasonably estimating the fair value readily available. It is not practicable to determine fair value with sufficient reliability without incurring excessive costs.
- (e) **Bank borrowings and term loans**
The fair value of fixed rate bank borrowings and term loans are disclosed in Note 31. The carrying values of bank borrowings, and term loans within one year and the floating rates borrowings and loans approximate their fair value.
- (f) Set out below is a comparison by category of carrying amounts of all the Group's financial instruments that are carried in the financial statements:

	Loans and receivables (\$'000)	Fair value through profit and loss (\$'000)	Derivatives used for hedging (\$'000)	Available- for-sale (\$'000)	Liabilities at amortised cost (\$'000)	Non-financial assets/ liabilities (\$'000)	Total (\$'000)
The Group							
2009							
Assets							
Fixed assets	-	-	-	-	-	1,239,721	1,239,721
Investment properties	-	-	-	-	-	3,444,233	3,444,233
Properties held for development	-	-	-	-	-	169,801	169,801
Joint venture companies	11,669	-	-	-	-	89,484	101,153
Associated companies	26,103	-	-	-	-	614,871	640,974
Intangible assets	-	-	-	-	-	376,680	376,680
Brands	-	-	-	-	-	43,127	43,127
Other investments	5,247	-	-	459,966	-	-	465,213
Other receivables	139,072	3,341	695	-	-	148,094	291,202
Deferred tax assets	-	-	-	-	-	22,951	22,951
Properties held for sale	-	-	-	-	-	4,007,448	4,007,448
Inventories	-	-	-	-	-	423,507	423,507
Trade receivables	734,167	-	-	-	-	-	734,167
Short term investments	3,318	-	-	251,378	-	-	254,696
Bank fixed deposits	1,269,499	-	-	-	-	-	1,269,499
Cash and bank balances	373,809	-	-	-	-	-	373,809
Assets held for sale	-	-	-	-	-	9,387	9,387
	2,562,884	3,341	695	711,344	-	10,589,304	13,867,568

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Fair Values (cont'd)

	Loans and receivables (\$'000)	Fair value through profit and loss (\$'000)	Derivatives used for hedging (\$'000)	Available- for-sale (\$'000)	Liabilities at amortised cost (\$'000)	Non- financial assets/ liabilities (\$'000)	Total (\$'000)
The Group							
2009							
Liabilities							
Trade payables	-	-	-	-	681,508	-	681,508
Other payables	-	17,859	25,079	-	707,304	19,562	769,804
Joint venture companies	-	-	-	-	3,055	-	3,055
Associated companies	-	-	-	-	1,035	-	1,035
Borrowings	-	-	-	-	5,301,025	-	5,301,025
Provision for taxation	-	-	-	-	-	298,142	298,142
Provision for employee benefits	-	-	-	-	-	19,303	19,303
Deferred tax liabilities	-	-	-	-	-	110,241	110,241
	-	17,859	25,079	-	6,693,927	447,248	7,184,113
2008							
Assets							
Fixed assets	-	-	-	-	-	1,231,828	1,231,828
Investment properties	-	-	-	-	-	3,558,922	3,558,922
Properties held for development	-	-	-	-	-	162,297	162,297
Joint venture companies	26,562	-	-	-	-	60,636	87,198
Associated companies	30,252	-	-	-	-	608,892	639,144
Intangible assets	-	-	-	-	-	357,530	357,530
Brands	-	-	-	-	-	48,139	48,139
Other investments	9,128	-	-	143,314	-	-	152,442
Other receivables	105,762	4,605	-	-	-	200,257	310,624
Deferred tax assets	-	-	-	-	-	17,844	17,844
Properties held for sale	-	-	-	-	-	4,576,737	4,576,737
Inventories	-	-	-	-	-	468,502	468,502
Trade receivables	714,058	-	-	-	-	-	714,058
Short term investments	3,220	-	-	137,891	-	-	141,111
Bank fixed deposits	629,882	-	-	-	-	-	629,882
Cash and bank balances	403,057	-	-	-	-	-	403,057
Assets held for sale	-	-	-	-	-	27,086	27,086
	1,921,921	4,605	-	281,205	-	11,318,670	13,526,401
Liabilities							
Trade payables	-	-	-	-	576,592	-	576,592
Other payables	-	8,371	-	-	636,522	33,619	678,512
Joint venture companies	-	-	-	-	4,066	-	4,066
Associated companies	-	-	-	-	17,545	-	17,545
Borrowings	-	-	-	-	5,434,835	-	5,434,835
Provision for taxation	-	-	-	-	-	247,417	247,417
Provision for employee benefits	-	-	-	-	-	18,764	18,764
Deferred tax liabilities	-	-	-	-	-	130,154	130,154
	-	8,371	-	-	6,669,560	429,954	7,107,885

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FOR THE YEAR ENDED 30 SEPTEMBER 2009

38. FINANCIAL RISK MANAGEMENT (cont'd)

Fair Values (cont'd)

	Loans and receivables (\$'000)	Fair value through profit and loss (\$'000)	Available- for-sale (\$'000)	Liabilities at amortised cost (\$'000)	Non-financial assets/ liabilities (\$'000)	Total (\$'000)
The Company						
2009						
Assets						
Subsidiary companies	472,067	-	-	(24,218)	3,181,991	3,629,840
Joint venture companies	-	-	-	-	434,421	434,421
Associated companies	-	-	-	-	82,383	82,383
Other investments	-	-	8,309	-	-	8,309
Other receivables	186	2,405	-	-	3	2,594
Bank fixed deposits	52,092	-	-	-	-	52,092
Cash and bank balances	470	-	-	-	-	470
	524,815	2,405	8,309	(24,218)	3,698,798	4,210,109
Liabilities						
Other payables	-	-	-	5,630	341	5,971
Subsidiary companies	-	-	-	26,680	-	26,680
Borrowings	-	-	-	349,914	-	349,914
Provision for taxation	-	-	-	-	14,609	14,609
Deferred tax liabilities	-	-	-	-	291	291
	-	-	-	382,224	15,241	397,465
2008						
Assets						
Subsidiary companies	825,868	-	-	(19,840)	3,019,441	3,825,469
Joint venture companies	-	-	-	-	408,921	408,921
Associated companies	-	-	-	-	83,541	83,541
Other investments	-	-	8,085	-	-	8,085
Other receivables	9	3,188	-	-	7	3,204
Bank fixed deposits	39,200	-	-	-	-	39,200
Cash and bank balances	356	-	-	-	-	356
	865,433	3,188	8,085	(19,840)	3,511,910	4,368,776
Liabilities						
Other payables	-	2,218	-	8,747	338	11,303
Subsidiary companies	-	-	-	18,938	-	18,938
Borrowings	-	-	-	649,774	-	649,774
Provision for taxation	-	-	-	-	9,925	9,925
Deferred tax liabilities	-	-	-	-	267	267
	-	2,218	-	677,459	10,530	690,207

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FOR THE YEAR ENDED 30 SEPTEMBER 2009

39. UNUSUAL ITEM

As previously announced in September 2003, the former Finance Manager of a joint venture company, Asia Pacific Breweries (S) Pte Ltd ("APBS"), Chia Teck Leng ("CTL"), was arrested by the Commercial Affairs Division and subsequently charged in Court and convicted on multiple charges for cheating and using forged documents to obtain and operate unauthorised bank accounts in the name of APBS with CTL as the sole signatory.

In September 2004, four banks, Bayerische Hypo-und Vereinsbank Aktiengesellschaft ("HVB"), Skandinaviska Enskilda Banken ("SEB"), Mizuho Corporate Bank Ltd ("Mizuho") and Sumitomo Mitsui Banking Corporation ("Sumitomo"), commenced separate actions against APBS. The breakdown of the respective claims by the four banks is as follows:

HVB: USD32,002,333, alternatively in tort, USD30,000,000
SEB: USD26,559,372, alternatively in restitution, SGD29,468,723
Mizuno: USD8,024,046
Sumitomo: SGD10,323,208

In October 2007, Mizuho and Sumitomo decided not to continue with their respective suits. Mizuho withdrew its action, with costs to be paid to APBS while Sumitomo's action was dismissed with costs.

The court hearing for the remaining suits has ended. In the judgment released on 31 August 2009, the High Court dismissed SEB's and HVB's claims in full. However, the High Court also held that APBS did not have a valid change of position defence in respect of the sum of \$347,671 and held that SEB was entitled to judgment in the sum of \$347,671 ("SEB Judgement Sum") together with interest thereon.

SEB and HVB subsequently filed their notices of appeals against the entire decision.

Drew & Napier LLC has been instructed to defend APBS in each of these appeals.

APBS's lawyers have advised that APBS has a good case and will continue to vigorously defend the appeals. Consequently, other than the SEB Judgement Sum, no provision in the financial statements is considered necessary.

40. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios to support its business and maximise shareholder value. No changes were made in the objectives, policies or processes during the years ended 30 September 2009 and 2008.

The Group monitors its cashflow, debt maturity profile, cost of funds, overall liquidity position and gearing ratio on a continuous basis. The Group's policy is to keep gearing ratio at not more than 100% of total equity.

The gearing ratio is calculated as net borrowings divided by total equity. Net borrowings is calculated as borrowings less cash and bank deposits. Total equity is calculated as shareholders' fund plus minority interests.

	THE GROUP		THE COMPANY	
	2009 (\$'000)	2008 (\$'000)	2009 (\$'000)	2008 (\$'000)
Cash & bank deposits	1,643,308	1,032,939	52,562	39,556
Borrowings	(5,301,025)	(5,434,835)	(349,914)	(649,774)
Net borrowings	(3,657,717)	(4,401,896)	(297,352)	(610,218)
Shareholders' fund	5,584,724	5,283,274	3,812,644	3,678,569
Total equity (including Minority Interests)	6,683,455	6,418,516	3,812,644	3,678,569
Net borrowings/Shareholders' fund	0.65	0.83	0.08	0.17
Net borrowings/Total equity	0.55	0.69	0.08	0.17

Certain entities in the Group are required to comply with certain externally imposed capital requirements in respect of certain external borrowings. Except for the breach of covenants of borrowings as disclosed in Note 16(f), the Group and the Company are in compliance with all externally imposed capital requirements.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

41. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION

Certain new accounting standards and interpretations have been issued as at balance sheet date but are not yet effective. The Group's assessment of those standards and interpretations that are relevant to the Group is as follows:

(a) FRS 1 Presentation of Financial Statements - Revised Presentation (effective for annual periods beginning on or after 1 January 2009)

The revised standard separates owners' and non-owners' changes in funds. The statement of changes in funds will include only details of transactions with owners, with all non-owners' changes in funds presented as a single line. In addition, the standard introduces the statement of comprehensive income. It presents all items of income and expenses either in one single statement or in two linked statements.

The Group will apply the revised FRS 1 from 1 October 2009.

(b) FRS 108 Operating Segments (effective for annual periods beginning on or after 1 January 2009)

FRS 108 supersedes FRS 14 Segment Reporting and requires the Group to report the financial performance of its operating segments based on the information used internally by management for evaluating segment performance and deciding on allocation of resources.

The Group will apply FRS 108 from 1 October 2009 and provide comparative information that conforms to the requirements of FRS 108. Currently, the Group presents segment information in respect of its business and geographical segments.

(c) Revised FRS 23 Borrowing Costs (effective for annual periods beginning on or after 1 January 2009)

The revised standard removes the option to recognise immediately as an expense, borrowing costs that are attributable to qualifying assets, and requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset.

The Group will apply the revised FRS 23 from 1 October 2009. As the Group has been capitalising the relevant borrowings costs, the revised standard is not expected to have any impact to the Group.

(d) Revised FRS 103 Business Combinations and Amendments to FRS 27 Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1 July 2009)

The revised standards are effective for annual periods beginning on or after 1 July 2009. The revised FRS 103 introduces a number of changes in the accounting for business combinations occurring after 1 July 2009. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 27 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments were made to FRS 7 Statement of Cash Flows, FRS 12 Income Taxes, FRS 21 The Effects of Changes in Foreign Exchange Rates, FRS 28 Investments in Associates and FRS 31 Interests in Joint Ventures. The changes from revised FRS 103 and Amendments to FRS 27 will affect future acquisitions or loss of control and transactions with minority interests.

The Group will apply the revised FRS 1 from 1 October 2009.

(e) Amendments to FRS 107 Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2009)

The amendments to FRS 107 require additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of inputs using a three level hierarchy for each class of financial instrument. In addition, reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required, as well as significant transfers between Level 1 and Level 2 fair value measurements. The amendments also clarify the requirements for liquidity risk disclosures.

The Group will apply the revised FRS 1 from 1 October 2009.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

41. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATION (cont'd)

(f) RAP 11 Pre-Completion Contracts for the Sale of Development Property

RAP 11 was issued by the Institute of Certified Public Accountants of Singapore in October 2005. This statement mentioned that a property developer's sales and purchase agreement is not a construction contract as defined in FRS 11 (Construction Contract) and the percentage of completion (POC) method of recognising income, which is allowed under FRS 11 for construction contracts may not be applicable for property developers.

The relevant standard for revenue recognition by property developers is FRS 18 (Revenue), which addresses revenue recognition generally and for all types of entities. However, there is no clear conclusion in FRS 18 whether the POC method or the completion of construction method is more appropriate for property developers. The issue is being addressed by the Institute of Certified Public Accountants of Singapore.

The Group uses the POC method for recognising revenue from partly completed residential projects which are held for sale.

If the Group had adopted the completed contract method, the impact on the financial statements will be as follows:

	THE GROUP	
	2009 (\$'000)	2008 (\$'000)
Profit statement		
(Decrease)/increase in revenue recognised for the year	(495,485)	17,183
Decrease in profit for the year	(71,691)	(51,953)
Balance sheet		
Decrease in opening accumulated profits	(248,604)	(190,048)
Decrease in properties under development		
At beginning of the year	(306,386)	(241,582)
At end of the financial year	(401,496)	(299,323)
(Decrease)/increase in minority interests		
At beginning of the year	(735)	(6,578)
Share of profit for the year	(2,543)	6,045

42. COMPARATIVE FIGURES

The following comparative figures in the financial statements have been reclassified to be consistent with the current year's presentation.

	THE GROUP	
	2008 As reclassified (\$'000)	2008 As previously reported (\$'000)
Profit statement		
Revenue	4,990,067	4,951,391
Cost of sales	(3,316,321)	(3,294,917)
Other income/(expenses) (net)	24,533	13,057
Operating expenses - Distribution	(211,451)	(196,712)
Operating expenses - Marketing	(427,829)	(410,854)
Operating expenses - Administration	(329,073)	(332,039)
Share of associated companies' profits	14,907	25,716
Fair value adjustment of investment properties (net)	71,846	61,037

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES

	Effective Shareholding		Principal Activities
	2009	2008	
SUBSIDIARY COMPANIES OF THE COMPANY			
Country of Incorporation and Place of Business: Singapore			
Fraser & Neave (Singapore) Pte Ltd	100.0%	100.0%	Management Services
F&N Investments Pte Ltd	100.0%	100.0%	Investment Holding
F&N Foods Pte Ltd	100.0%	100.0%	Manufacture and Distribution of Dairy Products and Beverages
Premier Milk (S) Pte Ltd	100.0%	100.0%	Dormant
Asia Dairies (S) Pte Ltd	100.0%	100.0%	Dormant
F&N Dairy Investments Pte Ltd	100.0%	100.0%	Investment Holding
F&N Interflavine Pte Ltd	100.0%	100.0%	Beverage Base Manufacturing
International Theme Parks (Singapore) Pte Ltd	100.0%	100.0%	Dormant
Phoenix (Singapore) Pte Ltd	100.0%	100.0%	Dormant
Fannet Online Pte Ltd	100.0%	100.0%	Dormant
Times Publishing Ltd	100.0%	100.0%	Investment Holding
Frasers Centrepoint Limited	100.0%	100.0%	Investment Holding
F&N Boncafe Beverages Pte Ltd <i>(Held by a subsidiary company)</i>	60.0%	60.0%	Marketing Ready-To-Drink Coffee Beverages
F&N DCH Holding Pte Ltd <i>(Held by a subsidiary company)</i>	51.0%	51.0%	Dormant
F&N Treasury Pte Ltd	100.0%	100.0%	Provide Treasury and Financial Services
Country of Incorporation and Place of Business: Hong Kong			
(A) Fraser & Neave Investments (HK) Ltd	100.0%	100.0%	Investment Holding
Country of Incorporation and Place of Business: Malaysia			
(A) Fraser & Neave Holdings Bhd	57.4%	57.9%	Investment Holding
(A) Tiger Taverns Sdn Bhd	100.0%	100.0%	Dormant
(A) Magnolia - PDL Dairies (1993) Sdn Bhd	100.0%	100.0%	Dormant
(A) Fannet Online Sdn Bhd	100.0%	100.0%	Dormant
(A) F&N Services (L) Bhd	100.0%	100.0%	Investment Holding
Country of Incorporation and Place of Business: Vietnam			
(A) F&N Vietnam Foods Co Ltd <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: Thailand			
(A) F&N United Ltd <i>(Held by a subsidiary company)</i>	95.0%	95.0%	Manufacture and Distribution of Dairy Products
Country of Incorporation and Place of Business: Myanmar			
(C) Myanmar Brewery Ltd <i>(Accounting year ends on 31 March)</i>	55.0%	55.0%	Brewing and Distribution of Beer
Country of Incorporation and Place of Business: Australia			
(A) Red Lion Holdings Pty Ltd <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Dormant
Country of Incorporation: British Virgin Islands Place of Business: Hong Kong			
(B) Vision Century Limited <i>(Held by a subsidiary company)</i>	100.0%	100.0%	Investment Holding

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

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FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities	
	2009	2008		
SUBSIDIARY COMPANIES OF FRASER & NEAVE HOLDINGS GROUP				
Country of Incorporation and Place of Business: Malaysia				
(A)	Fraser & Neave (Malaya) Sdn Bhd	57.4%	57.9%	Management Services and Property Investment Holdings
(A)	F&N Coca-Cola (Malaysia) Sdn Bhd	57.4%	52.1%	Distribution of Soft Drinks
(A)	F&NCC Beverages Sdn Bhd	57.4%	52.1%	Manufacture of Soft Drinks
(A)	F&N Dairies (Malaysia) Sdn Bhd	57.4%	57.9%	Distribution of Dairy Products
(A)	Premier Milk (Malaya) Sdn Bhd	57.4%	57.9%	Manufacture of Dairy Products
(A)	Four Eights Sdn Bhd	57.4%	57.9%	Dormant
(A)	F&N Foods Sdn Bhd	57.4%	57.9%	Manufacture of Dairy Products
(A)	Malaya Glass Products Sdn Bhd	57.4%	57.9%	Manufacture and Sale of Glass Containers
(A)	Kuala Lumpur Glass Manufacturers Company Sdn Bhd	57.4%	57.9%	Manufacture and Sale of Glass Containers
(A)	Wimanis Sdn Bhd	57.4%	57.9%	Property Development
(A)	Brampton Holdings Sdn Bhd	57.4%	57.9%	Property Development
(A)	Lettricia Corporation Sdn Bhd	40.2%	40.5%	Property Development
(A)	Elsinburg Holdings Sdn Bhd	57.4%	57.9%	Property Development
(A)	Vacaron Company Sdn Bhd	57.4%	57.9%	Dormant
(A)	Nuvak Company Sdn Bhd	57.4%	57.9%	Dormant
(A)	Greenclipper Corporation Sdn Bhd	57.4%	57.9%	Dormant
(A)	Utas Mutiara Sdn Bhd	57.4%	57.9%	Property Investment Holding
(A)	Borneo Springs Sdn Bhd	57.4%	57.9%	Manufacture and Sale of Mineral Water, Carbonated Drinks and Bottles
(A)	PML Dairies Sdn Bhd	57.4%	57.9%	Manufacture and Distribution of Dairy Products
(A)	F&N Properties Sdn Bhd	57.4%	57.9%	Dormant
(A)	(Formerly Radiant Worth Sdn Bhd)			
(A)	F&N Capital Sdn Bhd	57.4%	57.9%	Provide Financial and Treasury Services
(A)	Tropical League Sdn Bhd	57.4%	57.9%	Dormant
Country of Incorporation and Place of Business: Singapore				
(A)	Arolys Singapore Pte Ltd	57.4%	57.9%	Distribution of Dairy Products
Country of Incorporation and Place of Business: Thailand				
(A)	Thai Malaya Glass Company Limited	40.2%	40.5%	Manufacture and Sale of Glass Containers
(A)	F&N Dairies (Thailand) Limited	57.4%	57.9%	Manufacture and Distribution of Dairy Products
Country of Incorporation and Place of Business: Vietnam				
(A)	Malaya - Vietnam Glass Ltd	40.2%	40.5%	Manufacture and Sale of Glass Containers
Country of Incorporation and Place of Business: China				
(C)	Sichuan Malaya Glass Co Ltd	34.4%	34.8%	Manufacture and Sale of Glass Containers
	(Accounting year ends on 31 December)			
Country of Incorporation and Place of Business: British Virgin Islands				
(A)	Lion Share Management Limited	57.4%	57.9%	Brand Owner

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2009	2008	
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP			
Country of Incorporation and Place of Business: Singapore			
FCL Property Investments Pte Ltd	100.0%	100.0%	Property Investment
FCL Enterprises Pte Ltd	100.0%	100.0%	Property Investment
Riverside Property Pte Ltd	100.0%	100.0%	Property Investment
FCL Centrepoint Pte Ltd	100.0%	100.0%	Investment Holding
Anchor Developments Pte Ltd	100.0%	100.0%	Dormant
Orrick Investments Pte Ltd	100.0%	100.0%	Property Investment
Yishun Development Pte Ltd	100.0%	100.0%	Property Development
FCL Alexandra Point Pte Ltd	100.0%	100.0%	Property Investment
Woodlands Complex Pte Ltd	100.0%	100.0%	Property Development
Riverside Walk Pte Ltd	100.0%	100.0%	Property Development
FCL Ventures Pte Ltd	100.0%	100.0%	Property Development
Nasidon Investments Pte Ltd	100.0%	100.0%	Dormant
FCL Management Services Pte Ltd	100.0%	100.0%	Management Services
Northspring Development Pte Ltd	100.0%	100.0%	Property Development
Riverside Investments Pte Ltd	100.0%	100.0%	Property Development
Yishun Land Pte Ltd	100.0%	100.0%	Property Development
Yishun Property Pte Ltd	100.0%	100.0%	Property Development
FCL Tampines Pte Ltd	80.0%	80.0%	Property Development
FCL Homes Pte Ltd	100.0%	100.0%	Property Development
FCL Land Pte Ltd	100.0%	100.0%	Property Development
FCL Assets Pte Ltd	100.0%	100.0%	Investment Holding
FCL Estates Pte Ltd	100.0%	100.0%	Property Development
Frasers Hospitality Pte Ltd	100.0%	100.0%	Investment Holding and Management Services
Frasers (UK) Pte Ltd	75.0%	75.0%	Investment Holding
Frasers (Australia) Pte Ltd	75.0%	75.0%	Investment Holding
FCL (China) Pte Ltd	100.0%	100.0%	Investment Holding
Marine Parade View Pte Ltd	100.0%	100.0%	Property Development
FCL (Fraser) Pte Ltd	100.0%	100.0%	Investment Holding
FCL Sophia Pte Ltd	100.0%	100.0%	Property Development
Frasers Centrepoint Property Management Services Pte Ltd	100.0%	100.0%	Management Services
FCL Choa Chu Kang Pte Ltd	100.0%	100.0%	Property Development
FCL Joo Chiat Place Pte Ltd	100.0%	100.0%	Property Development
Frasers (NZ) Pte Ltd	75.0%	75.0%	Investment Holding
FCL China Development Pte Ltd	100.0%	100.0%	Investment Holding
FCL Court Pte Ltd	100.0%	100.0%	Property Development
FCL Lodge Pte Ltd	100.0%	100.0%	Property Development
FCL Place Pte Ltd	100.0%	100.0%	Property Development
FCL Rise Pte Ltd	100.0%	100.0%	Property Development
Frasers (Thailand) Pte Ltd	100.0%	100.0%	Investment Holding
River Valley Properties Pte Ltd	100.0%	100.0%	Investment Holding & Property Development
River Valley Shopping Centre Pte Ltd	100.0%	100.0%	Property Investment
River Valley Tower Pte Ltd	100.0%	100.0%	Property Investment
River Valley Apartments Pte Ltd	100.0%	100.0%	Property Investment
Lion (Singapore) Pte Limited	100.0%	100.0%	Property Development
FCL View Pte Ltd	100.0%	100.0%	Property Development
FCL Tower Pte Ltd	100.0%	100.0%	Property Development
FCL Loft Pte Ltd	100.0%	100.0%	Property Development

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43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2009	2008	
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
Country of Incorporation and Place of Business: Singapore (cont'd)			
Frasers Centrepoint Asset Management Ltd	100.0%	100.0%	Management Services
FCL Investments Pte Ltd	100.0%	100.0%	Investment Holding
FCL Trust Holdings Pte Ltd	100.0%	100.0%	Investment Holding
Frasers Hospitality Investment Holding (Philippines) Pte Ltd	100.0%	100.0%	Investment Holding
Frasers Centrepoint Asset Management (Malaysia) Pte Ltd	100.0%	100.0%	Investment Holding
FCL Trust Holdings (Commercial) Pte Ltd	100.0%	100.0%	Investment Holding
FCL Asset Management Ltd	100.0%	100.0%	Asset Management, Fund and Property Management and Related Advisory Services
Frasers Centrepoint Asset Management (Commercial) Ltd	100.0%	100.0%	Asset Management, Fund and Property Management and Related Advisory Services
Frasers Centrepoint Property Management (Commercial) Pte Ltd	100.0%	100.0%	Asset Management, Fund and Property Management and Related Advisory Services
FCL Management Services (Commercial) Pte Ltd	100.0%	100.0%	Management Services
FCL REIT Management Ltd	100.0%	100.0%	Management Services
FCL Clover Pte Ltd	100.0%	100.0%	Financial Services
Frasers Centrepoint Trust	51.0%	51.0%	Real Estate Investment Trust
Emerald Hill Developments Pte Ltd	100.0%	100.0%	Property Investment
Sinomax International Pte Ltd	100.0%	100.0%	Investment Holding
Frasers International Logistics Management Pte. Ltd	100.0%	100.0%	Management and Consultancy Services
Singapore Logistics Investments Pte Ltd	80.0%	80.0%	Investment Holding
Frasers Hospitality Management Pte Ltd	100.0%	100.0%	Management Consultancy Services
Frasers Hospitality Property Services Pte Ltd (Formerly FCL Emerald (3) Pte Ltd)	100.0%	100.0%	Management Consultancy Services
Country of Incorporation and Place of Business: Vietnam			
(A) Me Linh Point Ltd	75.0%	75.0%	Property Investment
(A) Saigon Apartments Joint Venture Company	70.0%	70.0%	Property Development
Country of Incorporation and Place of Business: China			
(A) Shanghai Sian Jin Property Development Co., Ltd	100.0%	100.0%	Property Development
(A) Shanghai Frasers Management Consultancy Co., Ltd	100.0%	100.0%	Management Services
(A) Beijing Sin Hua Yan Real Estate Development Co., Ltd	95.0%	95.0%	Property Development
(A) Beijing Fraser Suites Real Estate Management Co., Ltd	100.0%	100.0%	Property Investment
(A) Singlong Property Development (Suzhou) Co., Ltd	100.0%	100.0%	Property Development
(A) Shanghai Zhong Jun Real Estate Development Co., Ltd	72.2%	72.2%	Property Development
(A) Beijing Gang Lu Real Estate Development Co., Ltd	56.2%	56.2%	Property Development
(A) Beijing Vision Century Property Management Co., Ltd	56.2%	56.2%	Property Management
(A) Vision Century Real Estate Development (Dalian) Co., Ltd	56.2%	56.2%	Property Development
(A) Vision Property Management (Dalian) Co., Ltd	56.2%	56.2%	Property Management

Note:

(A) Audited by Ernst & Young in the respective countries.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities	
	2009	2008		
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)				
Country of Incorporation and Place of Business: China (cont'd)				
(A)	Vision (Shenzhen) Business Park Co., Ltd	56.2%	53.4%	Business Park Development and Investment
(A) (1)	Vision Huaqing (Beijing) Development Co., Ltd	33.7%	33.7%	Business Park Development and Investment
(A)	Shenyang Frasers Real Estate Development Co., Ltd	56.2%	56.2%	Property Development
(A)	Frasers Hospitality Management Co., Ltd, Shanghai	100.0%	100.0%	Management Consultancy Services
(A)	Fraser Place (Beijing) Property Management Co., Ltd.	100.0%	100.0%	Management Consultancy Services
(A)	Modena Hospitality Management Co., Ltd. (Shanghai)	51.0%	51.0%	Management Consultancy Services
(A)	Frasers Property Management (Shanghai) Co., Ltd	100.0%	100.0%	Management Services
(A)	Chengdu Sino Singapore Southwest Logistics Co., Ltd <i>(All the above companies, incorporated in China, accounting year ends on 31 December)</i>	80.0%	80.0%	Property Development
Country of Incorporation: Bermuda				
Place of Business: Hong Kong				
(A)	Frasers Property (China) Limited	56.2%	56.2%	Investment Holding
Country of Incorporation and Place of Business: Hong Kong				
(A)	Vision Century Secretaries Limited	56.2%	56.2%	Secretarial and Nominee Services
(A)	Excellent Esteem Limited	100.0%	100.0%	Investment Holding
(A)	Frasers Hospitality (Hong Kong) Limited	100.0%	100.0%	Management Consultancy Services
(A)	Vision Century Administration Limited	56.2%	56.2%	Management Consultancy Services
(A)	Vision Century Property Management Limited	56.2%	56.2%	Property Management
(A)	Ace Goal Limited	100.0%	100.0%	Investment Holding
(A)	Extra Strength Limited	100.0%	100.0%	Investment Holding
(A)	Forth Carries Limited	100.0%	100.0%	Investment Holding
(A)	Forward Plan Limited	100.0%	100.0%	Investment Holding
(A)	Summit Park Limited	100.0%	100.0%	Investment Holding
(A)	Blessing Sky Limited	100.0%	100.0%	Investment Holding
(A)	Superway Logistics Investments (Hong Kong) Limited <i>(Accounting year ends on 31 December)</i>	80.0%	80.0%	Investment Holding
Country of Incorporation: British Virgin Islands				
Place of Business: Hong Kong				
(B)	Limbo Enterprises Limited	56.2%	56.2%	Property Holding
Country of Incorporation and Place of Business: British Virgin Islands				
(B)	Supreme Asia Investments Limited	76.0%	76.0%	Investment Holding
Country of Incorporation and Place of Business: Philippines				
(A)	Frasers Hospitality Philippines, Inc	100.0%	100.0%	Provision of Management Services in the Lodging Industry
(A)	Frasers Hospitality Investment, Inc	100.0%	100.0%	Property Investment

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2009	2008	
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)			
Country of Incorporation: Singapore			
Place of Business: Australia			
FCL Bridgepoint Pte Ltd	100.0%	100.0%	Property Investment
Country of Incorporation: Singapore			
Place of Business: United Kingdom			
FCL Resort Pte Ltd	75.0%	75.0%	Dormant
Frasers Property (Europe) Holdings Pte Ltd	51.2%	51.2%	Investment Holding
Country of Incorporation and Place of Business: United Kingdom			
(C) Frasers Property (UK) Limited	51.2%	51.2%	Investment Holding
(C) Frasers Property Developments Ltd	51.2%	51.2%	Investment Holding
(C) Frasers Investments (UK) Limited	51.2%	51.2%	Property Investment
(C) Frasers Ventures Limited	51.2%	51.2%	Property Development
(C) Fairbriar plc	51.2%	51.2%	Property Investment
(C) (1) Ellisridge Limited	40.4%	40.4%	Property Investment
(C) (1) Ellisridge Suites Limited	40.4%	40.4%	Property Investment
(C) Fairbriar Apartments Limited	51.2%	51.2%	Property Development
(C) Fairbriar Developments Limited	51.2%	51.2%	Property Development
(C) Fairbriar Projects Limited	51.2%	51.2%	Property Development
(C) The School House Tunbridge Wells Limited	51.2%	51.2%	Property Development
(C) Fairbriar General Partner Limited	51.2%	51.2%	Property Investment
(C) Fairbriar Group plc	51.2%	51.2%	Investment Holding
(C) Fairbriar House Limited	51.2%	51.2%	Investment Holding
(C) Frasers Homes (UK) Limited	51.2%	51.2%	Property Development
(Formerly Fairbriar Homes Limited)			
(C) Frasers (Buckwood Grange) Limited	51.2%	51.2%	Property Development
(C) Fairbriar Investments Limited	51.2%	51.2%	Dormant
(C) Frasers Islington Limited	51.2%	51.2%	Property Development
(C) (1) Islington Theatre Development Limited	38.1%	38.1%	Property Development
(C) Fairbriar Pepys Street Limited	51.2%	51.2%	Property Development
(C) FKB Property Investment Ltd	51.2%	51.2%	Management Consultancy Services
(C) FKB Property Management Limited	51.2%	51.2%	Management Consultancy Services
(C) NGH Properties Limited	51.2%	51.2%	Property Investment
(C) Sloane Avenue Limited	51.2%	51.2%	Property Development
(C) Frasers (Brown Street) Limited	51.2%	51.2%	Property Development
(Formerly Fairbriar Ascot Ltd)			
(C) (1) Fairdace Limited	34.1%	34.1%	Serviced Apartments
(C) Frasers Hospitality (UK) Limited	51.2%	51.2%	Management Consultancy Services & Serviced Apartments
(C) Fairpoint (Vincent Square) Ltd	51.2%	51.2%	Property Development
(C) Frasers Lumiere Leeds Ltd	51.2%	51.2%	Investment Holding
(C) Frasers Management (UK) Ltd	51.2%	51.2%	Management Services
(C) Frasers (Riverside Quarter) Ltd	51.2%	51.2%	Property Development
(C) Frasers Highbury Limited	75.0%	75.0%	Property Development
(C) Frasers (St Giles Street, Edinburgh) Ltd	51.2%	75.0%	Property Investment
(C) Frasers St Giles Street Management Ltd	51.2%	-	Property Management
(C) Frasers (Maidenhead) Ltd	51.2%	51.2%	Property Development
(C) Frasers Imperial Place Ltd	51.2%	-	Property Development

Notes:

(C) Audited by other firms of auditors.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities	
	2009	2008		
SUBSIDIARY COMPANIES OF FRASERS CENTREPOINT GROUP (cont'd)				
Country of Incorporation and Place of Business: Australia				
(A)	Frasers Property Management Australia Pty Limited <i>(Formerly Frasers Greycliff Developments Pty Ltd)</i>	75.0%	75.0%	Management Services
(A)	Frasers Chandos Pty Ltd	75.0%	75.0%	Property Development
(A)	Frasers Town Hall Pty Ltd	80.5%	80.5%	Investment Holding and Property Development
(A)	Frasers Lorne Pty Limited	75.0%	75.0%	Property Development
(A)	Frasers Mandurah Pty Limited	56.3%	56.3%	Property Development
(A)	Frasers City Quarter Pty Limited	87.5%	87.5%	Property Development
(A)	Frasers Queens Pty Limited	87.5%	87.5%	Property Development
(A)	Frasers Killara Pty Ltd	75.0%	75.0%	Property Development
(A)	Frasers Town Hall Residences Pty Ltd	80.5%	80.5%	Property Investment
(A)	Frasers Morton Pty Ltd	75.0%	75.0%	Property Development
(A)	Frasers Broadway Pty Ltd	75.0%	75.0%	Property Development
(A)	Frasers Property Australia Pty Ltd	75.0%	75.0%	Investment Holding
(A)	Frasers Town Hall Issuer Pty Ltd	80.5%	80.5%	Financial Services
(A)	Frasers Homes WA Pty Limited	56.3%	-	Property Development
Country of Incorporation and Place of Business: New Zealand				
(A)	Frasers Broadview Limited	75.0%	75.0%	Property Development
(A)	Frasers Papamoa Limited	67.5%	67.5%	Property Development
(A)	Coast Homes Limited	67.5%	-	Property Development
Country of Incorporation and Place of Business: Thailand				
(A)	Frasers Hospitality (Thailand) Ltd <i>(Accounting year ends on 31 December)</i>	100.0%	100.0%	Management Consultancy Services
SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP				
Country of Incorporation and Place of Business: Singapore				
	Marshall Cavendish International Private Limited	100.0%	100.0%	Investment Holding
	Marshall Cavendish International (Asia) Private Limited	100.0%	100.0%	Publishing of Trade Books
	Marshall Cavendish International (Singapore) Private Limited	100.0%	100.0%	Publishing - Education
	Marshall Cavendish Business Information Private Limited	100.0%	100.0%	Publishing of Trade Directory and Business Information
	Times-Dharmala Private Limited	51.0%	51.0%	Dormant
	Times Educational Services Private Limited	100.0%	100.0%	Education and Training
	Times Graphics Private Limited	100.0%	100.0%	Commercial Printing
	Times Conferences & Exhibitions Private Limited	100.0%	100.0%	Dormant
	Times Editions Pte Ltd	100.0%	100.0%	Dormant
	Panpac Education Pte Ltd	100.0%	100.0%	Publishing - Education
	* TransQuest Asia Publishers Pte Ltd	100.0%	100.0%	Distribution of Books
	IMM Singapore Holdings Pte Ltd	100.0%	100.0%	Magazines Distribution
(C)	Pansing Distribution Pte Ltd	100.0%	100.0%	Distribution of Books and Magazines
(C)	Pansing International Library Services Pte Ltd	100.0%	100.0%	Dormant
(C)	Pacific Bookstores Pte Ltd	60.0%	60.0%	Retail of School Textbooks and Supplies
	Learning Edvantage Pte Ltd	100.0%	100.0%	E-Learning Provider

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

* In voluntary liquidation.

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FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2009	2008	
SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
Country of Incorporation and Place of Business: Singapore (cont'd)			
(C) Starprint Production Pte Ltd	51.0%	51.0%	Printing and Binding
(C) Goodwill Binding Pte Ltd	51.0%	51.0%	Printing and Binding
(C) JCS Digital Solutions Pte Ltd	51.0%	51.0%	Digital Printing
Educational Technologies Pte Ltd	100.0%	100.0%	Distribution of Home Library Reference Books
Country of Incorporation: Singapore			
Place of Business: Singapore and Malaysia			
Times The Bookshop Pte Ltd	100.0%	100.0%	Retail of Books, Stationery, Magazines and Periodicals
Country of Incorporation: Singapore			
Place of Business: Singapore, Australia, United Kingdom and United States of America			
Times Printers Private Limited	100.0%	100.0%	Commercial Printing
Country of Incorporation and Place of Business: Malaysia			
(A) Marshall Cavendish (Malaysia) Sdn Bhd	100.0%	100.0%	Books
(A) Pansing Marketing Sdn Bhd	100.0%	100.0%	Distribution of Books & Magazines
(A) (1) STP Distributors (M) Sdn Bhd	30.0%	30.0%	Distribution of Home Library Reference Books
(A) Times Distri-Services Sdn Bhd	100.0%	100.0%	Distribution of Books & Magazines
(A) Times Offset (Malaysia) Sdn Bhd	100.0%	100.0%	Commercial Printing
Country of Incorporation: Hong Kong			
Place of Business: Thailand			
(A) Far East Publications Ltd	100.0%	100.0%	Distribution of Home Library References Books
Country of Incorporation and Place of Business: Thailand			
(A) Marshall Cavendish International (Thailand) Co. Ltd	49.0%	49.0%	Publishing - Education
Country of Incorporation and Place of Business: Hong Kong			
(C) Everbest Printing Holdings Limited	100.0%	100.0%	Investment Holding
(C) Everbest Printing Investment Ltd	100.0%	100.0%	Investment Holding
(C) Everbest Printing Company Ltd	100.0%	100.0%	Commercial Printing
(A) Marshall Cavendish Business Information (Hong Kong) Limited	100.0%	100.0%	Publishing of Trade Directory and Business Information
(A) * Times Education (Hong Kong) Ltd	100.0%	100.0%	Education Services
(A) Times Printers (Hong Kong) Ltd	100.0%	100.0%	Investment Holding
(A) Times Publishing (Hong Kong) Limited	100.0%	100.0%	Education Publishing and Distribution of Magazines
Country of Incorporation: Hong Kong			
Place of Business: Hong Kong/Taiwan			
(A) Educational Technologies Limited	100.0%	100.0%	Publishing and Selling of Home Library Reference Books

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

(1) Company is treated as a subsidiary of the Group by virtue of management control over financial and operating policies of the company.

* In voluntary liquidation.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2009	2008	
SUBSIDIARY COMPANIES OF TIMES PUBLISHING GROUP (cont'd)			
Country of Incorporation and Place of Business: China			
(C) Everbest Printing (Guangzhou) Co. Ltd	100.0%	100.0%	Commercial Printing
(A) Liaoning Times Xinhua Printers Ltd	51.0%	51.0%	Commercial Printing
(A) Shenyang Times Packaging Printing Co Ltd	60.0%	60.0%	Commercial Printing & Packaging
(C) Guangzhou Times Advertising Company Limited	100.0%	100.0%	Dormant
(A) Shanxi Xinhua Times Packaging Printing Co Ltd	51.0%	51.0%	Commercial Printing & Packaging
(C) Marshall Cavendish (Beijing) Co. Limited	100.0%	100.0%	Book Production Services
(C) Beijing 21st Century Times Education Centre	96.4%	96.4%	Education and Training
(C) Everbest Printing (Shanghai) Co. Ltd	100.0%	100.0%	Commercial Printing
<i>(All the above companies, incorporated in China, accounting year ends on 31 December)</i>			
Country of Incorporation and Place of Business: Japan			
(A) Kabushiki Kaisha Educational Technologies Limited	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: India			
(A) Direct Educational Technologies India Pte Ltd	100.0%	100.0%	Distribution of Home Library Reference Books
Country of Incorporation and Place of Business: Australia			
(A) Musicway Corporation Limited	100.0%	100.0%	Distribution of Lifestyle Accessories and Storage Products
(A) Rainbow Products Limited	100.0%	100.0%	Distribution of CDs, DVDs and Media Products
(A) Times Properties Pty Limited	100.0%	100.0%	Investment Holding
(A) Pansing IMM Pty Limited	100.0%	100.0%	Magazines Distribution
(A) Marshall Cavendish (Australia) Pty Ltd	100.0%	100.0%	Investment Holding
Country of Incorporation: United Kingdom			
Place of Business: Russia			
(A) MC East Limited	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: United Kingdom			
(A) ALP Ltd	100.0%	100.0%	Investment Holding
(A) Marshall Cavendish Ltd	100.0%	100.0%	Investment Holding
(A) Marshall Cavendish International Ltd	100.0%	100.0%	Dormant
(A) Marshall Cavendish Partworks Ltd	100.0%	100.0%	Dormant
(A) Summertown Publishing Ltd	100.0%	100.0%	English Language Teaching (ELT) Publishing
Country of Incorporation and Place of Business: France			
(A) Marshall Cavendish Editions S.A.	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: Poland			
(A) Marshall Cavendish Polska Sp. zo.o	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: Ukraine			
(A) A Wholly Owned Subsidiary Marshall Cavendish Ukraine	100.0%	100.0%	Dormant
Country of Incorporation and Place of Business: United States of America			
(B) Marshall Cavendish Corporation	100.0%	100.0%	Publishing of Library Reference Books

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities
	2009	2008	
JOINT VENTURE COMPANIES OF THE COMPANY			
Country of Incorporation and Place of Business: Singapore			
* Asia Pacific Investment Pte Ltd	50.0%	50.0%	Investment Holding
JOINT VENTURE COMPANIES OF FRASERS CENTREPOINT GROUP			
Country of Incorporation and Place of Business: Thailand			
(A) (2) Riverside Homes Development Co., Ltd <i>(Accounting year ends on 31 December)</i>	69.6%	69.6%	Property Development
Country of Incorporation and Place of Business: Singapore			
FCL Peak Pte Ltd	50.0%	50.0%	Property Development
(C) Ascendas Frasers Pte Ltd	50.0%	-	Property Development
Country of Incorporation and Place of Business: United Kingdom			
(C) GSF Homes Limited	25.6%	25.6%	Property Development
(C) Macleod & Fairbriar Limited	25.6%	25.6%	Property Development
(C) Redbriar Developments Limited	25.6%	25.6%	Property Development
(C) Sovereign House Fairbriar Homes Ltd	25.6%	25.6%	Property Development
(C) Fairmuir Limited	25.6%	25.6%	Property Development
(C) Frasers Hamilton (Shrubhill) Ltd	25.6%	25.6%	Property Development
(C) Lumiere Leeds General Partner Ltd	25.6%	25.6%	Management Services
(C) Lumiere Leeds Limited Partnership	23.0%	23.0%	Property Development
JOINT VENTURE COMPANIES OF TIMES PUBLISHING GROUP			
Country of Incorporation and Place of Business: Singapore			
Times-Newslink <i>(Accounting year ends on 31 December)</i>	50.0%	50.0%	Retail of Books and Magazines
Country of Incorporation and Place of Business: China			
(C) Shanghai Times SanYin Printers Co Ltd <i>(Accounting year ends on 31 December)</i>	40.0%	40.0%	Commercial Printing
ASSOCIATED COMPANIES OF THE COMPANY			
Country of Incorporation: Singapore			
Place of Business: China			
(C) China Dairy Group Ltd <i>(Accounting year ends on 31 December)</i>	29.5%	29.5%	Manufacturing & Distribution of Dairy Products
Country of Incorporation: Bermuda			
Place of Business: China			
(C) Fung Choi Media Group Limited <i>(Accounting year ends on 30 June)</i>	29.5%	29.5%	Printing & Packaging
Country of Incorporation and Place of Business: Australia			
(C) (1) PMP Limited <i>(Accounting year ends on 30 June)</i>	11.6%	11.5%	Printing & Packaging

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

(1) Company is treated as an associate of the Group by virtue of significant influence over the company.

(2) This is accounted for as a joint venture as the Group exercises only joint control over the Company.

* Asia Pacific Investment Pte Ltd ("APIPL") which holds 64.8% of the issued capital of Asia Pacific Breweries Limited is owned equally by Fraser and Neave, Limited and the Heineken Group. Under the provisions of the Companies Act, Cap.50, Fraser and Neave, Limited is the ultimate holding company by reason of its rights to appoint a majority of the directors of APIPL.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		
		2009	2008	Principal Activities
ASSOCIATED COMPANIES OF FRASERS CENTREPOINT GROUP				
	Country of Incorporation and Place of Business: United Kingdom			
(C)	Fairbrair Residential Investment Partnership <i>(Accounting year ends on 31 December)</i>	26.1%	26.1%	Investment in Residential Property Fund
	Country of Incorporation and Place of Business: Singapore			
(C) (1)	Hua Li Holdings Pte Ltd Fraser's Commercial Trust	45.7% 22.5%	45.7% 18.3%	Investment Holding Real Estate Investment Trust
	Country of Incorporation and Place of Business: Thailand			
(A)	Krungthep Land Public Company Limited <i>(Accounting year ends on 31 December)</i>	40.5%	40.5%	Investment Holding and Property Development
	Country of Incorporation and Place of Business: Malaysia			
(C)	Hektar Real Estate Investment Trust <i>(Accounting year ends on 31 December)</i>	31.1%	31.1%	Real Estate Investment Trust
(C)	Hektar Asset Management Sdn Bhd <i>(Accounting year ends on 31 December)</i>	40.0%	40.0%	Management Services
	Country of Incorporation and Place of Business: Hong Kong			
(A)	Poly-strong Development Limited	28.1%	28.1%	Dormant
ASSOCIATED COMPANIES OF TIMES PUBLISHING GROUP				
	Country of Incorporation and Place of Business: China			
(C)	Beijing Universal Times Culture Development Co Ltd <i>(Accounting year ends on 31 December)</i>	40.0%	40.0%	Publishing
	Country of Incorporation and Place of Business: Nigeria			
(C)	Transworld Times Press (Africa) Ltd	40.0%	40.0%	Printing
SUBSIDIARY COMPANIES OF ASIA PACIFIC BREWERIES GROUP				
	Country of Incorporation and Place of Business: Singapore			
	Asia Pacific Breweries Ltd	39.7%	39.7%	Investment Holding
	Asia Pacific Breweries (Singapore) Pte Ltd	39.7%	39.7%	Brewing and Distribution of Beer and Stout
	Tiger Export Pte Ltd	39.7%	39.7%	Export of Beer and Stout
	Archipelago Brewery Co (1941) Pte Ltd	39.7%	39.7%	Dormant
	Tiger Marketing Pte Ltd	39.7%	39.7%	Investment Holding
	Heineken-APB (China) Pte Ltd	44.8%	44.8%	Investment Holding
	Country of Incorporation and Place of Business: Cambodia			
(C)	Cambodia Brewery Limited	31.7%	31.7%	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: Vietnam			
(A)	Vietnam Brewery Limited	23.8%	23.8%	Brewing and Distribution of Beer
(A)	Asia Pacific Brewery (Hanoi) Limited <i>(Formerly known as Hatay Brewery Limited)</i>	39.7%	39.7%	Brewing and Distribution of Beer
(A)	Beers and Beverages International Ltd	39.7%	39.7%	Distribution of Beer
(A)	Vietnam Beer and Beverage Limited	23.8%	23.8%	Distribution of Beer
(A)	VBL Da Nang Limited	23.8%	23.8%	Brewing of Beer
(A)	VBL Tien Giang Limited	23.8%	23.8%	Brewing of Beer
(A)	VBL (Quang Nam) Limited	19.0%	19.0%	Brewing and Distribution of Beer

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

(1) Company is treated as an associate of the Group by virtue of significant influence over the company.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities	
	2009	2008		
SUBSIDIARY COMPANIES OF ASIA BREWERIES GROUP (cont'd)				
Country of Incorporation and Place of Business: British Virgin Islands				
(B)	Able Win Gain Limited	50.0%	50.0%	Investment Holding
(B)	Kenton Assets Limited	50.0%	50.0%	Investment Holding
Country of Incorporation and Place of Business: Hong Kong				
(C)	Capital Shine Limited	50.0%	50.0%	Investment Holding
Country of Incorporation and Place of Business: China				
(C)	Hainan Asia Pacific Brewery Co Ltd	44.8%	44.8%	Brewing and Distribution of Beer
(C)	Shanghai Asia Pacific Brewery Co Ltd	44.8%	44.8%	Brewing and Distribution of Beer
(C)	Heineken Trading (Shanghai) Co Ltd	44.8%	44.8%	Distribution of Beer
(C)	Heineken-APB (China) Management Services Co Ltd	44.8%	44.8%	Provision of Investment, Management and Consulting Services
(E)	Guangzhou Asia Pacific Brewery Co Ltd	44.8%	44.8%	Brewing and Distribution of Beer
	<i>(All the above companies, incorporated in China, accounting year ends on 31 December)</i>			
Country of Incorporation and Place of Business: India				
(C)	Asia Pacific Breweries (India) Private Limited	39.7%	39.7%	Dormant
(A)	Asia Pacific Breweries (Aurangabad) Private Limited	39.7%	39.7%	Brewing and Distribution of Beer
(A)	Asia Pacific Breweries-Pearl Private Limited	39.7%	26.6%	Brewing and Distribution of Beer
Country of Incorporation and Place of Business: Sri Lanka				
(A)	Asia Pacific Brewery (Lanka) Limited	23.8%	23.8%	Brewing and Distribution of Beer
Country of Incorporation and Place of Business: New Zealand				
(A)	DB Breweries Limited	39.7%	39.7%	Investment Holding and Brewing and Distribution of Beer
(A)	DB Nominees Ltd	39.7%	39.7%	Trustee Company
(A)	Trinity Hospitality Company Limited	23.8%	-	Investment Holding Company
(F)	Sale Street Brewery Co Limited	23.8%	23.8%	Dormant
(A)	DB South Island Brewery Ltd	21.8%	21.8%	Brewing and Distribution of Beer
(F)	Monteith's Brewery Company Limited	39.7%	39.7%	Dormant
(F)	Robbie Burns Limited	39.7%	39.7%	Dormant
(F)	Tui Brewery Limited	39.7%	39.7%	Dormant
(F)	Black Dog Brewery Limited	39.7%	39.7%	Dormant
(F)	Mainland Brewery Limited	39.7%	39.7%	Dormant
(F)	Waitemata Brewery Limited	39.7%	39.7%	Dormant
(F)	Drinkworks Limited	39.7%	39.7%	Dormant
(F)	Amstel Brouwerij Importers Ltd	39.7%	39.7%	Dormant
(F)	Kustenbrau Breweries Limited	39.7%	39.7%	Dormant
(A)	Barworks Group Limited	23.8%	23.8%	On-premise Management
(A)	Barworks Holdings Limited	23.8%	23.8%	Investment Holding Company
(A)	BOF Limited	17.8%	17.9%	Distribution of Beer
(A)	Portumna Limited	23.8%	23.8%	Distribution of Beer
(A)	Barneydale Limited	23.8%	23.8%	Distribution of Beer
(A)	Studio 25 Limited	17.8%	17.9%	Distribution of Beer
(A)	Clifford Pubs Limited	17.8%	17.9%	Distribution of Beer
(A)	George Corporation Limited	17.8%	17.9%	Distribution of Beer
(A)	Tarmon Limited	17.8%	17.9%	Distribution of Beer

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

(E) To be appointed.

(F) Not required to be audited under the laws of the country of incorporation.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

	Effective Shareholding		Principal Activities	
	2009	2008		
SUBSIDIARY COMPANIES OF ASIA BREWERIES GROUP (cont'd)				
Country of Incorporation and Place of Business: New Zealand (cont'd)				
(A)	Riccarton Hospitality 2007 Limited	23.8%	-	Distribution of Beer
(A)	Hurstmere Pubs Limited	23.8%	-	Distribution of Beer
(A)	Gaults On Quay (2009) Limited	23.8%	-	Investment Holding Company
(A)	Gaults On Quay Limited	23.8%	-	Distribution of Beer
(A)	Market St Holdings Limited	17.8%	-	Distribution of Beer
(A)	Temperance Hospitality Company Limited	23.8%	-	Distribution of Beer
Country of Incorporation and Place of Business: Papua New Guinea				
(C)	South Pacific Brewery Limited	30.1%	30.1%	Brewing and Distribution of Beer
Country of Incorporation and Place of Business: United Kingdom				
(C)	Tiger Beer UK Ltd	39.7%	39.7%	Distribution of Beer and Stout
Country of Incorporation and Place of Business: United States of America				
(B)	Tiger Beer USA Inc	39.7%	39.7%	Distribution of Beer
Country of Incorporation and Place of Business: Mongolia				
(A)	MCS - Asia Pacific Brewery LLC	21.8%	21.8%	Brewing and Distribution of Beer
Country of Incorporation and Place of Business: Australia				
(A)	Asia Pacific Breweries (Australia) Pty Ltd	39.7%	39.7%	Investment Holding
(A)	FBG Vietnam Holdings Pty Ltd	39.7%	39.7%	Investment Holding
(A)	DBG (Australia) Pty Limited	39.7%	39.7%	Distribution of Beer
Country of Incorporation and Place of Business: Laos				
(A)	Lao Asia Pacific Breweries Limited	27.0%	27.0%	Brewing and Distribution of Beer

Notes:

(A) Audited by Ernst & Young in the respective countries.

(B) Not required to be audited under the laws of the country of incorporation.

(C) Audited by other firms of auditors.

Notes to the Financial Statements

FOR THE YEAR ENDED 30 SEPTEMBER 2009

43. SUBSIDIARY, JOINT VENTURE AND ASSOCIATED COMPANIES (cont'd)

		Effective Shareholding		Principal Activities
		2009	2008	
JOINT VENTURE COMPANIES OF ASIA PACIFIC BREWERIES GROUP				
	Country of Incorporation and Place of Business: Singapore			
(C)	GAPL Pte Ltd <i>(Accounting year ends on 30 June)</i>	19.8%	19.8%	Investment Holding & Distribution of Beer
	Country of Incorporation and Place of Business: China			
(C)	Jiangsu DaFuHao Breweries Co. Ltd <i>(Accounting year ends on 31 December)</i>	22.0%	-	Brewing and Distribution of Beer
	Country of Incorporation and Place of Business: Thailand			
(C)	Thai Asia Pacific Brewery Co Ltd	14.6%	13.9%	Brewing and Distribution of Beer
(C)	Thai Asia Pacific Trading Co Ltd	14.6%	13.9%	Distribution of Beer
ASSOCIATED COMPANIES OF ASIA PACIFIC BREWERIES GROUP				
	Country of Incorporation and Place of Business: New Zealand			
(A)	The Associated Bottlers Company Ltd	19.8%	19.8%	Hire of Returnable Beer Bottles
	Country of Incorporation: Bermuda Place of Business: Hong Kong			
(A)	Kingway Brewery Holdings Limited <i>(Accounting year ends on 31 December)</i>	9.6%	9.6%	Brewing and Distribution of Beer

Notes:

(A) Audited by Ernst & Young in the respective countries.

(C) Audited by other firms of auditors.

Particulars of Group Properties

The main properties as at 30 September 2009 and their net book values are indicated below:
("F&N" refers to Fraser and Neave Group, "APBL" refers to Asia Pacific Breweries Group, "FCL" refers to Frasers Centrepoint Limited Group and "TPL" refers to Times Publishing Group)

(A) CLASSIFIED AS GROUP FIXED ASSETS

(Note 13 to the Financial Statements)

		Land (\$'000)	Building (\$'000)
FREEHOLD			
Singapore			
TPL	- 1.1 hectares industrial property at Times Centre, 1 New Industrial Road	6,100	6,136
Peninsular Malaysia			
F&N	- 18.0 hectares industrial property at Lot 3-1 & Lot 3-2 Lion Industrial Park, Shah Alam	19,788	25,997
	- 2.1 hectares industrial property at 3724 to 3726 Sungei Nyior, Butterworth	1,923	903
	- 2.7 hectares industrial property at 217, Jalan Lahat, Ipoh	1,147	1,613
	- 5.8 hectares industrial property at Jalan Tampoi, Johor Bahru	2,145	2,912
	- 2.2 hectares industrial property at 701, Jalan Tampoi, Johor Bahru	3,137	74
	- 0.6 hectares industrial property at 598, Jalan Tampoi, Johor Bahru	428	1,535
	- 0.1 hectares property at No. 3, Jalan Metro Pudu, Fraser Business Park	-	6,628
	- Other properties	380	-
TPL	- 1.2 hectares industrial property at Lot 46 Subang Hi-Tech Industrial Park, Batu Tiga, Shah Alam	1,569	2,855
East Malaysia			
F&N	- 1.1 hectares industrial property at Matang Land District, Sarawak	1,784	1,031
	- 2.0 hectares industrial property at Jalan Mempaga, Mukim Sabai, Karak	1,507	2,068
	- 0.1 hectares industrial property at Jalan Tatau Bintulu, Sarawak	-	9
Thailand			
F&N	- 9.1 hectares industrial property at Amphur Nong Khae, Saraburi Province	4,346	9,985
	- 1.2 hectares industrial property at Amphur Pakchong, Nakhonratchasima Province 30320	-	2,221
	- 9.2 hectares industrial property at U-thai, Phra Nakhon Si Avutthava 13210 Thailand	7,224	-
New Zealand			
APBL	- 17.4 hectares industrial property for Waitemata Brewery site at Auckland	3,668	19,533
	- 9.1 hectares industrial property for Mainland Brewery at Timaru	175	1,601
	- 10.8 hectares industrial property for Tui Brewery at Pahiatua	319	991
Australia			
TPL	- 0.2 hectares commercial property at Unit 7 & 8 Monash Business Park, 29 Business Park Drive, Nottinghill, Melbourne - Victoria	948	443
United State of America			
TPL	- 3.4 hectares commercial property at 99 White Plains Road, Tarrytown, New York	705	3,426
Mongolia			
APBL	- 5.0 hectares industrial property at 10th Khoroo, Bayanzurkh District, Ulaanbaatar City, Mongolia	-	3,505
Sri Lanka			
APBL	- 0.4 hectares industrial property at Millawa Land	11	-
Laos			
APBL	- 0.1 hectares industrial property at Mini Tavern, Unit 03, House No. 056, 5/44 Phonthan Road, Ban Saphanthong Nue, Sisathanak District, Vientiane Lao PDR	-	6
India			
APBL	- 27.5 hectares industrial property at Sangareddy Mandal, Badlapur Village, Medak District	1,056	3,072
Total Freehold		58,360	96,544

Particulars of Group Properties

(A) CLASSIFIED AS GROUP FIXED ASSETS (cont'd)
(Note 13 to the Financial Statements)

		Land (\$'000)	Building (\$'000)
LEASEHOLD			
Singapore			
F&N	- 4.0 hectares industrial property at 214 Pandan Loop (Lease expires year 2010)	-	14,060
APBL	- 8.8 hectares industrial property at Jurong (Lease expires year 2046)	-	18,686
TPL	- Commercial property at Unit #04-08 - #04-11, 176 Orchard Road Centrepoint (Lease expires year 2078)	-	298
	- 1.8 hectares offices at 16 & 18 Tuas Avenue 5 (Lease expires year 2043)	-	14,403
Peninsular Malaysia			
F&N	- 3.6 hectares industrial property at 70 Jalan University, Petaling Jaya (Lease expires year 2058)	7,740	6,486
	- 1.6 hectares industrial property at 16 Jalan Bersatu 13/4, Petaling Jaya (Lease expires year 2058)	4,094	1,819
	- 1.4 hectares industrial property at Lot 56, Section 4, Phase 2B, Mukim Klang, Selangor (Lease expires year 2097)	11,953	-
	- Other properties	642	621
East Malaysia			
F&N	- 1.8 hectares industrial property at 3.5 miles Penrissen Road, Kuching (Lease expires year 2038)	655	2,753
	- 2.6 hectares industrial property at 5.5 miles Tuaran Road, Kota Kinabalu (Lease expires year 2062)	938	747
	- 1.2 hectares industrial property at Lot 1557, Block 218 KNLD, Kuching (Lease expires year 2038)	2,921	-
	- 2.8 hectares industrial property at Matang Land District, Sarawak/Kuching District (Lease expires year 2038/2784)	1,952	330
Cambodia			
APBL	- 11.3 hectares industrial property at Kandal Province (Land rights expires year 2065)	-	6,795
Vietnam			
F&N	- 3.4 hectares industrial property at 76 Ton That Thuyet, Ho Chi Minh City (Lease expires year 2023)	-	2,553
APBL	- 13.0 hectares industrial property at Ho Chi Minh City (Lease expires year 2021)	1,464	7,590
	- 30.0 hectares industrial property at Van Tao Village - Hatay Province (Lease expires year 2046)	-	8,487
	- 30.0 hectares industrial property at Quang Nam Province (Lease expires year 2046)	-	324
	- 51.4 hectares industrial property at Tien Giang Province (Lease expires year 2022)	-	891
	- 7.7 hectares industrial property at Danang City (Lease expires year 2044)	-	1,203

Particulars of Group Properties

(A) CLASSIFIED AS GROUP FIXED ASSETS (cont'd)
(Note 13 to the Financial Statements)

	Land (\$'000)	Building (\$'000)
LEASEHOLD (cont'd)		
Thailand		
F&N - 0.9 hectares industrial property at No. 19/111 Moo 7 Thakarm Road, Samaedam, Bangkhuntien, Bangkok 10150 (Lease expires year 2029)	476	2,712
TPL - Warehouse at Soi Wat Kok #20/526-527, Rama II Road, Bangkok (Lease expires year 2021)	-	38
Myanmar		
F&N - 5.0 hectares industrial property at Mingaladon Township, Yangon (Lease expires year 2023)	1,362	8,370
China/Hong Kong		
F&N - Residential property at Liu Shu Town, SheHong Country, Sichuan Providence, China (Lease expires year 2058)	-	43
APBL - 20.0 hectares industrial property at Haikou, Hainan, China (Lease expires year 2065)	4,842	16,794
- 11.0 hectares industrial property at Shanghai, China (Lease expires year 2038)	5,736	8,045
- 0.02 hectares industrial property at Shanghai, China (Lease expires year 2042)	-	289
TPL - Residential property at Unit 1AF Riverside Garden, Shenyang, China	-	193
- Residential property at Vanke Garden, Shenyang, China	-	96
- 0.4 hectares industrial property at 13A Xingshun Street, Tiexi District, Shenyang, China (Lease expires year 2009)	6	587
- Warehouse at Unit D, 2nd Floor, Freder Centre 68 Sung Wong Toi Road, Tokwawan, Kowloon, Hong Kong (Lease expires year 2022)	16	26
- Industrial property at Dachong Western Industrial District Nansha Panyu, Guangdong, China (Lease expires year 2044)	2,783	15,496
- Industrial property at Unit A1,C5, Ko Fai Industrial Building 7 Ko Fai Road, Yau Tong, Kowloon, Hong Kong (Lease expires year 2048)	-	477
- 1.9 hectares commercial property at 18 Jianshe Zhong Road, Tiexi District Shenyang, China	3,355	2,843
- Factory at 665 Kong Jiang Road, Yang Pu District, Shanghai 200093 (Lease expires year 2030)	510	2,178
- Factory at 1 Zhao Yu Street, Yuci Economic Development Zone Jin Zhong City, Shanxi Province (Lease expires year 2026)	1,171	3,206
- Offices at Seaview Estate - 10th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	5,162	123
- Offices at Seaview Estate - 9th Floor Block C, No. 8 Watson Road, North Point, Hong Kong (Lease expires year 2057)	4,880	109
FCL - Office at Suite 2806-2810, 28/F Shell Tower, Time Square, Causeway Bay, Hong Kong	-	7

Particulars of Group Properties

(A) CLASSIFIED AS GROUP FIXED ASSETS (cont'd) (Note 13 to the Financial Statements)

	Land (\$'000)	Building (\$'000)
LEASEHOLD (cont'd)		
Papua New Guinea		
APBL - 2.2 hectares industrial property at Port Moresby (Lease expires year 2067)	612	4,204
- 7.7 hectares industrial property at Lae and Goroka (Lease expires year 2057 and year 2067)	299	560
- 1.0 hectares residential properties (Lease expires year 2057 and year 2071)	121	100
Sri Lanka		
APBL - 2.3 hectares industrial property at Mawathagama (Lease expires year 2027)	39	388
India		
APBL - 7.0 hectares industrial property at Waluj, Aurangabad, Maharashtra (Lease expires year 2083)	137	1,815
Laos		
APBL - 13.0 hectares industrial property at Veunkham Road, B.Nongno, Xaythany District, Vientianne, Laos (Lease expires year 2056)	1,409	8,499
Total Leasehold	65,275	165,244
TOTAL PROPERTIES (CLASSIFIED AS GROUP FIXED ASSETS)	123,635	261,788

(B) CLASSIFIED AS GROUP INVESTMENT PROPERTIES (Note 14 to the Financial Statements)

Singapore		
FCL - A 24-storey office building at 438 Alexandra Road Freehold, lettable area - 18,423.0 sqm	56,070	89,080
- Retained interests (excluding apartments) in a 7-storey shopping cum residential complex with 2 basement floors at The Centrepoint, 176 Orchard Road Leasehold (lease expires year 2078), lettable area - 30,867.0 sqm	428,930	164,870
- Retained interests in a 3-storey shopping complex with 2 basement shopping levels and one basement carpark at Northpoint, 930, Yishun Avenue 2 Leasehold (Lease expires year 2089), lettable area - 13,876.0 sqm	253,000	65,000
- A 2-storey shopping complex at Anchorpoint, 368 & 370 Alexandra Road, situated on the 1st storey and 1st basement level of a 5-storey commercial-cum-residential block and a 2-storey free-standing restaurant building Freehold, lettable area - 6,714.0 sqm	39,200	28,800
- Two 8-storey high-tech industrial building with basement carpark at 438A and 438B Alexandra Road, Alexandra Technopark, Block A & Block B Freehold, lettable area - 97,542.0 sqm	40,000	-

Particulars of Group Properties

(B) CLASSIFIED AS GROUP INVESTMENT PROPERTIES (cont'd) (Note 14 to the Financial Statements)

		Land (\$'000)	Building (\$'000)
Singapore (cont'd)			
-	A 10-storey commercial-cum-serviced apartment complex at Robertson Walk Shopping Centre and Fraser Place Robertson Walk, 11 Unity Street, with 2 basement carparks comprising a 2-storey retail podium and 161 serviced apartment units Leasehold (999 years from July 1841) Lettable area: Retail 9,067.8 sqm Serviced apartments 14,293.4 sqm Total 23,361.2 sqm	111,210	127,790
-	A 7-storey shopping/entertainment complex at Causeway Point, 1, Woodlands Square with 3 basement floors (comprising 2 basement carparks and 1 basement shop) Leasehold (Lease expires year 2094), lettable area - 38,884.0 sqm	532,000	182,000
-	A 20-storey commercial-cum-serviced apartment complex with a 3-storey covered carpark, a 5-storey podium block, a 2-storey retail podium and 251 serviced apartment units at Valley Point Shopping Centre/ Office Tower and Fraser Suites River Valley, River Valley Road Leasehold (999 years from June 1877) Lettable area: Retail 3,699.0 sqm Serviced apartments 20,232.0 sqm Office 16,948.0 sqm Total 40,879.0 sqm	171,820	233,080
-	A 4-storey retail space at Northpoint 2, Yishun Central with a retail basement floor and a basement car park Leasehold (Lease expires year 2089), lettable area - 7,946.0 sqm	96,460	48,540
-	A 2-storey retail podium at Yew Tee Point, 21, 23 and 25 Choa Chu Kang North 6 situated on 1st storey and 1st basement level of a 10 storey commercial-cum-residential block Leasehold (Lease expires year 2105), lettable area - 6,724.0 sqm	81,700	42,000
-	Other properties (Leasehold, lease expires year 2078)	1,140	160
TPL	- 0.7 hectares industrial property at 438 Ang Mo Kio Industrial Park Leasehold (Lease expires year 2038)	-	7,797
-	1.9 hectares warehouse at No. 24 Senoko Drive Leasehold (Lease expires year 2011)	-	500
Vietnam			
FCL	- A 23-storey retail/office building plus 2 basements at Me Linh Point Tower, 2 Ngo Duc Ke Street, District 1, Ho Chi Minh City Leasehold (Lease expires year 2045), lettable area - 17,744.0 sqm	35,789	29,967
China			
FCL	- A 2 cross-shaped, 5-storey buildings, 2 blocks of office space, an amenity centre, 3 hi-tech multi-purpose buildings and a multi-storey carpark building at Vision (Shenzhen) Business Park, Shenzhen Industrial Hi-Tech Industrial Park Gaoxing South Ring Keji South Road, Shenzhen Lettable area - 127,999.0 sqm	40,079	105,151

Particulars of Group Properties

(B) CLASSIFIED AS GROUP INVESTMENT PROPERTIES (cont'd) (Note 14 to the Financial Statements)

	Land (\$'000)	Building (\$'000)
China (cont'd)		
- A 13-storey building with 2 levels of basement car parks and ancillary facilities at Vision International Centre (Soho.com Internet Plaza), TsingHua Science Park, No. 1 Zhongguancun East Road, Haidian District, Beijing Lettable area - 14,820.0 sqm	39,253	8,112
- A building comprising residential (3rd to 23rd level) and clubhouse (2nd level) at Fraser Suites CBD Beijing (EEL), Block D, No. 7 Guanghua Road, Chaoyang District, Beijing Leasehold: Residential (lease expires year 2073) Clubhouse (lease expires year 2043) Lettable area - 28,419.0 sqm	-	193,004
Philippines		
FCL - 69 apartment units with 116 car park slots in the East Tower of Frasers Place Forbes Tower, Valero Street, Salcedo Village, Makati City, Manila Freehold, lettable area - 17,046.0 sqm	-	25,506
Australia		
FCL - A 2-storey Shopping Centre and 1 unit Viewpoint Apartment at Bridgepoint, Mosman, Sydney Freehold, lettable area - 6,784.1 sqm	27,115	23,656
United Kingdom		
FCL - 2 buildings of 63 serviced residences at C2 and C3 The Boardwalk, Trafalgar Way, London E14 Leasehold (999 years from 25 December 1999), lettable area - 4,765.0 sqm	-	55,937
- A 4-storey building of serviced residences at Fraser Suites 1-19 Albion Street, Glasgow G1 1 NY Freehold, lettable area - 4,694.0 sqm	-	19,716
- A 8-storey building of serviced residences with 75 apartments at Fraser Suites Edinburgh, St Giles Street Freehold, lettable area - 2,038.0 sqm	14,587	22,207
- Retained freehold interest in a building for residential use at Nell Gwynn House, Sloane Avenue, London	1,719	-
Hong Kong		
TPL - Shop unit at Houston Centre, Tsimshatsui East, Kowloon Leasehold (Lease expires year 2053), lettable area - 68.0 sqm	475	113
- 0.1 hectares industrial property at 35 Kallang Pudding Road #07-14 Tong Lee Building Blk A	-	700
TOTAL PROPERTIES (CLASSIFIED AS INVESTMENT PROPERTIES)	1,970,547	1,473,686

Particulars of Group Properties

(C) CLASSIFIED AS COMPLETED PROPERTIES HELD FOR SALES (Note 24 to the Financial Statements)

	Effective Group interest %
Australia	
FCL - The Habitat Freehold land of approximately 862.0 sqm situated at 11-17 Chandos Streets, Sydney. The development has a gross floor area of 7,855.0 sqm and consists of 60 residential units, 2 retail and 9 offices.	75
- Townhall Serviced Residences Freehold land of approximately 3,966.0 sqm situated at Junction of George Street, Bathurst Street and Kent Street, Sydney. The development has a gross floor area of 32,281.0 sqm and consists of 145 units of serviced apartments.	81
- Lumiere Freehold land of approximately 3,966.0 sqm situated at former Regent Theatre, 101 Bathurst St Sydney 2000. The development has a gross floor area of 70,922.0 sqm and consists of 460 residential units, 4 retail and 1 commercial unit.	81
- Lorne Freehold land of approximately 4,022.0 sqm situated at 29, Lorne Ave, Killara NSW 2071. The development has a gross floor area of 6,671.0 sqm and consist of 40 residential apartments.	75
China/Hong Kong	
FCL - Scenic Place Leasehold land of approximately 26,052.0 sqm situated at No.305 Guang An Men Wai Avenue, Xuan Wu District, Beijing. The development has a gross floor area of 95,855.0 sqm and consists of 788 residential units and 154 carpark lots.	56
- Ninth Zhongshan Leasehold land of approximately 73,152.0 sqm situated at No.2 Xinglin Street Zhongshan District Da Lian. The development has a gross floor area of 63,054.0 sqm and consists of 439 residential units and 132 carpark lots. Twin Towered development comprising of 32 storey east tower and 30 storey west tower.	56
- Greenery Place Leasehold land of approximately 6,796.0 sqm situated at No.1 Town Park Road South, Yuen Long, Hong Kong. The development has a gross floor area of 22,106.0 sqm and consists of four 11 storey residential towers with a total of 330 residential units, a clubhouse and 133 carpark lots.	56
- Jingan Four Seasons Leasehold land of approximately 13,843.0 sqm situated at No. 169 Wu Jiang Lu, Shanghai. The development has a gross floor area of 70,717.0 sqm and consists of 452 residential units and 88 retail units.	100
- Crosspoint Leasehold land of approximately 7,111.0 sqm situated at Xi Cheng District, Xin Jie Kou, Beijing. The development has a gross floor area of 28,572.0 sqm and consists of 22 retail units.	100

Particulars of Group Properties

(C) CLASSIFIED AS COMPLETED PROPERTIES HELD FOR SALES (cont'd) (Note 24 to the Financial Statements)

	Effective Group interest %
United Kingdom	
FCL - Wandsworth Freehold land of approximately 40,014.9 sqm situated at bank of River Thames, London. The development has a gross floor area of 27,000.0 sqm and consists of 203 residential units and 8 commercial units.	51
- Vincent Square Freehold land of approximately 2,346.0 sqm situated at 63-69 Rochester Row, 68 Vincent Square, London. The development has a gross floor area of 6,197.0 sqm and consists of 70 residential units.	51
- Verwood & Horslychn Farm Freehold land of approximately 20 acres situated at West Country, Somerset.	51
- Buckswood Grange Freehold land of approximately 800.4 sqm situated at Uckfield, Sussex. The development has a gross floor area of 2,433.8 sqm and consists of 22 apartments and townhouses.	51

(D) CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE (Note 24 to the Financial Statements)

Details of the development properties held for sale are included in Note 24 to the Financial Statements. Additional information as follows:

	Stage of Completion	Estimated Date of Completion	Effective Group interest %
Singapore			
FCL - Holland Park, off Holland Road	85%	4th Quarter FY 2010	100
- St Thomas Suites	58%	4th Quarter FY 2010	100
- Clementi Woods	82%	2nd Quarter FY 2010	100
- Soleil @ Sinaran	53%	3rd Quarter FY 2011	100
- Martin Place Residences	33%	3rd Quarter FY 2011	100
- Waterfront Waves/Key	29%	4th Quarter FY 2011 - 2nd Quarter FY 2013	50
- Lot 3655K and Lot 3654A of Mukim 2 at Holland Park	-	4th Quarter FY 2012	100
- Woodsville 28	11%	3rd Quarter FY 2011	100
- Caspian	9%	3rd Quarter FY 2012	100
- Flamingo Valley	-	1st Quarter FY 2014	100
- 8 @ Woodleigh	-	3rd Quarter FY 2012	100
- Residence Botanique	-	2nd Quarter FY 2012	100
Malaysia			
F&N - Jalan Yew, Kuala Lumpur site	-	-	57
- Jalan Ampang, Kuala Lumpur site	-	-	57
- Hulu Langat, Selangor site	-	-	57
- Johor Baru, State of Johor site	-	-	57
Vietnam			
FCL - 3 Nguyen Sieu Street	-	1st Quarter FY 2010	70
Thailand			
FCL - The Pano	85%	1st Quarter FY 2010	70

Particulars of Group Properties

(D) CLASSIFIED AS DEVELOPMENT PROPERTIES HELD FOR SALE (cont'd) (Note 24 to the Financial Statements)

		Stage of Completion	Estimated Date of Completion	Effective Group interest %
Australia				
FCL	- Wanjeep Street Mandurah	-	4th Quarter FY 2013	56
	- Queen's Precinct, Riverside	-	4th Quarter FY 2012	88
	- Morton Street, Paramatta	-	4th Quarter FY 2014	75
	- Pavilions Killara	-	4th Quarter FY 2013	75
	- Camperdown City Quarter	94%	1st Quarter FY 2010	88
	- Broadway Sydney	-	4th Quarter FY 2013	75
China				
FCL	- Cheng Du Logistics Park	63%	2nd Quarter FY 2010 - 2nd Quarter FY 2015	80
	- Songjiang Four Seasons	97%	1st Quarter FY 2010 - 1st Quarter FY 2018	56
	- Suzhou Baitang	32%	3rd Quarter FY 2011 - 4th Quarter FY 2017	100
New Zealand				
FCL	- Broadview Rise, Queenstown	-	Project on Hold	75
	- Papamoa Beach, Tauranga in the Bay of Plenty	-	4th Quarter FY 2014	68
United Kingdom				
FCL	- Wandsworth Riverside Quarters	-	4th Quarter FY 2016	51
	- Wandsworth Road	-	4th Quarter FY 2013	51
	- Camberwell Green	-	1st Quarter FY 2014	51
	- Shoppenhangers Lane	-	4th Quarter FY 2010	51
	- Collins Theatre	-	4th Quarter FY 2010	51
	- Granton Harbour	-	Suspended	26
	- Water Street	-	4th Quarter FY 2010	26
	- Ferry Village	-	1st Quarter FY 2015	26
	- Shrubhill	-	4th Quarter FY 2012	26
	- Lumiere Leeds	-	Suspended	23
	- Brown Street	-	4th Quarter FY 2013	51
	- Baildon	-	Project on Hold	51

(E) CLASSIFIED AS GROUP PROPERTIES HELD FOR DEVELOPMENT (Note 15 to the Financial Statements)

Details of the properties held for development are included in Note 15 to the Financial Statements. Additional information as follows:

		Stage of Completion	Estimated Date of Completion	Effective Group interest %
Singapore				
FCL	- Bedok/Changi Theatre	-	4th Quarter FY 2010	100
	- Changi Business Park	-	3rd Quarter FY 2011 - 1st Quarter FY 2013	50
F&N	- Jalan Yew Site, Kuala Lumpur, Malaysia	-	-	57

Fraser and Neave, Limited

SHAREHOLDING STATISTICS AS AT 09 DECEMBER 2009

Class of shares	– Ordinary share
Voting rights	– One vote per share

Size of holding	Number of Shareholders	%	Number of Shares	%
1 – 999	354	1.90	123,306	0.01
1,000 – 10,000	14,458	77.63	53,380,304	3.83
10,001 – 1,000,000	3,778	20.28	206,029,927	14.78
1,000,001 and above	35	0.19	1,134,271,648	81.38
	18,625	100.00	1,393,805,185	100.00

TWENTY LARGEST SHAREHOLDERS (as shown in the Register of Members)

No.	Shareholder's Name	Number of Shares Held	%
1	DBS Nominees Pte Ltd	207,112,346	14.86
2	Seletar Investments Pte Ltd	205,500,000	14.74
3	Citibank Nominees Singapore Pte Ltd	163,240,043	11.71
4	Great Eastern Life Assurance Co Ltd – Participating Fund	77,358,575	5.55
5	Great Eastern Life Assurance (Malaysia) Berhad	70,393,850	5.05
6	HSBC (Singapore) Nominees Pte Ltd	68,554,704	4.92
7	DBSN Services Pte Ltd	62,141,922	4.46
8	Oversea Chinese Bank Nominees Pte Ltd	50,558,095	3.63
9	The Overseas Assurance Corporation Ltd	46,505,570	3.34
10	BNP Paribas Securities Services Singapore	33,681,552	2.42
11	United Overseas Bank Nominees Pte Ltd	30,728,492	2.20
12	The Great Eastern Trust Private Limited	17,587,805	1.26
13	Raffles Nominees (Pte) Ltd	16,348,498	1.17
14	Lee Pineapple Company Pte Ltd	14,000,000	1.00
15	Lee Latex Pte Limited	10,656,115	0.76
16	Tropical Produce Company Pte Ltd	8,665,400	0.62
17	DB Nominees (Singapore) Pte Ltd	6,643,367	0.48
18	Fam Yue Onn Michael or Fam Shou Kwong Richard	6,027,025	0.43
19	Merrill Lynch (Singapore) Pte Ltd	5,750,204	0.41
20	Selat Pte Limited	5,265,000	0.38
		1,106,718,563	79.39

SUBSTANTIAL SHAREHOLDERS (as shown in the Register of Substantial Shareholders)

	DIRECT INTEREST (Number of Shares)	DEEMED INTEREST (Number of Shares)
Oversea-Chinese Banking Corporation Limited	46,280,250	212,769,065
Great Eastern Life Assurance Company Limited	77,409,075	70,393,850
Great Eastern Holdings Limited	-	212,293,685
Great Eastern Life Assurance (Malaysia) Berhad	70,393,850	-
Great Eastern Capital (Malaysia) Sdn Bhd	-	70,393,850
Seletar Investments Pte Ltd	205,500,000	-
Temasek Capital (Private) Limited	-	205,500,000
Temasek Holdings (Private) Limited	-	206,219,752
Prudential Asset Management (Singapore) Ltd (reporting on behalf of Prudential Asset Management (Singapore) Ltd, Jackson National Life and M&G Investments)	-	83,698,259

Based on the Register of Substantial Shareholders, the percentage of shareholding of the Company held in the hands of the public is more than 10% and this complies with Rule 723 of the Listing Manual.

Note:

- * 'Substantial Shareholders' are those shareholders who own at least 5% of the equity of the Company.
- * 'Deemed Interests' in shares arise, for example, when a person (including a company) owns at least 20% of another company which in turn owns shares in Fraser and Neave, Limited. The person is "deemed" to have an interest in the Fraser and Neave, Limited shares owned by that other company. It is, therefore, possible for several persons to be deemed interested in the same shares.

This note is merely illustrative. For a full understanding of the scope of the regulations, it is necessary to refer to the Companies Act.